

# sec news digest

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January 23, 1980

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## COMMISSION ANNOUNCEMENTS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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### COMMISSIONER KARMEL RESIGNS

Commissioner Roberta S. Karmel has resigned from the Commission, effective February 1, it was announced today. Mrs. Karmel, in a letter to President Carter dated January 21, said her resignation was prompted by the difficulty of fulfilling her obligations to her family, who reside in suburban New York City, while serving on the Commission. Although her term would ordinarily expire June 5, 1981, Mrs. Karmel noted that at the time of her appointment she had only committed herself to serve for two years.

"Despite the importance which I place on the work I have been doing at the Commission, and my desire to continue to effect the Commission's policies which persuaded me to remain in office beyond my two year commitment, I can no longer make the sacrifice of being away from my family so much of the time," she said in her letter of resignation. Mrs. Karmel's husband and four children lived in Washington for most of the two years following her appointment in September 1977, but moved back to the New York City area in September 1979.

Chairman Harold M. Williams expressed his "deep appreciation" for Mrs. Karmel's service on the Commission. "As a colleague," he said, "I will miss her. As a friend, I can fully appreciate her desire to be closer to her family. Roberta has brought a special dimension to our work. She came to Washington with a unique perspective on the Commission and with strongly held views for which she has been a vigorous advocate," Mr. Williams said. "Her positions on the scope and operation of the federal securities laws have stimulated much reflection and debate. The field in which the Commission operates is such a dynamic and changing one that the process of ongoing reappraisal of our responsibilities and how we discharge them, to which she has contributed, is essential and will continue."

Mrs. Karmel, 42, is the first woman to serve as a Member of the Commission. Prior to her appointment, she was a partner in the New York City law firm of Rogers & Wells, to which she will now return. A native of Chicago, Mrs. Karmel received a B.A. degree from Radcliffe College in 1959 and an LL.B. from New York University School of Law in 1962. She served on the staff of the Commission's New York Regional Office from 1962 to 1969, rising to the position of Assistant Regional Administrator before leaving to enter private practice.

### WEEKLY CALENDAR

The following is a schedule of speaking engagements, Congressional testimony, Commission hearings and other public events involving the Commission for the week of January 28, 1980. (Commission Meetings are announced separately in the News Digest.)

#### Friday, February 1

- \* Chairman Harold Williams will speak before a "Management Briefing" luncheon scheduled for 12 noon at the Hyatt Regency Hotel in Dallas, Texas. He will also hold a news conference scheduled to begin at 10:30 a.m. The luncheon is sponsored by the Edwin L. Cox School of Business of Southern Methodist University. The subject of his speech will be Corporate Accountability.

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## NOTICE OF COMMISSION MEETINGS

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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 morning. 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 videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

### OPEN MEETING - TUESDAY, JANUARY 29, 1980 - 9:30 A.M.

The subject matter of the January 29 open meeting will be:

(1) Consideration of whether to authorize the issuance of an interpretive release on the application of the Securities Act of 1933 to employee benefit plans. FOR FURTHER INFORMATION CONTACT Peter J. Romeo at (202) 272-2573.

(2) Consideration of whether to authorize publication of a release announcing the adoption of amendments to Rule 12b-25 under the Securities Exchange Act of 1934. FOR FURTHER INFORMATION CONTACT Bruce Mendelsohn at (202) 272-2589.

(3) Consideration of whether to grant a request by Dresser Industries, Inc. that the Commission review the Division of Corporation Finance's determination concerning a shareholder proposal submitted to the company by the Protestant Episcopal Church. FOR FURTHER INFORMATION CONTACT Michael Connell at (202) 272-2579.

(4) Consideration of whether to grant a final order exempting Oppenheimer & Co., Inc. from provisions of Section 9(a) of the Investment Company Act of 1940. FOR FURTHER INFORMATION CONTACT Seigfreid Schoedel at (202) 272-2253.

(5) Consideration of whether to grant a request by Skadden, Arps, Slate, Meagher & Flom for a waiver of imputed disqualification pursuant to 17 CFR 200.735-8(e). FOR FURTHER INFORMATION CONTACT Myrna Siegel at (202) 272-2430.

### CLOSED MEETING - TUESDAY, JANUARY 29, 1980 - IMMEDIATELY FOLLOWING OPEN MEETING

The subject matter of the January 29 closed meeting will be: Personnel matter.

### CLOSED MEETING - WEDNESDAY, JANUARY 30, 1980 - 10:00 A.M.

The subject matter of the January 30 closed meeting will be: Formal orders of investigation; Litigation matter; Settlement of administrative proceeding of an enforcement nature; Institution of administrative proceeding of an enforcement nature; Institution of injunctive action; Freedom of Information Act appeal; Administrative proceeding of an enforcement nature.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Paul Lowenstein at (202) 272-2092.

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## CIVIL PROCEEDINGS

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COMPLAINT NAMES THOMAS J. BALL

The Washington Regional Office announced that on January 18 the Commission filed a complaint in the U.S. District Court for the Eastern District of Virginia, in Alexandria, Virginia, seeking preliminary and permanent injunctions against Thomas

J. Ball, also doing business as Tom Ball & Associates of Great Falls, Virginia, seeking to enjoin the defendant from violations of the registration and antifraud provisions of the securities laws. The Commission's action also seeks a freeze of the defendant's assets until an accounting can be performed of his disposition of investor funds, and disgorgement of wrongfully obtained funds.

The complaint alleges that the defendant violated the registration and antifraud provisions of the securities laws in the offer and sale of unregistered securities in the form of "Full Binding Contracts" and "land Development Investments". The complaint further alleges that the defendant made untrue statements of material facts and failed to state material facts relating to defendant's use of investor funds and about future profits from the securities. (SEC v. Thomas J. Ball a/d/b/a Tom Ball & Associates, U.S.D.C., E.D. Va. Alex. Div., Civil Action No. 80-44-A). (LR-8978)

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## CRIMINAL PROCEEDINGS

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### DOUGLAS P. FIELDS AND FREDERICK M. FRIEDMAN SENTENCED

The New York Regional Office announced that on January 10 Douglas P. Fields and Frederick M. Friedman, president and vice president of TDA Industries, Inc., were sentenced by the Honorable Charles S. Haight, Jr., U.S. District Judge for the Southern District of New York, following their convictions. Fields was sentenced to six months imprisonment on each of five counts, to run concurrently, and a \$50,000 fine; Friedman was sentenced to three months imprisonment on each of two counts, to run concurrently, and a \$25,000 fine. Imposition of the sentences and fines was stayed pending appeal.

The related trial against Alan E. Sandberg and Friedman was scheduled to commence on January 14, 1980. (U.S. v. Douglas P. Fields and Frederick M. Friedman, S.D.N.Y., 76 Cr. 1022). (LR-8976)

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## HOLDING COMPANY ACT RELEASES

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### NATIONAL FUEL GAS COMPANY

An order has been issued regarding National Fuel Gas Company, a registered holding company, and two of its subsidiaries, National Fuel Gas Distribution Corporation and National Fuel Gas Supply Corporation, authorizing the issuance and sale of commercial paper and notes to banks by the holding company and intrasystem financing. (Rel. 35-21402 - Jan. 21)

### ALABAMA POWER COMPANY

An order has been issued authorizing Alabama Power Company, Gulf Power Company, and Mississippi Power Company, all subsidiaries of The Southern Company, to issue first mortgage bonds and surrender such bonds to the trustees under their respective indentures for the purpose of satisfying the sinking fund requirements thereunder for 1980. Jurisdiction has been reserved over the issuance of sinking fund bonds by Georgia Power Company pending completion of the record with respect thereto. (Rel. 35-21403 - Jan. 21)

### INDIANA & MICHIGAN ELECTRIC COMPANY

An order has been issued authorizing Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, Inc., to issue and sell up to \$55 million of first mortgage bonds at competitive bidding. (Rel. 35-21404 - Jan. 22)

### VERMONT YANKEE NUCLEAR POWER CORPORATION

A notice has been issued giving interested persons until February 15 to request a hearing on a proposal of Vermont Yankee Nuclear Power Corporation, subsidiary of New England Electric System and Northeast Utilities, that it be authorized to make short-term borrowings of up to \$16 million through December 31, 1981. (Rel. 35-21405 - Jan. 22)

## NEW ENGLAND POWER COMPANY

A notice has been issued giving interested persons until February 19 to request a hearing on a proposal of New England Power Company to issue general and refunding bonds for the purpose of financing the construction of pollution control facilities. (Rel. 35-21406 - Jan. 22)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### CORRECTION RE COMMENT DATE

In the New Digest of January 18, 1980, under the heading "Listing, Delisting and Unlisted Trading Actions", and under the subheading "Unlisted Trading Sought", it was erroneously stated that comments and/or requests for a hearing should be submitted on or before January 28, 1980. The correct date should have been February 11, 1980.

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## MISCELLANEOUS

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### MUNGER, TOLLES & RICKERSHAUSER

An order has been issued pursuant to Section 3(a)(2) of the Securities Act of 1933 exempting from the registration requirements of the Act participations or interests issued in connection with the Munger, Tolles & Rickershauser Retirement Plan. (Rel. 33-6182)

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## SECURITIES ACT REGISTRATIONS

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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) HIGHER INCOME SHARES, INC., One Wall St., New York, N.Y. 10005 (212) 269-8800 - an indefinite number of shares of capital stock. (File 2-66409 - Jan. 11)
- (S-3) NORTHERN ARIZONA GOLD AND SILVER MILLING AND MINING COMPANY, 713 West Spring, Kingman, Ariz. 86401 (602) 753-3705 - 6,000,000 shares of common stock. Underwriter: Seaboard Planning Corporation, 215 Main St., Chatham, N.J. 07928. The company is engaged in milling and marketing non ferrous ores. (File 2-66471 - Jan. 21)
- (S-16) THE HOTEL INVESTORS, 5530 Wisconsin Ave., Suite 1148, Chevy Chase, Md. 20015 (301) 656-1802 - 115,562 shares of beneficial interest. (File 2-66472 - Jan. 21)
- (S-16) HAWAIIAN ELECTRIC COMPANY, INC., 900 Richards St., Honolulu, Hawaii 96813 (808) 548-7771 - 750,000 shares of common stock. (File 2-66473 - Jan. 22)
- (S-7) TRACOR, INC., 6500 Tracor Lane, Austin, Tex. 78721 (512) 926-2800 - 385,000 shares of common stock. Underwriters: E. F. Hutton & Company Inc. and Rotan Mosle Inc. The company manufactures electronic systems, scientific instruments and electrical and electromechanical components. (File 2-66474 - Jan. 22)
- (S-6) INVESTORS" MUNICIPAL - INCOME TRUST SERIES 37, 208 South LaSalle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: Van Kampen Sauermaan Inc. (File 2-66475 - Jan. 22)
- (S-16) PETROLANE INCORPORATED, 1600 East Hill St., Long Beach, Cal. 90806 (213) 427-5471 - 434,110 shares of common stock. (File 2-66476 - Jan. 22)
- (S-8) KANSAS CITY SOUTHERN INDUSTRIES, INC., 114 West 11th St., Kansas City, Mo. 64105 (816) 556-0388 - 50,000 shares of common stock. (File 2-66477 - Jan. 22)

(S-8) GULF ENERGY & DEVELOPMENT CORPORATION, 8626 Tesoro Dr., P.O. Box 17349, San Antonio, Tex. 78217 (512) 828-0501 - an undetermined amount of common shares. (File 2-66478 - Jan. 22)

In a separate statement the company seeks registration of 8,388 common shares. (File 2-66479 - Jan. 22)

In a separate (S-16) statement the company seeks registration of 193,554 common shares. (File 2-66481 - Jan. 22)

(S-6) NATIONAL MUNICIPAL TRUST, THIRTY-NINTH SERIES, One New York Plaza, New York, N.Y. 10004 - 13,000 units. Depositor: Thomson McKinnon Securities Inc., One New York Plaza, New York, N.Y. 10004 and Piper, Jaffray & Hopwood Inc. (File 2-66480 - Jan. 22)

(S-16) A. C. NIELSEN COMPANY, Nielsen Plaza, Northbrook, Ill. 60062 (312) 498-6300 - 15,000 shares of common stock. (File 2-66482 - Jan. 22)

(S-8) LOUISIANA GENERAL SERVICES, INC., 1233 West Bank Expressway, Harvey, La. 70058 (504) 367-7000 - 120,000 shares of common stock. (File 2-66483 - Jan. 22)

(S-7) PUBLIC SERVICE COMPANY OF COLORADO, 550 15th St., Denver, Colo, 80202 (303) 571-7511 - \$75 million of first mortgage bonds, due 2010. Underwriters: Merrill Lynch White Weld Capital Markets Group and Kidder, Peabody & Co., Inc. The company is engaged in the generation, transmission, distribution and sale of electricity. (File 2-66484 - Jan. 22)

In a separate statement the company seeks registration of 3,000,000 shares of common stock. This offering is not underwritten. (File 2-66485 - Jan. 22)

#### REGISTRATIONS EFFECTIVE

Jan. 17: Equitec Leasing Investors 1980, 2-65968 (90 days).

Jan. 18: Colorado National Bankshares Inc., 2-66182; CPI Ltd. 1980, 2-66172 (90 days); First City Bancorporation of Texas, Inc., 2-65782; Lear Petroleum Corp., 2-66158; Sun Electric Corp., 2-66002.

Jan. 21: Jack Eckerd Corp., 2-66419; First Busey Corp., 2-66201; First United Bancorporation Inc., 2-66286; Fleming Companies, Inc., 2-66331; Gulf Power Co., 2-66199; Health Care Fund, 2-66122; Hollywood Medical Center, Ltd., 2-65639 (90 days).

Jan. 22: IPI-Income & Price Index Fund, 2-64953 (90 days); United Technologies Corp., 2-66304.

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.

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