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Issue 80-131

July 7, 1980

U.S. SECURITIES AND  
EXCHANGE COMMISSION

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## RULES AND RELATED MATTERS

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### GENERAL ORGANIZATION; ESTABLISHMENT OF COUNSEL FOR PROFESSIONAL RESPONSIBILITY

The Commission announced the amendment of its rules respecting its general organization to establish a new position, the Counsel for Professional Responsibility, to oversee compliance with the Commission's Conduct Regulation. It is expected the new position, established within the Office of the General Counsel, will give the Commission an increased capability in reviewing allegations and complaints of misconduct by employees and former employees. (Rel. 33-6220)

FOR FURTHER INFORMATION CONTACT: Theodore Bloch at (202) 272-2454

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## COMMISSION ANNOUNCEMENTS

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### IMPLICATIONS FOR MONEY MARKET FUNDS RESULTING FROM THE RESCISSION OF CREDIT CONTROL REGULATIONS TO BE CONSIDERED

Sydney H. Mendelsohn, Director of the Division of Investment Management announced on Friday, July 3, that the Division is currently studying the implications under the securities laws of Friday's action by the Board of Governors of the Federal Reserve System (Board) rescinding the credit control regulations presently applicable to certain registered investment companies, including money market funds, and is preparing a recommendation to the Commission that it issue a release addressing this matter.

The Board's credit control regulations now require that money market funds each maintain noninterest bearing special deposits with Federal Reserve Banks, generally equal to 7-1/2 percent of the amount by which a fund's current assets exceed its assets as of March 14, 1980. As a result of the Board's action on Friday, the final special deposits of the funds will be made on August 4, 1980, and will be returned on August 11, 1980. The rescission of the credit control regulations should result in somewhat increased dividends to shareholders of money market funds when the funds are able to invest that portion of their assets now constituting their special deposits.

Mr. Mendelsohn has announced that the Division will ask the Commission to consider, among other things: (1) the obligations of money market funds to disclose to investors matters resulting from the termination of credit controls, and (2) the implications of the Board's action upon the disclosure and compliance responsibilities of so-called "clone" money market funds which were organized subsequent to the adoption of the credit control regulations and which were designed to insulate shareholders of previously existing money market funds from the impact of the Board's regulations. The Division expects to recommend that the Commission issue a general statement of policy designed to provide guidance to boards of directors of money market funds respecting their responsibilities under the securities laws.

## FILES ON CORPORATE PAYMENTS MADE PUBLIC

The Commission, pursuant to requests under the Freedom of Information Act (FOIA), has made available to the public certain previously non-public files in its possession relating to questionable corporate payments. Files concerning the following corporations will be made available beginning today (information in parenthesis are the FOIA exemptions used to withhold certain material in the files): ABEX Corporation (no exemptions); AMBAC Industries (5 USC 552(b)(5), (b)(7)(C), (b)(7)(D)); American Distilling Co. (5 USC 552(b)(5)); Adolph Coors Co. (5 USC 552(b)(5)); Armada Corporation (no exemptions); Brown Forman Distillers Corporation (no exemptions); The Diversey Corporation (5 USC 552(b)(5)); Dorr-Oliver Inc. (5 USC 552(b)(5)); Geosource Inc. (5 USC 552(b)(5)); The B. F. Goodrich Company (5 USC 552(b)(5)); G. Heileman Brewing Company, Inc. (no exemptions); Inco Limited (5 USC 552(b)(5)); Inmont Corporation (5 USC 552(b)(5)); International Minerals & Chemical Corporation (5 USC 552(b)(5)); Interpool Limited (5 USC 552(b)(5)); Iroquois Brands Ltd. (no exemptions); Management Assistance Inc. (5 USC 552(b)(5)); Marcor Inc. (5 USC 552(b)(5)); Arthur G. McKee Company (5 USC 552(b)(5)); Minneapolis Shareholders Company (no exemptions); Overmyer Corporation (no exemptions); Pittsburgh Brewing Co. (5 USC 552(b)(5)); Playboy Clubs International Inc. (no exemptions); S.S. Pierce Co. (no exemptions); The Rainier Companies, Inc. (5 USC 552(b)(5)); Renfield Corp. (no exemptions); Norton Simon Inc. (5 USC 552(b)(5)); Stauffer Chemical Company (5 USC 552(b)(5)); TRW Corp. (5 USC 552(b)(5)); U.S. Tobacco Co. (no exemptions); and Western Gear Corporation (5 USC 552(b)(5)). These files, and others made available previously may be inspected at the Commission's Public Reference Room, Room 6101, 1100 L Street, N.W., Washington, D.C., between the hours of 9 a.m. and 5 p.m. Persons wishing further information may call the Public Reference Room at (202) 523-5360.

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## ADMINISTRATIVE PROCEEDINGS

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### STEVEN C. COKER BARRED

The Commission has barred Stephen C. Coker of Mount Pleasant, South Carolina, from association with any broker, dealer or investment adviser. During 1975 and 1976, Coker was executive vice president of a registered broker-dealer firm and president of a registered investment adviser firm.

The Commission found that Coker wilfully violated antifraud provisions of the securities laws by his participation in massive conversions of customers' securities. The Commission also found that during the same period Coker shared responsibility for recordkeeping and net capital violations. Moreover, he has been enjoined from further violations of antifraud provisions. And when a trustee was appointed for his broker-dealer firm, pursuant to the Securities Investor Protection Act, he was still a controlling person of the firm.

The Commission found that Coker demonstrated a callous disregard for the most basic obligations of fair dealing borne by those in the securities business. In light of his "egregious misconduct," the Commission concluded that a bar was necessary to protect investors from further harm at Coker's hands. (Rel. 34-16935)

### DON A. LONG BARRED

Administrative Law Judge Jerome K. Soffer has issued an initial decision barring Don A. Long of Fort Worth, Texas, from association with any investment adviser. The decision, however, permits him to apply after twelve months for leave to become associated with an investment adviser upon making a satisfactory showing that he will be adequately supervised.

The sanctions imposed were based upon findings that Long had wilfully violated the registration provisions of the Securities Act of 1933 and the antifraud and recordkeeping requirements of the Investment Advisers Act of 1940, and had been permanently enjoined by a U.S. District Court from violating various provisions of the securities laws and rules. The decision is subject to review by the Commission on its own motion or on petition of a party.

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## CIVIL PROCEEDINGS

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### COMPLAINT NAMES GATEWAY SPORTING GOODS COMPANY

The Commission announced that on July 3 it filed a civil injunctive action in the U.S. District Court for the District of Columbia against Gateway Sporting Goods Company, a manufacturer of young adult sport clothes and office furnishings with offices in New York, New York. 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 Gateway, 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 February 29, 1980, required to have been filed with the Commission by May 29, 1980. The complaint requests that the Court order Gateway to file the delinquent report forthwith. The Commission also requested that the Court enjoin Gateway from further violations of the reporting provisions of the securities laws. (SEC v. Gateway Sporting Goods Company, U.S.D.C. D.C., Civil Action No. 80-1638). (LR-9128)

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## INVESTMENT COMPANY ACT RELEASES

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### ELDORADO FUND, INC.

An order has been issued on an application filed by Eldorado Fund, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, non-diversified, management investment company, pursuant to Section 8(f) of the Act, declaring that Applicant has ceased to be an investment company. (Rel. IC-11242 - July 2)

### PIRVEST, INC.

An order has been issued under Section 8(f) of the Investment Company Act of 1940 declaring that Pirvest, Inc. has ceased to be an investment company. (Rel. IC-11243 - July 3)

### INA CASH FUND, INC.

A notice has been issued giving interested persons until July 28 to request a hearing on an application of INA Cash Fund, Inc., for an order of exemption from Rules 2a-4 and 22c-1 under the Investment Company Act of 1940 to permit it to calculate its price per share to the nearest one cent on a share value of one dollar. (Rel. IC-11244 - July 3)

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## HOLDING COMPANY ACT RELEASES

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### PUBLIC SERVICE COMPANY OF OKLAHOMA

An order has been issued authorizing Public Service Company of Oklahoma, subsidiary of Central and South West Corporation, to make a capital contribution of \$10 million to its subsidiary, Transok Pipe Line Company. The proceeds will be used to repay short-term debt. (Rel. 35-21650 - July 3)

### ALABAMA POWER COMPANY

A notice has been issued giving interested persons until July 30 to request a hearing on a proposal by Alabama Power Company, subsidiary of The Southern Company, whereby Alabama proposes to issue and sell at competitive bidding up to \$300 million of first mortgage bonds to be issued in one or more series from time to time not later than February 28, 1981. Alabama also proposes to issue and sell up to \$100 million of its preferred stock to be issued in one or more series from time to time not later than February 28, 1981. The proceeds of such sales will be used primarily to retire short-term debt and to finance Alabama's construction program. (Rel. 35-21649 - July 3)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF ISSUANCE OF LETTER

The Commission has sent to the National Association of Securities Dealers, Inc. (NASD) a letter concerning a proposed rule change (SR-NASD-78-3) filed by the NASD to amend its Rules of Fair Practice governing member practices in fixed price offerings of securities (generally referred to as the "Papilsky" proposal). The proposal is intended to regulate or prohibit a variety of practices that the NASD believes might be construed as providing a discount from fixed prices in underwritten public offerings. The letter reflects the Commission's concerns regarding certain aspects of the proposed rule change and requests the NASD to consider revising its proposed rule change to respond to these concerns. First, the Commission believes the proposed interpretations to Article III, Section 24 should be amended to permit NASD members to be compensated, through underwriting designations, for bona fide research they furnish to their members. Second, the Commission believes the NASD should re-examine the definition of "fair market price" in proposed Article III, Section 8 (governing swap transactions) to determine whether a more flexible definition would better achieve the purposes of the proposed rule. (Rel. 34-16956)

### NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes pursuant to Rule 19b-4: Midwest Clearing Corporation (SR-MCC-80-1) that would permit the chairman of the board of directors to set the salary of the president of corporation and that would designate the chairman as the chief executive officer of the corporation. (Rel. 34-16944); and The Chicago Board Options Exchange, Incorporated (SR-CBOE-80-18) to make permanent the rule permitting joint account members to trade with each other but not with the joint account. (Rel. 34-16945)

Publication of the above proposals are expected to be made in the Federal Register during the week of July 7.

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## MISCELLANEOUS

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### CORTERRA CORPORATION

A notice has been issued giving interested persons until July 14 to request a hearing on an application by CorTerra Corporation, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting CorTerra from filing periodic reports pursuant to Section 13 of that Act, other than reports on Form 8-K, and an abbreviated unaudited Annual Report on Form 10-K for fiscal year ending June 30, 1980. CorTerra has adopted a Plan of Complete Liquidation and Dissolution. (Rel. 34-16955)

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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-6) EMPIRE STATE MUNICIPAL EXEMPT TRUST, SERIES 33, 522 Fifth Ave., New York, N.Y. 10036 - 13,000 units. Depositors: Glickenhau & Co., 522 Fifth Ave., New York, N.Y. 10036, Lebenthal & Co., Inc. and Moseley, Hallgarten, Estabrook & Weeden Inc. (File 2-68357 - July 3) (Br. 17)

- (S-7) ORIOLE HOMES CORP., 1151 Northwest 24th St., Pompano Beach, Fla. 33064 (305) 972-7660 - \$20 million of subordinated debentures, due July 15, 2000 and 100,000 shares of common stock. Underwriter: Drexel Burnham Lambert Incorporated. The company builds and sells condominium apartments and single family houses. (File 2-68368 - July 3) (Br. 5)
- (S-1) SHANNON OIL & GAS, INC., 9550 Forest Lane, Suite 100, Dallas, Tex. 75243 - 5,500,000 shares of common stock. Underwriter: Neidiger/Tucker/Bruner, Inc., Financial Center, 1825 Lawrence St., Denver, Colo. 80202. The company is engaged in two segments of the oil and gas industry, namely the acquisition of interests in and exploration and development of oil and gas properties and oilwell servicing. (File 2-68369 - July 3) (Br. 3)
- (S-2) DAKOTA RESOURCES, INC., Suite 1600, 621 Seventeenth St., Denver, Colo. 80293 - 3,500,000 shares of common stock. Underwriters: Coughlin & Co., Inc., 1200 First National Bank Bldg., Denver, Colo. 80293 and Columbine Securities Inc., 1818 Prudential Plaza Bldg., Denver, Colo. 80265. The company is a development-stage company and plans to engage in the acquisition of interests in and exploration and development of oil and gas properties. (File 2-68370 - July 3) (Br. 4)
- (S-8) TERRA CHEMICALS INTERNATIONAL, INC., 4th and Jackson Sts., Sioux City, Iowa 51101 (712) 277-1340 - 350,000 shares of common stock. The company is a distributor of chemical fertilizers, crop protection chemicals and feed ingredients. (File 2-68371 - July 2) (Br. 2)
- (S-7) COMSHARE, INCORPORATED, 3001 South State St., Ann Arbor, Mich. 48106 (313) 994-4800 - 91,162 shares of common stock. (File 2-68373 - July 3) (Br. 9)
- (S-8) WAUSAU PAPER MILLS COMPANY, Wausau, Wis. 54401 (715) 845-4336 - 104,532 shares of common stock. The company is engaged in the manufacture and sale of fine writing and printing papers glassine, greaseproof, laminated and lightweight writing and printing papers. (File 2-68374 - July 3) (Br. 8)
- (S-16) OVERHEAD DOOR CORPORATION, 6750 LBJ Freeway, Dallas, Tex. 75240 (214) 233-6611 - 154,178 shares of common stock. (File 2-68376 - July 3) (Br. 6)
- (S-7) CHILD WORLD, INC., 25 Littlefield St., Avon, Mass. 02322 (617) 588-7300 - \$15 million of subordinated sinking fund debentures, due 2000. Underwriter: L.F. Rothschild, Unterberg, Towbin. The company is a supermarket retailer of toys, bicycles, juvenile furniture, children's sporting goods and outdoor play equipment. (File 2-68377 - July 3) (Br. 2)
- (S-12) CHEMICAL BANK, 55 Water St., New York, N.Y. 10041 - 100,000 American Depositary Receipts for ordinary shares of Central Norsemen Gold Corporation. (File 2-68378 - July 3) (Br. 99)
- (S-16) IOWA BEEF PROCESSORS, INC., Dakota City, Neb. 68731 (402) 494-2061 - 30,000 shares of common stock. (File 2-68379 - July 2) (Br. 3)
- (S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK, 30 West Broadway, New York, N.Y. 10015 - 100,000 American Depositary Receipts for shares of Boustead Holdings Berhad. (File 2-68380 - July 3) (Br. 99)
- In a separate statement the company seeks registration of 100,000 American Depositary Receipts for shares of Inchcape Berhad. (File 2-68381 - July 3)
- (S-16) CHEMICAL NEW YORK CORPORATION, 20 Pine St., New York, N.Y. 10087 (212) 770-1234 - 400,000 shares of common stock. The company conducts a financial services business. (File 2-68382 - July 3) (Br. 2)
- (N-1) FIDELITY QUALIFIED DIVIDEND FUND, 82 Devonshire St., Boston, Ma. 02109 (617) 726-0200 - an indefinite number of shares. (File 2-68383 - July 3) (Br. 17)
- (S-16) CAESARS WORLD, INC., 1801 Century Park East, Los Angeles, Cal. 90067 (213) 552-2711 - \$25 million of senior subordinated sinking fund debentures, due 2000. Underwriter: E.F. Hutton & Company Inc. The company owns and operates Caesars Palace in Las Vegas and operates Caesars Tahoe near Lake Tahoe. (File 2-68384 - July 3) (Br. 4)
- (S-11) INNKEEPERS, 3-37th Ave., San Mateo, Cal. 94402 - 15,000 units of limited partnership interests. (File 2-68385 - July 3) (Br. 5)
- (N-1) SECURITY CASH FUND, INC., 700 Harrison St., Topeka, Kan. 66636 (913) 295-3127 - an indefinite number of shares of capital stock. (File 2-68387 - July 2) (Br. 16)

## RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEMS NO.	DATE	
BELL TELEPHONE CO OF PENNSYLVANIA	5	06/11/80	
CAROLINA CARIBBEAN CORP	2	05/01/80	
CENTRAL NATIONAL CHICAGO CORP	7	03/19/80	AMEND
CENTURY PROPERTIES FUND 12	7	04/15/80	
CHECKER MOTORS CORP	5	06/18/80	
CHICAGO RIVET & MACHINE CO	4,7	06/16/80	
CONSOLIDATED CAPITAL PROPERTIES II	2	03/01/80	
DATA DYNAMICS INC	3	06/11/80	
DIAMOND STATE TELEPHONE CO	5	06/13/80	
DUN SOPHISTICATES INC	5	06/12/80	
FIRST FINANCIAL GROUP OF NEW HAMPSHIRE I	2	06/12/80	
GLASCOCK PRODUCTS INC	7	02/15/80	AMEND
HERITAGE COMMUNICATIONS INC	2	06/17/80	
HOME SAVINGS & LOAN ASSOCIATION FOURTH S	7	02/01/80	
HOME SAVINGS & LOAN ASSOCIATION FOURTH S	7	04/01/80	
ILLINOIS BELL TELEPHONE CO	5	06/13/80	
INDIANA BELL TELEPHONE CO INC	5	06/13/80	
KANE FURNITURE CORP	1	07/03/79	
MONEIL REAL ESTATE FUND X LTD	2,7	04/08/80	AMEND
MEGA CORP	3	06/11/80	
MERCHANTS NATIONAL CORP	5	06/12/80	
MICHIGAN BELL TELEPHONE CO	5	06/13/80	
MODERN ENERGY CORP	3	06/11/80	
MOUNTAIN STATES TELEPHONE & TELEGRAPH CO	5	06/02/80	
NATIONAL CONVENIENCE STORES INC/TX/	7	01/14/80	AMEND
NATIONAL CONVENIENCE STORES INC/TX/	7	02/08/80	
NEW ENGLAND TELEPHONE & TELEGRAPH CO	5	06/13/80	
NEW JERSEY BELL TELEPHONE CO	5	06/13/80	
NORTHWESTERN BELL TELEPHONE CO	5	06/13/80	
OHIO BELL TELEPHONE CO	5	06/13/80	
SB PARTNERS	7	06/14/79	AMEND
SOUTH CENTRAL BELL TELEPHONE CO	5	06/13/80	
SOUTHERN BELL TELEPHONE & TELEGRAPH CO	5	06/13/80	
SOUTHERN NEW ENGLAND TELEPHONE CO	5	06/13/80	
SOUTHLAND ROYALTY CO	7	11/09/79	AMEND
SOUTHWEST MARKETING CORP	4	04/30/80	
SOUTHWESTERN BELL TELEPHONE CO	5	06/13/80	
TENNESSEE COMMERCE CORP	5	05/29/80	
TII INDUSTRIES INC	5	06/01/80	
TINSLEY LABORATORIES INC	2	06/10/80	
TOLEDO MINING CO	2	06/09/80	
TUBOS DE ACERO DE MEXICO S A	5	05/22/80	
UMC INDUSTRIES INC	5	06/20/80	
UNITED STATES TRUCK LINES INC OF DELAWARE	2	06/09/80	
WILSON FREIGHT CO	5	06/25/80	

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**NOTICE**

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*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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