

# sec news digest

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August 26, 1980

## RULES AND RELATED MATTERS

### AMENDMENT TO RULES RELATING TO GENERAL ORGANIZATION

The Commission has amended its rules relating to general organization to delegate to the Director of the Division of Investment Management the authority to process registration statements pertaining to contracts funded by or through the general assets or separate accounts of insurance companies. (Rel. 33-6228)

FOR FURTHER INFORMATION CONTACT: William L. Strickland at (202) 272-2057

## CIVIL PROCEEDINGS

### COMPLAINT NAMES FARADAY LABORATORIES, INC.

The Commission announced that on August 25 it filed a civil injunctive action in the U.S. District Court for the District of Columbia against Faraday Laboratories, Inc., manufacturer and distributor of vitamins, related dietary and food supplements and drugs, with principal offices in Hillside, New Jersey. The Commission's complaint alleges violations of the reporting provisions of the securities laws and seeks a Judgment of Permanent Injunction and Other Relief.

The complaint alleges that Faraday, as part of a continuing course of violative conduct, has failed to file its Annual Report on Form 10-K for its fiscal year ended April 30, 1980, required to have been filed with the Commission by July 29, 1980. The complaint requests that the Court order Faraday to file the delinquent report forthwith. The Commission also requested that the Court enjoin Faraday from further violations of the reporting provisions of the securities laws. (SEC v. Faraday Laboratories, Inc., U.S.D.C. D.C., Civil Action No. 80-2169). (LR-9165)

## HOLDING COMPANY ACT RELEASES

### DELMARVA POWER & LIGHT COMPANY

A notice has been issued giving interested persons until September 19 to request a hearing on applications for orders pursuant to Section 5(d) finding that Delmarva Power & Light Company and IU International Corporation have ceased to be holding companies. (Rel. 35-21687 - Aug. 25)

### TRANSOK PIPE LINE COMPANY

A notice has been issued giving interested persons until September 18 to request a hearing on a proposal by Transok Pipe Line Company, an intra-state natural gas transmission pipeline, and Public Service Company of Oklahoma, the parent of Transok and a subsidiary of Central and South West Corporation, whereby Transok will privately place up to \$35 million of its sinking fund debentures to be guaranteed by Public Service Company of Oklahoma. The proceeds of the sale will be used to retire maturing debt and to finance, in part, Transok's 1981 construction program. In connection with the proposed offering, Transok has been granted an exception from the competitive bidding requirements of Rule 50. (Rel. 35-21688 - Aug. 25)

### SYSTEMS FUELS, INC.

An order has been issued authorizing a proposal by System Fuels, Inc. (SFI), a jointly owned nonutility subsidiary company of Arkansas Power & Light Company, Louisiana Power & Light Company, Mississippi Power & Light Company and New Orleans Public Service Inc. and of Middle South Utilities, Inc., to lease railroad equipment. Said lease will enable SFI to provide transportation for fuel for the Middle South Utilities System. (Rel. 35-21689 - Aug. 25)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING GRANTED

An order has been issued granting the applications of the Midwest Stock Exchange for unlisted trading privileges in 22 stocks. These stocks are listed and registered on another national securities exchange and are reported in the consolidated transaction reporting system. (Rel. 34-17086)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes pursuant to Rule 19b-4: The Chicago Board Options Exchange, Inc. (SR-CBOE-80-21) to amend Exchange Rule 4.4 to increase the amount of compensation or gratuity which may be made by any member within any one year, to an Exchange employee, other member, non-member broker, dealer, bank or institution, without prior consent of the employer and of the Exchange. (Rel. 34-17088); and The Philadelphia Stock Exchange, Inc. (SR-Phlx-80-18) which would amend its by-laws to, among other things, modify the jurisdiction of various standing committees over enforcement and disciplinary proceedings. (Rel. 34-17090)

Publication of the above proposals are expected to be made in the Federal Register during the week of August 25.

### NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGES

The following have filed proposed rule changes which have become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934: The New York Stock Exchange, Inc. (SR-NYSE-80-31) to amend Exchange rules to grant the Exchange flexibility to schedule confirmation dates for "good 'til cancelled" (GTC) orders and to require that specialists and members having GTC orders be adequately represented on those dates. (Rel. 34-17089); and The Philadelphia Stock Exchange, Inc. (SR-Phlx-80-1) to conform its rules to the Uniform Code of Arbitration which it has already adopted. (Rel. 34-17091)

Publication of the above proposals are expected to be made in the Federal Register during the week of August 25.

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## TRUST INDENTURE ACT RELEASES

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### UNITED TECHNOLOGIES CORPORATION

Notices have been issued giving interested persons until September 17 to request a hearing on the application of United Technologies Corporation declaring that the successor trusteeships of Manufacturers Hanover Trust Company and Morgan Guaranty Trust Company of New York under the qualified indentures are not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify Manufacturers Hanover and Morgan Guaranty from acting as successor trustees under any of such indentures. (Rel. TI-579 and 580)

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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.

(S-1) SHEARSON EQUIPMENT INVESTORS LTD., Suite 1401, 521 Fifth Ave., New York, N.Y.  
10175 - 4,200 limited partnership interests. (File 2-68916 - Aug. 22) (Br. 10)  
(New Issue)

- (S-7) COLUMBUS AND SOUTHERN OHIO ELECTRIC COMPANY, 215 North Front St., Columbus, Ohio 43215 (614) 464-7700 - \$80 million of first mortgage bonds and \$50 million of cumulative preferred shares. The company is an electric utility. (File 2-68917 - Aug. 22) (Br. 8)
- (N-1) MFI TRUST, 200 Berkeley St., Boston, Mass. 02116 (617) 423-3500 - an indefinite number of its shares of beneficial interest. (File 2-68918 - Aug. 22) (Br. 16) (New Issue)
- (S-18) INTERNATIONAL INCOME PROPERTY INC., 405 Park Ave., New York, N.Y. 10022 - 628,100 shares of common stock. The company was organized to invest in equity ownership of income producing real property in the United States. (File 2-68920 - Aug. 22) (Br. 5)
- (S-1) NORTH AMERICAN RAILCAR PARTNERS, LTD. 1980, 222 South Riverside Plaza, 27th Floor, Chicago, Ill. 60606 - 5,000 limited partnership interests. Underwriter: Merrill Lynch White Weld Capital Markets Group. (File 2-68922 - Aug. 22) (Br. 5) (New Issue)
- (S-8) DESOTO, INC., 1700 South Mount Prospect Rd., Des Plaines, Ill. 60008 (312) 391-9000 - 875,000 shares of common stock. (File 2-68923 - Aug. 22) (Br. 2)
- (S-16) SOUTHWEST GAS CORPORATION, 5241 Spring Mountain Rd., P.O. Box 15015, Las Vegas, Nev. 89114 (702) 876-7011 - \$15 million of promissory notes, Series C, due September 1, 1995. Underwriter: Edward D. Jones & Co. The company is engaged in purchasing, transmitting and distributing natural gas. (File 2-68925 - Aug. 25) (Br. 8)
- (S-11) DSI REALTY INCOME FUND '81-I, 3701 Long Beach Blvd., Long Beach, Cal. 90807 - 24,000 limited partnership units. (File 2-68926 - Aug. 25) (Br. 6) (New Issue)
- (S-14) INDEPENDENT BANKSHARES, INC., 400 South 4th and Oak St., P.O. Box 3218, Abilene, Tex. 79604 (915) 677-2661 - 940,000 shares of common stock. (File 2-68927 - Aug. 25) (Br. 2) (New Issue)
- (S-1) TEAM, INC., 2600 South Loop West, Suite 480, Houston, Tex. 77054 (713) 665-8949 - 570,000 shares of common stock. Underwriter: RotanMosle. The company provides energy related services. (File 2-68928 - Aug. 25)
- (S-1) HLH 1980-81, LTD., 6350 LBJ Freeway, Suite 184, Dallas, Tex. 75240 (214) 239-7910 - 900 preformation limited partnership interests. (File 2-68929 - Aug. 25) (Br. 4) (New Issue)
- (S-1) HEMOTEC, INC., 13 Inverness Way, Englewood, Colo. 80112 - 57,767 shares of voting common stock. The company is engaged in the development, manufacture and marketing of medical equipment, heparin analyzers and related disposables. (File 2-68930 - Aug. 25) (Br. 8) (New Issue)
- (S-1) APT RESORTS, INC., 2765 S. Highland Dr., Suite 206, Las Vegas, Nev. 89109 (702) 732-2672 - 8,250,000 units. Underwriter: John Muir & Co. The company owns and operates the Colorado Bell gaming casino, restaurant and show lounge. (File 2-68931 - Aug. 25) (Br. 3) (New Issue)
- (S-1) TACOMA BOATBUILDING CO., 1840 Marine View Dr., Tacoma, Wash. 98422 (206) 572-3600 - 1,100,000 shares of common stock. Underwriter: Bear, Stearns & Co. The company is engaged in the design, construction and repair of marine vessels. (File 2-68932 - Aug. 25) (Br. 3) (New Issue)
- (S-14) RFS LIQUIDATING CORP., P.O. Box 21056, Chattanooga, Tenn. 37421 (615) 892-8029 - 11,000 limited partnership interests. (File 2-68933 - Aug. 25) (Br. 4)
- (S-7) FIDELITY OF OKLAHOMA, INC., Robinson at Robert S. Kerr Ave., Oklahoma City, Okla. 73102 (405) 272-2000 - 220,000 shares of common stock. Underwriter: Stifel, Nicolaus & Company Incorporated. The company is a bank holding company. (File 2-68934 - Aug. 25) (Br. 1)
- (S-16) TEKTRONIX, INC., 4900 S.W. Griffith Dr., Beaverton, Ore. 97005 (503) 644-0161 - 3,200 common shares. (File 2-68936 - Aug. 25) (Br. 8)
- (S-7) GRAYBAR ELECTRIC COMPANY, INC., 420 Lexington Ave., New York, N.Y. 10170 (212) 687-4000 - 400,000 shares of common stock. The company is engaged in the nationwide wholesale distribution of electric equipment, supplies and appliances. (File 2-68938 - Aug. 25) (Br. 8)



**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 on request. All other reference material is available in the SEC Docket.*

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