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COMMISSION ANNOUNCEMENTS

LIBRARY

NOTICE OF PUBLICATION OF STAFF ACCOUNTING BULLETIN NO. 4

The Division of Corporation Finance and the Office of Chief Accountant announce the publication of Staff Accounting Bulletin No. 4. In December 1975 the American Institute of Certified Public Accountants Committee on SEC Regulations sent a letter to the Chief Accountant which identified certain areas of concern with respect to disclosure and reporting by Real Estate Investment Trusts. The Committee's letter and the response of the Chief Accountant are reproduced in this Staff Accounting Bulletin. (SAB-4)

REGULATION B EXEMPTION OF TRI-STATE OIL & GAS, INC. TEMPORARILY SUSPENDED

The SEC has issued an order temporarily suspending the Regulation B exemption from registration under the Securities Act of 1933 with regard to the public offering of fractional undivided interests in oil and gas leases in certain offerings of Tri-State Oil & Gas, Inc. (Rel. 33-5672)

COURT ENFORCEMENT ACTIONS

UNITED BRANDS ENJOINED

The SEC announced that on January 27 the Honorable Thomas Flannery, U.S. District Judge for the U.S. District Court for the District of Columbia issued an order permanently enjoining United Brands Company (United Brands) from violating the antifraud and reporting provisions of the securities laws with respect to unlawful payments to foreign governmental officials, illegal foreign political contributions and the recording of any false or fictitious entries on the books and records of United Brands. United Brands consented to the issuance of the permanent injunction without admitting or denying the allegations of the Commission's complaint, which was filed on April 9, 1975.

In addition to the entry of a permanent injunction, the Court ordered that United Brands correct and amend its annual and other periodic reports currently on file with the Commission, enjoined United Brands from making materially false or fictitious entries on its books and records and required the maintenance of adequate documentation with respect to unlawful payments to foreign governmental officials and political parties. The Commission shall have continuing access to such books, records, and documents. Also, the Court granted certain ancillary relief, which includes the creation of a United Brands Special Committee to investigate and report to the Commission, the Court and its Board of Directors on all payments by United Brands from 1970 to date to foreign governmental officials or employees and unlawful political contributions to any foreign country, which relate to the matter contained in the Commission's complaint. The Special Committee shall be composed of three non-management members of United Brands Board of Directors. The procedures and methods utilized by the Special Committee and the Final Report shall be fully reviewed by Michael Sovern, Dean of the Faculty of Law of Columbia University, and the results of this review will be provided to the Commission.

Further, United Brands has also undertaken that its' Board of Directors will adopt and implement a Statement of Policies and Procedures with respect to payments by it to any official or employee of any government under the laws of the United States or foreign country. Also, notwithstanding any provision contained in the final judgment of permanent injunction United Brands has undertaken that with respect to any unlawful expenditure of corporate funds to an official of any foreign government which is material in nature, effect or amount to its business, United Brands will obtain the

prior approval of the United Brands Board of Directors as well as publicly disclosing the full details, whether or not material, in a Current Report on Form 8-K filed with the Commission prior to entering into the transaction. (SEC v. United Brands Company, Civil Action No. 75-0509, U.S.D.C., D.C.). (LR-7251)

S. MORT ZIMMERMAN ENJOINED

The Commission announced that on January 27 Judge John H. Pratt of the U.S. District Court for the District of Columbia, after trial, issued Findings of Fact and Conclusions of Law and entered an order permanently enjoining S. Mort Zimmerman from violating the antifraud and reporting provisions of the securities laws. The permanent injunction arose from a complaint filed by the Commission against Zimmerman, Interstate General, Inc. (Interstate), Savoy Industries, Inc. (Savoy) and others alleging that Zimmerman was a member of a group that acquired control of Savoy, a company whose shares are traded on the American Stock Exchange. The Court found that Zimmerman was an undisclosed control person of Interstate, a company that acquired control of Savoy. The Court further found him, independent of his control of Interstate, to have been an undisclosed member of the group that acquired control of Savoy. The Court ordered Zimmerman to file an accurate report with the Commission disclosing his role in the acquisition of control of Savoy. (SEC v. S. Mort Zimmerman, D.C.D.C., Civ. Action No. 74-1711). (LR-7256)

INVESTMENT COMPANY ACT RELEASES

PURITAN FUND

An order has been issued permitting UV Industries to purchase \$2,200,000 face amount of its 5-3/4% convertible subordinated debentures from Puritan Fund, Inc. (Rel. IC-9138 - Jan. 28)

HOLDING COMPANY ACT RELEASES

INDIANA & MICHIGAN ELECTRIC COMPANY

An order has been issued authorizing Indiana & Michigan Electric Company, subsidiary of American Electric Power Company, Inc., to sell utility assets located in Elkhart, Indiana, to Miles Laboratories, Inc. (Rel. 35-19360 - Jan. 29)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of (a) Equity Funding Corp. for the further ten-day period February 1 - 10, inclusive; and (b) Canadian Javelin, Ltd. for the further ten-day period February 3 - 12, inclusive.

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The National Association of Securities Dealers, Inc. has filed a proposed rule change under Rule 19b-4 (SR-NASD-1976-2) to define entry standards and procedure for suspension of an associated person of a member firm where such person has been associated in a controlling capacity with a broker-dealer involved in proceedings pursuant to the Securities Investor Protection Act of 1970 within six months of the proposed suspension. Publication of the submission is expected to be made in the Federal Register during the week of February 2. (Rel. 34-12059)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has issued an order approving proposed rule changes filed by OCC pursuant to Rule 19b-4 (SR-OCC-76-6) under the Securities Exchange Act of 1934. The rule changes relate to the use of specific and escrow deposits as margin for short options positions. (Rel. 34-12060)

SECURITIES ACT REGISTRATIONS

(S-6) NUVEEN TAX-EXEMPT BOND FUND, SERIES 82

209 South LaSalle St., Chicago, Ill. 60604 - \$10 million of units, to be offered for sale at net asset value. The Fund is one of a series of unit investment trusts created under a trust indenture between John Nuveen & Co. Incorporated as sponsor and United States Trust Company of New York as trustee. It consists of a portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal income tax under existing law. (File 2-55348 - Jan. 19)

(S-1) KIRBY EXPLORATION COMPANY

1717 St. James Place, P.O. Box 1745, Houston, Tex. 77001 - \$4 million of limited partnership interests in Kirby 1976-A Oil and Gas Program, Ltd. and Kirby 1976-B Oil and Gas Program, Ltd., separate limited partnerships proposed to be formed under the Texas Uniform Limited Partnership Act, to be offered for sale by Goldman, Sachs & Co., 55 Broad St., New York, N.Y. 10004, on a best efforts agency basis in multiple integrals of \$5,000. The business of the Partnership shall be to explore for and produce oil and gas in the continental United States. (File 2-55381 - Jan. 28)

(S-6) THE FIRST NATIONAL DUAL SERIES TAX-EXEMPT BOND TRUST, SERIES 2

208 South LaSalle St., Chicago, Ill. 60604 - \$6 million of units, to be offered for sale at net asset value (\$1050 maximum). The Fund is second of a proposed series of unit investment trusts created under a trust indenture between Van Kampen Sauerman Inc., as sponsor and Bradford Trust Company, as trustee. It consists of two trusts, each composed of a portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is in the opinion of bond counsel exempt from all Federal income tax under existing law. One trust has insured the prompt payment of interest and principal, when due, on the bonds in its portfolio with MGIC Indemnity Corporation. No such insurance has been obtained by the other trust. (File 2-55382 - Jan. 28)

(S-1) CRAY RESEARCH, INC.

7850 Metro Parkway, Suite 213, Minneapolis, Minn. 55420 - 660,000 shares of common stock, to be offered for sale by the company through underwriters represented by C. E. Unterberg, Towbin Company, Piper, Jaffray & Hopwood Incorporated, and New Court Securities Corporation. The company is a manufacturer of recently developed, large capacity high speed computer intended for scientific applications. (File 2-55384 - Jan. 28)

(S-7) NORTHEAST UTILITIES

174 Brush Hill Ave., West Springfield, Mass. - 6,050,000 shares of common stock, to be offered for sale at competitive bidding. Northeast Utilities is a registered holding company. (File 2-55385 - Jan. 28)

(S-6) MUNICIPAL INVESTMENT TRUST FUND, FIFTIETH MONTHLY PAYMENT SERIES

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006. The Fund, a unit investment trust, is to be created by a trust indenture among Merrill Lynch, Bache & Co. Incorporated and Reynolds Securities Inc., as sponsors, The Bank of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-55391 - Jan. 28)

(S-6) E. F. HUTTON TAX-EXEMPT FUND, NATIONAL SERIES 24

One Battery Park Plaza, New York, N.Y. 10004 - \$15 million of units. The Fund is one of a series of unit investment trusts created under a trust indenture and agreement among E. F. Hutton & Company Inc., as sponsor, United States Trust Company of New York, as trustee and Standard & Poor's Corporation, as evaluator. The Fund consists of interest-bearing obligations of states, counties, territories and municipalities of the United States and authorities or political subdivisions thereof,

the interest on which is, in the opinion of bond counsel, exempt from Federal income tax under existing law. (File 2-55392 - Jan. 28)

(S-7) PUBLIC SERVICE COMPANY OF NEW MEXICO

414 Silver Ave., S.W., Albuquerque, New Mexico 87102 - 1,000,000 shares of common stock, to be offered for sale through underwriters headed by Kidder, Peabody & Co., Incorporated, 10 Hanover Square, New York, N.Y. The company is an electrical utility. (File 2-55394 - Jan. 29)

(S-1) PETROLEUM EXPLORATION & DEVELOPMENT FUNDS, INC.

(Petroleum Exploration & Development Funds - 1976-D Program, Ltd.) 711 Petroleum Bldg., Midland, Tex. 79701 - \$5 million of preformation limited partnership interests in Petroleum Exploration & Development Funds - 1976D Program, Ltd., to be offered for sale at \$5,000 per unit (two unit minimum) by selected NASD members and/or other registered broker-dealers. The Partnership will be formed to engage in the exploration and development of oil and gas properties. (File 2-55395 - Jan. 29)

STOCK PLANS FILED

The following have filed Form S-8 registration statements with the Commission seeking registration of securities to be offered pursuant to employee stock and related plans:

Humana, Inc., Louisville, Ky. (File 2-55352 - Jan. 22) - 100,000 shares
General Automation, Inc., Anaheim, Cal. (File 2-55366 - Jan. 26) - \$222,352 of interests in the Plan under the Rescission Offer; \$38,182 of Guarantee of Registrant incident to rejections of rescission offer; \$1,000,000 of interests in the Plan under Registration of New Securities
American Medical International, Inc., Beverly Hills, Cal. (File 2-55367 - Jan. 26) - 200,000 shares
Esmark, Inc., Chicago, Ill. (File 2-55370 - Jan. 26) - 345,913 shares
Gilbert/Robinson, Inc., Kansas City, Mo. (File 2-55372 - Jan. 26) - 95,000 shares
Burlington Industries, Inc., Greensboro, N.C. (File 2-55379 - Jan. 27) - 1,000,000 shares
The Clorox Company, Oakland, Cal. (File 2-55383 - Jan. 28) - 200,000 shares
Micro Mask, Inc., Sunnyvale, Cal. (File 2-55396 - Jan. 29) - 26,000 shares

REGISTRATIONS EFFECTIVE

January 22: Municipal Investment Trust Fund, Forty-Eighth Monthly Payment Series, 2-55010.

January 26: Cerro-Marmon Corp., 2-55365; Crown Zellerbach Corp., 2-55319; S. M. Flickinger Co., Inc., 2-55240; W. R. Grace & Co., 2-55170; United Guaranty Corp., 2-55217.

January 27: Air Michigan Inc., 2-52950; Arco Pipeline Co., 2-55309; Binney & Smith Inc., 2-54308; The Dow Chemical Co., 2-55326; Jack Eckerd Corp., 2-55351; General Telephone Company of the Northwest, Inc., 2-55283; Georgia-Pacific Corp., 2-55373; Kansas Nebraska Natural Gas Company, Inc., 2-55157; Walter Kidde & Company, Inc., 2-55360; Warner Co., 2-54018.

January 28: Chemineer Inc., 2-55037 (90 days); Duro-Test Corp., 2-55076; Franklin Resources Liquid Assets Fund, 2-55029; General Motors Acceptance Corp., 2-55323; The Kansas Power & Light Co., 2-55299; United Gas Pipe Line Co., 2-55275.

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.

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 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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