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Issue 82-62

U.S. SECURITIES AND  
EXCHANGE COMMISSION

April 1, 1982

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## COMMISSION ANNOUNCEMENTS

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### ADDITION TO WEEKLY CALENDAR

Commissioner Evans will testify on April 6 before the House Subcommittee on Commerce, Consumer and Monetary Affairs of the Committee on Government Operations concerning holding securities in "Street" Name and the use of Swiss Accounts. The hearing will begin at 10:00 a.m. in Room 2247 of the Rayburn House Office Building.

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## ADMINISTRATIVE PROCEEDINGS

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### SPEAR, LEEDS & KELLOGG CENSURED

The Commission has entered an Order censuring Spear, Leeds & Kellogg of New York, New York, pursuant to an Offer of Settlement. The sanction was based upon findings that Spear, Leeds & Kellogg aided and abetted violations of Section 206 of the Investment Advisers Act of 1940 by failing to ensure, or taking steps reasonably designed to ensure that a registered investment company and its disinterested directors were apprised of the existence and extent of certain financial and other relationships between Spear, Leeds & Kellogg and the investment company's investment adviser at a time when Spear, Leeds & Kellogg was executing brokerage transactions for the investment company at the adviser's direction. This information was necessary in order to enable the directors to properly evaluate the bases upon which the investment adviser directed the investment company's brokerage and the appropriate disclosures to be made to shareholders. The respondent consented to the findings without admitting or denying the allegations in the Order for Proceedings. (Rel. 34-18591)

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## INVESTMENT COMPANY ACT RELEASES

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### MONEY MARKET INSTRUMENTS TRUST

A notice has been issued giving interested persons until April 23 to request a hearing on an application of Money Market Instruments Trust (Applicant), for an order conditionally exempting Applicant from the provisions of Section 2(a)(41) of the Investment Company Act of 1940 and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit Applicant's assets to be valued using the amortized cost method of valuation. (Rel. IC-12335 - Mar. 29)

### PRUDENTIAL FUNDING CORPORATION

A notice has been issued giving interested persons until April 23 to request a hearing on an application of Prudential Funding Corporation, subsidiary of the Prudential Insurance Company of America, for an order pursuant to Section 6(c) of the Investment Company Act of 1940 exempting it from all provisions of the Act. (Rel. IC-12336 - Mar. 29)

### SEARS U.S. GOVERNMENT MONEY MARKET TRUST

A notice has been issued giving interested persons until April 23 to request a hearing on an application of Sears U.S. Government Money Market Trust (Trust) and John R. Haire, a trustee of the Trust, for an order of exemption declaring that Mr. Haire shall not be deemed an interested person of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act of 1940. (Rel. IC-12337 - Mar. 30)

## ALLIED CAPITAL CORPORATION

An order has been issued pursuant to Section 17(b) and 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder on an application filed by Allied Investment Corporation (AIC) and Allied Capital Corporation (jointly referred to as the Applicants), exempting the Applicants from the provisions of Section 17(a) and 17(d) of the Act and Rule 17d-1 thereunder, to permit AIC to participate to the extent of \$400,000 in a \$6,250,000 senior notes financing. (Rel. IC-12338 - Mar. 30)

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## HOLDING COMPANY ACT RELEASES

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### THE SOUTHERN COMPANY

An order has been issued authorizing The Southern Company, a registered holding company, to issue and sell up to 20,000,000 shares of common stock pursuant to its Dividend Reinvestment and Stock Purchase Plan and up to 2,000,000 shares of common stock pursuant to the System's Employee Savings Plan. (Rel. 35-22434 - Mar. 30)

### MISSISSIPPI POWER COMPANY

An order has been issued authorizing Mississippi Power Company, subsidiary of The Southern Company, to increase its short-term debt limit and to solicit proxies in connection therewith. (Rel. 35-22435 - Mar. 30)

### SOUTHWESTERN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until April 27 to request a hearing on a proposal by Southwestern Electric Power Company (SWEPCO), subsidiary of Central and South West Corporation, to issue and sell at competitive bidding up to \$75 million of first mortgage bonds. The proceeds of such sale will be used to repay SWEPCO's short-term borrowings. (Rel. 35-22436 - Mar. 30)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule change pursuant to Rule 19b-4: The Municipal Securities Rulemaking Board (SR-MSRB-82-3) to amend MSRB Rule G-9 by reducing the time period required for the retention of information concerning unfilled or unallocated orders received by a syndicate or similar account. The time period would be reduced from six years to the final settlement date of the syndicate or account, typically 90 days after sale. (Rel. 34-18599); and The New York Stock Exchange, Inc. (SR-NYSE-82-4) to permit member firms to incorporate customers' consent to lend securities agreements within customers' margin agreements. (Rel. 34-18608)

### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed pursuant to Rule 19b-4 by the Pacific Stock Exchange, Incorporated (SR-PSE-82-2) to clarify the priority of certain types of orders on the options trading floor and provide for the handling of cancellations of certain orders held by the Order Book Official. (Rel. 34-18600)

### ACCELERATED APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved, on an accelerated basis, proposed rule changes filed by the National Association of Securities Dealers, Inc. (SR-NASD-82-2) to provide procedures for reporting transactions in securities designated as NASDAQ/National Market System Securities. The proposed rule change also authorizes the Board of Governors to require members to report information regarding NASDAQ securities. (Rel. 34-18601); and (SR-NASD-82-4) to permit for a six month period commencing April 1, 1982, the aggregate reporting of national market system securities in specified circumstances. (Rel. 34-18602)

## NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

A rule change filed by the National Securities Clearing Corporation (NSCC) pursuant to Rule 19b-4 (SR-NSCC-82-2) has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The proposed rule change would allow NSCC, pursuant to NSCC Rule 11, Section 6, to levy on its participants additional mark-to-the-market payments on their positions in U.S. Steel Holding Company 12-1/2 percent of 1994 debentures. Those debentures are currently trading on a when-issued basis. Rule 11, Section 6 authorizes NSCC to assess additional mark-to-the-market payments if the price of a security issue is volatile. Publication of the proposal is expected to be made in the Federal Register during the week of March 29. (Rel. 34-18603)

## 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; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

- (S-8) PHILLIPS PETROLEUM COMPANY, Phillips Bldg., Bartlesville, OK 74004 (918) 661-6130 - 119,658 shares of common stock, and \$3,500,000 of participation. (File 2-76700 - Mar. 29) (Br. 4)
- (S-1) HAWAIIAN BEACH INVESTMENT CORPORATION AND DIAMOND HEAD BEACH HOTEL ASSOCIATES, Suite 1910, Financial Plaza of the Pacific, Honolulu, HI 96813 - 61 leasehold condominium apartments. (File 2-76716 and 2-76716-01 - Mar. 30) (Br. 6 - New Issue)
- (N-2) WESTERN CAPITAL CORPORATION, 12550 Biscayne Blvd., Suite 406, North Miami, FL 33181 (305) 891-0823 - 1,000,000 units, \$4.00 per unit (each unit consists of one share of common stock and a common stock purchase warrant to purchase 4/10 of one share of common stock. Underwriter: Rosenblum, Levin Securities Corporation. (File 2-76717 - Mar. 30) (Br. 27 - New Issue)
- (S-8) R. J. REYNOLDS INDUSTRIES, INC., Reynolds Blvd., Winston-Salem, NC 27102 - \$25 million of interests, and 555,555 shares of common stock. (File 2-76723 - Mar. 30) (Br. 3)
- (S-6) E. F. HUTTON TAX-EXEMPT TRUST, NATIONAL SERIES 61, One Battery Park Plaza, New York, NY 10004 - 22,500 units. Depositor: E.F. Hutton & Company Inc. (File 2-76724 - Mar. 30) (Br. 18 - New Issue)
- (S-16) PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE, 100 Elm St., Manchester, NH 03105 (603) 669-4000 - 2,500,000 shares of common stock. Underwriters: Kidder, Peabody & Co. Incorporated, Blyth Eastman Paine Webber Incorporated, and Shearson/American Express Inc. The company supplies electricity. (File 2-76727 - Mar. 30) (Br. 7)
- (S-8) UNITED ENERGY RESOURCES, INC., 700 Milam, Houston, TX 77002 (713) 237-4123 - 318,725 shares of common stock, and \$10 million of participations. (File 2-76729 - Mar. 31) (Br. 8)
- (S-8) GULF STATES UTILITIES COMPANY, P.O. Box 2951, Beaumont, TX 77704 (713) 838-6631 - 1,000,000 shares of common stock, and \$21 million of participations. (File 2-76730 - Mar. 31) (Br. 8)
- (S-8) FIRST TENNESSEE NATIONAL CORPORATION, 165 Madison Ave., Memphis, TN 38103 (901) 523-5622 - 400,000 shares of common stock. (File 2-76731 - Mar. 30) (Br. 1)
- (S-1) GENERAL MAGNAPLATE CORPORATION, 1331 U.S. Route 1, Linden, NJ 07036 - 250,000 shares of common stock. Underwriters: Fahnestock & Co., 110 Wall St., New York, NY 10005, and Gabelli & Company, Inc., 40 Wall St., New York, NY 10005. The company is engaged in applying coatings which increase the corrosion resistance, wear resistance and/or lubricity of metal parts. (File 2-76732 - Mar. 31) (Br. 6)

- (S-16) TEXAS EASTERN TRANSMISSION CORPORATION, 1221 McKinney St., P.O. Box 2521, Houston, TX 77001 (713) 759-3131 - 500,000 shares of cumulative preferred stock, 8 Series. Underwriter: Dillon, Read & Co. Inc. The company operates pipeline systems supplying natural gas. (File 2-76733 - Mar. 31) (Br. 8)
- (S-16) KERR GLASS MANUFACTURING CORPORATION, 501 South Shatto Pl., Los Angeles, CA 90020 (213) 487-3250 - 5,000 shares of common stock. (File 2-76734 - Mar. 31) (Br. 9)
- (S-1) TDK ELECTRONICS CO., LTD., 13-1, Nihonbashi, 1-chome, Chuo-ku, Tokyo 103, Japan - 2,000,000 American Depositary Shares representing 4,000,000 shares of common stock. Underwriters: Goldman, Sachs & Co. and Nomura Securities International, Inc. The company is a manufacturer of magnetic recording tapes and ferrite products. (File 2-76735 - Mar. 31) (Br. 7)
- (S-11) LIBERTY REAL ESTATE FUND, LTD., One Federal St., Boston, MA 02110 - 30,000 units of limited partnership interests, \$500 per unit; minimum investment - 10 units (\$5,000). (File 2-76736 - Mar. 31) (Br. 5 - New Issue)
- (S-1) FRANKLIN ENERGY - 1982 DRILLING PROGRAM, 155 Bovet Rd., San Mateo, CA 94402 - 15,000 units of limited partnership interests at \$1,000 per unit. (File 2-76737 - Mar. 31) (Br. 9 - New Issue)
- (S-6) CALIFORNIA QUALITY TAX-EXEMPT TRUST, SERIES 2, 1901 North Naper Blvd., Naperville, IL 60566 - 200 units. Depositor: Van Kampen Merritt Inc. (File 2-76739 - Mar. 31) (Br. 18 - New Issue)
- (S-2) PETRO-RESOURCES, INC., 800 Pennsylvania St., Suite 1504, Denver, CO 80203 - 12,000,000 shares of common stock. Underwriter: J.W. Weller & Co., Inc., 230 Broad St., Bloomfield NJ 07003 1(800) 526-1367, or 26 Broadway, New York, NY 10004 1(800) 221-3788. (File 2-76740 - Mar. 31) (Br. 4 - New Issue)
- (S-1) UNION BANCSHARES, INC., First at Main, Wichita, KS 67202 - 400,000 shares of Class A common stock. (File 2-76741 - Mar. 31) (Br. 1 - New Issue)
- (S-8) SGL INDUSTRIES, INC., 76 Euclid Ave., Haddonfield, NJ 08033 (609) 429-7400 - 70,000 shares of common stock. (File 2-76742 - Mar. 31) (Br. 7)
- (S-8) BAXTER TRAVENOL LABORATORIES, INC., One Baxter Pkwy., Deerfield, IL 60015 (312) 948-2000 - 3,000,000 shares of common stock. (File 2-76743 - Mar. 31) (Br. 8)
- (S-14) CENTRAL KENTUCKY BANCORP, INC., Wall Street at Dixie Ave., Elizabethtown, KY 42701 (502) 769-5941 - 230,000 shares of common stock. (File 2-76744 - Mar. 31) (Br. 1 - New Issue)
- (S-1) CHARTER 17 BANCORP, INC., 630 Promenade, Richmond, IN (317) 935-1111 - 190,000 shares of common stock. (File 2-76745 - Mar. 31) (Br. 2 - New Issue)

#### REGISTRATIONS EFFECTIVE

Mar. 19: Gold C Enterprises, Inc., 2-75579-D.  
Mar. 24: Atlanta Express Airline Corp., 2-72370-A.  
Mar. 25: Broadway Bancshares Inc., 2-76218; Carolina Power & Light Company, 2-76032; Dana Corporation, 2-76606; Exxon Corporation, 2-76615; First National Corporation, 2-76432; Flagship Banks, Inc., 2-76437; Hal, Inc., 2-76458; Humana Inc., 2-76597; Hydroponic Technologies International Corporation, 2-75217-NY; Insured Income Properties, 2-72657; Municipal Investment Trust Fund, Forty-Fourth New York Series, 2-76252; Palm Beach Incorporated, 2-76524; Petroleum Securities Fund (1982 Development Drilling Program), 2-75975 & 2-75976; Philadelphia Electric Company, 2-76238; Photon Sources, Inc., 2-75902; Prairie Bancorp, Inc., 2-76383; Quotron Systems, Inc., 2-76513; Transcontinental Gas Pipe Line Corporation, 2-76550; U S Air Group, Inc., 2-76619; Winchester 1982 Drilling Partnerships, 2-75796.