

sec news digest

Issue 78-175

September 8, 1978

RULES AND RELATED MATTERS

FINANCIAL STATEMENT REQUIREMENTS FOR BANK HOLDING COMPANIES AND BANKS

The Commission has adopted new rules concerning the form and content of financial statements of bank holding companies and banks. These rules are designated as Article 9 of Regulation S-X and will be effective for financial statements covering periods commencing after December 24, 1978. These rules provide guidance as to the form and content of financial statements and explanatory notes and also as to disclosures concerning foreign activities and loans to directors, officers, principal stockholders and certain of their associates. (Rel. 33-5973)

FOR FURTHER INFORMATION CONTACT: Lawrence J. Bloch at (202) 472-3782

NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as seating is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or obtain a tape recording of Commission meetings must obtain permission in advance from the Secretary of the Commission.

CLOSED MEETING - WEDNESDAY, SEPTEMBER 13, 1978 - 10 A.M.

The subject matter of the September 13 closed meeting will be: Formal orders of investigation; Freedom of Information Act appeal; Institution of administrative proceedings of an enforcement nature; Institution of injunctive actions; Regulatory matter bearing enforcement implications; Report of investigation; Settlement of administrative proceedings of an enforcement nature; Settlement of injunctive action; Other litigation matters.

OPEN MEETING - THURSDAY, SEPTEMBER 14, 1978 - 10 A.M.

The subject matter of the September 14 open meeting will be:

- (1) Consideration of whether or not to reinstate Bruce Flamm to practice before the Commission as an accountant. FOR FURTHER INFORMATION CONTACT Ernest Ten Eyck at (202) 755-7471.
- (2) Consideration of the application of John R. Patterson to re-enter the securities business as a registered representative, with Offerman & Co., Inc., a registered broker-dealer, in a non-supervisory, non-proprietary capacity. FOR FURTHER INFORMATION Michael F. Perlis at (202) 755-1650.
- (3) Consideration of the application of Harry Adler for a letter advising him that the staff will recommend to the Commission that he be permitted to return to the securities business if and when he demonstrates that he has a specific prospective employer and that he will be adequately and appropriately supervised. FOR FURTHER INFORMATION CONTACT Michael F. Perlis at (202) 755-1650.

(4) Consideration of two releases announcing (a) the adoption of proposed amendments to Securities Exchange Act Rule 10b-10 (17 CFR 240.10b-10), and (b) a proposal to adopt Securities Exchange Act Rule 15c2-12 to require disclosure of mark-downs in "riskless" principal transactions in municipal securities. FOR FURTHER INFORMATION CONTACT Jeffrey R. Steele at (202) 755-7587.

(5) Consideration of whether or not the Commission should permit the American Stock Exchange, Inc., through modification of its listing standards, to expand the universe of securities eligible to be listed and traded thereon; if listed, these securities would be subject to the Exchange's restrictions on off-board principal transactions. FOR FURTHER INFORMATION CONTACT Michael J. Kulczak at (202) 755-7484.

(6) Consideration of whether or not the Commission should authorize the Division of Corporation Finance to issue a letter that affirms the position taken in the Division's letter of March 21, 1978. That letter denied a no-action request from the Puerto Rico Industrial, Medical and Environmental Pollution Control Facilities Financing Authority in regard to a proposed offering of industrial development bonds without compliance with the registration requirements of the Securities Act of 1933 or the filing and qualification provisions of the Trust Indenture Act of 1939. These bonds would not necessarily satisfy the qualifications for exemption from Federal taxation under Section 103(a)(1) of the Internal Revenue Code of 1954 that are specified in exemptive Section 3(a)(2) of the Securities Act; the bonds are, however, exempted by a different statute from all Federal, state and local taxation. FOR FURTHER INFORMATION CONTACT Jennifer Sullivan at (202) 376-8090.

(7) Consideration of proposed Rule 480 and conforming amendment to Rule 459 concerning automatic effectiveness of post-effective amendments to registration statements on Form S-8 and possible expansion of Rule 153 to permit delivery of prospectuses relating to securities registered on that form which are traded in unsolicited transactions on the automated quotation system of a national securities association registered under Section 15A of the Exchange Act. FOR FURTHER INFORMATION CONTACT John Granda at (202) 755-1750.

(8) Consideration of proposed amendments to Rules 144 and 148 under the Securities Act of 1933 which would relax the volume limitation and brokerage transaction requirements of these rules. FOR FURTHER INFORMATION CONTACT Peter J. Romeo at (202) 755-1240

FOR FURTHER INFORMATION CONTACT: John Ketels at (202) 755-1129

HOLDING COMPANY ACT RELEASES

METROPOLITAN EDISON COMPANY

An order has been issued authorizing a proposal of Metropolitan Edison Company, subsidiary of General Public Utilities Corporation, that it issue and sell up to \$50 million of first mortgage bonds at competitive bidding. (Rel. 35-20694 - Sept. 6)

NINEVEH WATER COMPANY

A notice has been issued giving interested persons until October 5 to request a hearing on a proposal of General Public Utilities Corporation, a registered holding company, Pennsylvania Electric Company, subsidiary of GPU, and Nineveh Water Company, subsidiary of Penelec, that Nineveh borrow up to \$775,600 from the Small Business Administration, such indebtedness to be guaranteed by GPU and Penelec. (Rel. 35-20695 - Sept. 6)

AMERICAN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until October 5 to request a hearing on a proposal of American Electric Power Company, Inc., a registered holding company, that it issue and sell up to 6,000,000 shares of common stock at competitive bidding. (Rel. 35-20696 - Sept. 6)

OHIO EDISON COMPANY

An order has been issued authorizing a proposal of Ohio Edison Company, a registered holding company, that it issue and sell up to 450,000 shares of a new series of \$100 par value preferred stock. (Rel. 35-20697 - Sept. 6)

THE SOUTHERN COMPANY

An order has been issued authorizing The Southern Company, a registered holding company, to issue and sell up to a maximum of \$30 million of its common stock in connection with the Southern system's employee stock ownership plan. (Rel. 35-20698 - Sept. 6)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWALS SOUGHT

Notices have been issued giving interested persons until October 6 to comment on applications of the following companies to withdraw the specified securities from listing and registration on the following stock exchanges: American Stock Exchange, Inc. - Binney & Smith, Inc., common stock (par value \$2.50) (Rel. 34-15128); and the New York Stock Exchange, Inc. - Puerto Rico Telephone Company, 7.40% debentures, due 11-1-93; 8.70% debentures, due 3-15-96; and 8.10% debentures, due 12-15-96. (Rel. 34-15127)

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.

- (S-16) EASTERN AIR LINES, INC., Miami International Airport, Miami, Fla. 33148 (305) 873-2211 - 4,999,300 shares of common stock. Underwriters: Merrill Lynch White Weld Capital Markets Group and Lazard Freres & Co. (File 2-62542 - Sept. 7)
- (S-7) PUBLIC SERVICE COMPANY OF INDIANA, INC., 1000 East Main St., Plainfield, Ind. 46168 (317) 839-9611 - \$100 million of first mortgage bonds, Series AA, due October 1, 2008. Underwriters: Morgan Stanley & Co. Inc. and Dean Witter Reynolds Inc. The company is engaged in the generation, transmission, distribution and sale of electric energy. (File 2-62543 - Sept. 7)
- In a separate statement the company seeks registration of 2,000,000 shares of common stock. (File 2-62544 - Sept. 7)
- (S-16) CANADIAN MERRILL LTD., 2900 Scotia Centre, 700 - 2nd Street S.W., Calgary, Alberta, Canada T2P 2W2 (403) 263-6653 - 16,020 shares of common stock. (File 2-62545 - Sept. 7)
- (S-7) PUBLIC SERVICE COMPANY OF NEW MEXICO, 414 Silver Ave., N.W., Albuquerque, New Mexico 87102 (505) 842-2700 - 2,000,000 shares of common stock. Underwriter: Kidder, Peabody & Co. Inc. The company is engaged in the generation, transmission, distribution and sale of electricity. (File 2-62546 - Sept. 7)
- (S-16) DAYTON HUDSON CORPORATION, 777 Nicollet Mall, Minneapolis, Minn. 55402 (612) 370-6948 - 750,000 shares of common stock. Underwriter: Goldman, Sachs & Co. The company operates a retail business through department stores. (File 2-62547 - Sept. 7)
- (S-14) SYNTEX CORPORATION, Edificio Bank of America, Calle 50, Panama - 300,000 shares of common stock. (File 2-62548 - Sept. 8)
- (S-1) AGWAY INC., 333 Butternut Dr., De Witt, N.Y. 13214 (315) 477-6431 - \$9 million of 8% subordinated debentures, due July 1, 2003, 3,000,000 of 7-1/2% subordinated debentures, due July 1, 2003, 30,000 shares of 7% cumulative preferred stock, Series C and 8,000 shares of membership common stock. The company is engaged in product manufacturing, processing and distribution, wholesale purchasing and marketing of agricultural related products. (File 2-62549 - Sept. 8)

REGISTRATIONS EFFECTIVE

Aug. 30: American Medical Buildings, Inc., 2-62200; Merrill Lynch & Co., Inc., 2-62183; Systems Engineering and Manufacturing Corp., 2-61938.
Aug. 31: Acceleration Corp., 2-61959; Ball Corp., 2-62247; Brenner Companies, Inc., 2-61746; Central Power and Light Co., 2-62271; Intel Corp., 2-62464; Montana Oil and Gas Program 1978, 2-61967 (90 days); Nuveen Tax-Exempt Bond Fund, Series 113, 2-62166; Sealed Power Corp., 2-62368; The South African Breweries Ltd., 2-62362; UNC Resources, Inc., 2-62043; United Republic Investment Co., 2-62306.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.



U. S. SECURITIES AND EXCHANGE COMMISSION
POSTAGE AND FEES PAID

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FIRST CLASS MAIL

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. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail; \$54.65 elsewhere.

SEC STATISTICAL BULLETIN is published monthly. Subscription rates: \$15.00/yr in U.S. first class mail; \$18.75 elsewhere.

The News Digest, the Docket, and the Statistical Bulletin are for sale by the superintendent of Documents, Government Printing Office, Washington, D.C. 20402.