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RULES AND RELATED MATTERS

U.S. SECURITIES AND EXCHANGE COMMISSION

RULE PROPOSED FOR EXEMPTION OF JOINT LIABILITY INSURANCE POLICIES

The Commission has proposed for public comment an amendment to Rule 17d-1 under the Investment Company Act of 1940. Proposed paragraph (d)(7) would exempt the joint purchase of liability insurance policies covering an investment company and affiliated persons from the prohibitions of Section 17(d), provided that specified conditions were satisfied. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549 on or before July 2 and should refer to File No. S7-784. All comments will be available for public inspection. (Rel. IC-10700)

FOR FURTHER INFORMATION CONTACT: Mark B. Goldfus at (202) 755-0230 or Cathy G. Douglas at (202) 755-6972

RULE PROPOSAL FOR EXEMPTION OF JOINT TRANSACTIONS INVOLVING REORGANIZATIONS OF PORTFOLIO COMPANIES

The Commission has proposed for public comment an amendment to Rule 17d-1 under the Investment Company Act of 1940. Providing certain conditions were satisfied, new paragraph (d)(6) would permit an investment company and certain affiliated persons to jointly participate in the reorganization of a portfolio company. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549 on or before July 2 and should refer to File No. S7-783. All comments will be available for public inspection. (Rel. IC-10699)

FOR FURTHER INFORMATION CONTACT: Mark B. Goldfus at (202) 755-0230 or Cathy G. Douglas at (202) 755-6972

RULE PROPOSAL FOR EXEMPTION OF TRANSACTIONS WITH PORTFOLIO AFFILIATES

The Commission has proposed for public comment an amendment to Rule 17a-6 under the Investment Company Act of 1940 to exempt from the prohibitions of Section 17(a) of the Act certain transactions between any investment company and a company which is an affiliated person thereof solely because 5 percent or more of its outstanding voting securities are owned by the investment company. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D.C. 20549 on or before July 2 and should refer to File No. S7-781. All comments will be available for public inspection. (Rel. IC-10698)

FOR FURTHER INFORMATION CONTACT: Mark B. Goldfus at (202) 755-0230 or Cathy G. Douglas at (202) 755-6972

ADMINISTRATIVE PROCEEDINGS

PUBLIC ADMINISTRATIVE PROCEEDINGS ORDERED AGAINST DREW INVESTMENT ASSOCIATES, INC., OTHERS

Public administrative proceedings have been ordered against Drew Investment Associates, Inc. of Daytona Beach, Florida, Lester A. Euell and James E. Walker alleging violations of the registration, antifraud and investment advisory contracts provisions of the Investment Advisers Act of 1940 in connection with Drew's activities as an unregistered investment adviser. The proceedings seek to determine whether Drew's application for registration should be denied and what, if any, remedial sanctions should be ordered. (Rel. IA-675)

CIVIL PROCEEDINGS

RICHARD O. RUSH AND SOUTHERN EDUCATORS LIFE INSURANCE COMPANY
ENJOINED

The Commission announced the filing on May 15 of a civil injunctive action in the U.S. District Court for the District of Columbia against Richard O. Rush of Baton Rouge, Louisiana and Southern Educators Life Insurance Company (SELIC), an insurance company organized under the laws of the State of Louisiana and controlled by Rush. The defendants are charged with violations of Section 13(d) of the Securities Exchange Act of 1934 and Rule 13d-1 promulgated thereunder. Simultaneously with the filing of the complaint, the defendants, without admitting or denying the allegations, entered into a settlement providing for the entry of permanent injunctions against the defendants from further violations of Section 13(d) and Rule 13(d)(1). Judge Oliver Gasch signed the Final Judgment of Permanent Injunction on May 15. (SEC v. Richard O. Rush and Southern Educators Life Insurance Company, D.D.C., Civil Action No. 79-1328). (LR-8754)

INVESTMENT COMPANY ACT RELEASES

BUNKER HILL INCOME SECURITIES, INC.

A notice has been issued giving interested persons until June 8 to request a hearing on an application of Bunker Hill Income Securities, Inc., registered under the Investment Company Act of 1940 as a closed-end, diversified, management investment company, and its investment adviser, Security Pacific National Bank (Applicants), for an order, pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, permitting Applicants to enter into a joint arrangement for the payment of premiums for errors and omissions insurance policies covering Applicants and their officers, directors and employees. (Rel. IC-10692 - May 14)

SIGMA EXCHANGE FUND, INC.

A notice has been issued giving interested persons until June 8 to request a hearing on an application of Sigma Exchange Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-10693 - May 15)

KEYSTONE OTC FUND, INC.

A notice has been issued giving interested persons until June 5 to request a hearing on an application of Keystone OTC Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-10694 - May 15)

KEYSTONE APOLLO FUND, INC.

A notice has been issued giving interested persons until June 5 to request a hearing on an application of Keystone Apollo Fund, Inc. for an order declaring that it has ceased to be an investment company. (Rel. IC-10695 - May 15)

CORPORATE INCOME TRUST, SERIES 1

An order has been issued on an application of Corporate Income Trust, Series 1 (and Subsequent Series), a unit investment trust, and its sponsor, Donaldson, Lufkin & Jenrette Securities Corporation, pursuant to Section 6(c) of the Act (1) exempting the Trust from the minimum net capital requirements of Section 14(a) of the Act, (2) exempting the conversion plan of the Trust from the pricing requirements of Section 22(d) of the Act, and (3) exempting the Trust from the requirements of Rule 19b-1 under the Act with respect to distributions of capital gains, and pursuant to Section 11 of the Act, permitting certain offers of exchange. (Rel. IC-10696 - May 15)

SOVEREIGN COAL GROUP, INC.

A notice has been issued giving interested persons until June 8 to request a hearing on an application of Sovereign Coal Group, Inc. for an order pursuant to Section 3(b)(2) declaring that the company is not an investment company or, in the alternative, exempting the company from all the provisions of the Act pursuant to Section 6(c). (Rel. IC-10697 - May 15)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (N-1) MUTUAL OF OMAHA MONEY MARKET ACCOUNTS, INC., 3102 Farnam St., Omaha, Neb. 68131 (402) 342-3328 - an indefinite number of shares of common stock. (File 2-64406 - May 7)
- (S-1) TOPAZ, INC., 3855 Ruffin Rd., San Diego, Cal. 92123 - 605,000 shares of common stock. The company is engaged in the design, manufacture and marketing of power conditioning equipment. (File 2-64460 - May 14)
- (S-1) GROWTH REALTY COMPANIES, One Century Plaza, 2029 Century Park East, Los Angeles, Cal. 90067 - 2,500,000 shares of common stock and 1,000,000 shares of preferred stock and 1,000,000 options to purchase common stock. The company principal business consists of managing its existing investments, including real estate acquired through foreclosures and settlements. (File 2-64461 - May 14)
- (S-8) MATTEL, INC., 5150 Rosecrans Ave., Hawthorne, Cal. 90250 - 700,000 shares of common stock. The company is a toy manufacturer. (File 2-64467 - May 15)
- (S-8) UNITED TECHNOLOGIES CORPORATION, United Technologies Bldg., Hartford, Conn. 06101 (203) 728-7000 - 40,000 shares of \$3.875 cumulative dividend convertible preferred stock and 50,000 shares of common stock. (File 2-64468 - May 15)
- (S-7) THE MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY, 931 Fourteenth St., Denver, Colo. 80202 (303) 624-2424 - 10,927,877 shares of common stock (common). The company is engaged in communications services. (File 2-64469 - May 15)
- (S-8) IROQUOIS BRANDS, LTD., 41 West Putnam Ave., Greenwich, Conn. 06830 (203) 622-9000 - 203,235 shares of common stock. (File 2-64470 - May 15)
- (S-6) THE CORPORATE INCOME FUND, EIGHTY-NINTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-64471 - May 15)
- (S-6) MUNICIPAL INVESTMENT TRUST FUND, ONE HUNDRED SEVENTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-64472 - May 15)
- (S-6) THE CORPORATE INCOME FUND, EIGHTY-EIGHTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-64473 - May 15)
- (S-6) MUNICIPAL INVESTMENT TRUST FUND, ONE HUNDRED EIGHTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-64474 - May 15)
- (S-6) NEW YORK MUNICIPAL TRUST, SERIES 5, 55 Water St., New York, N.Y. 10041 - 20,000 units. Depositor: Bear, Stearns & Co. (File 2-64475 - May 15)
- (S-8) MARTIN MARIETTA CORPORATION, 6801 Rockledge Dr., Bethesda, Md. 20034 (301) 897-6000 - 750,000 shares of common stock. (File 2-64476 - May 15)
- (S-8) ADOBE OIL & GAS CORPORATION, 1100 Western United Life Bldg., Midland, Tex. 79701 (915) 683-4701 - 362,290 shares of common stock. (File 2-64477 - May 15)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order to expedite service. The reproduction cost is 10c per page plus postage (\$3.50 minimum); 20c per page plus postage for expedited service (\$5.00 minimum) and 30c per page plus postage for priority service (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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