

# sec news digest

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May 10, 1976

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## ORDERS FOR PUBLIC PROCEEDINGS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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### THE SANDERS INVESTMENT ADVISORY CORPORATION

Public administrative proceedings have been ordered under the Investment Advisers Act of 1940 (Advisers Act) against The Sanders Investment Advisory Corporation, Chicago, an Illinois investment adviser; and Victoria Lynn Sanders, an officer and director thereof. The proceedings are based on staff allegations of violations of the anti-fraud and bookkeeping provisions of the Advisers Act. A hearing will be scheduled by further order on the charges against the respondents. (Rel. IA-511)

### INVESTMENT SECURITIES CORPORATION

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 against Investment Securities Corporation, a St. Louis, Missouri broker-dealer currently being liquidated by trustee appointed under the provisions of the Securities Investor Protection Act of 1970, Stephen J. Burns, former president of Investment Securities Corporation, and Richard D. Hayes, former cashier of that firm. The proceedings are based upon alleged wilfull violations by Investment Securities Corporation, aided and abetted by Burns and Hayes, of the financial responsibility, reserve bank account, hypothecation, recordkeeping and reporting requirements. A hearing will be scheduled to take evidence on the charges against the respondents. (Rel. 34-12420)

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## INVESTMENT COMPANY ACT RELEASES

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### BAYROCK GROWTH FUND

A notice has been issued giving interested persons until June 1 to request a hearing on an application of Bayrock Growth Fund, Inc., registered under the Investment Company Act of 1940 as an open-end, diversified management company, for an order of the Commission pursuant to Section 8(f) of the Act declaring that the fund has ceased to be an investment company. (Rel. IC-9279 - May 7)

### VIKING GROWTH FUND

A notice has been issued giving interested persons until June 1 to request a hearing on a proposal by the Commission to declare that Viking Growth Fund, Inc. has ceased to be an investment company. (Rel. IC-9280 - May 7)

### BYROCK FUND

A notice has been issued giving interested persons until June 1 to request a hearing on an application of Bayrock Fund, Inc., a Maryland corporation registered under the Investment Company Act of 1940 as an open-end, diversified management company, for an order of the Commission pursuant to Section 8(f) of the Act declaring that the fund has ceased to be an investment company. (Rel. IC-9281 - May 7)

### VIKING INVESTORS FUND

A notice has been issued giving interested persons until June 1 to request a hearing on a proposal by the Commission to declare that Viking Investors Fund, Inc. has ceased to be an investment company. (Rel. IC-9282 - May 7)

### FIDELITY EXCHANGE FUND

An order has been issued on an application of Fidelity Exchange Fund, a limited partnership organized under the Uniform Limited Partnership Act of Nebraska. The order exempts limited partners of the Fund from the definition of "affiliated person" of the Fund and exempts certain general partners of the Fund from the definition of "interested person" of the Fund. The order also permits the Fund to issue shares to public

investors that have a priority over shares held by general partners in distributions upon dissolution and permits the Fund to limit the redeemability of shares held by a non-managing general partner. (Rel. IC-9283 - May 7)

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## HOLDING COMPANY ACT RELEASES

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### THE COLUMBIA GAS SYSTEM

An order has been issued authorizing The Columbia Gas System, Inc., a registered holding company, to issue and sell short-term notes to banks and to dealers in commercial paper. (Rel. 35-19517 - May 7)

An order has also been issued approving a proposal by the Columbia Gas System, Inc., to issue and sell \$75 million of debentures, due 1996. (Rel. 35-19518 - May 7)

### NORTHEAST UTILITIES

An order has been issued approving a proposal of Northeast Utilities, a registered holding company, to sell \$50 million of its 10-1/2% notes, due 1986. The notes are to be sold via a private offering to a single institutional investor under an exception from the competitive bidding requirements of Rule 50. The proceeds of the sale will be used to reduce Northeast's short-term debt. (Rel. 35-19519 - May 7)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The New York Stock Exchange, Inc., has filed a proposed rule change under Rule 19b-4 (SR-NYSE-76-25) to amend Exchange Rules 409, 416, 417, 418 and 440 in order to adopt the Financial and Operational Combined Uniform Single (FOCUS) Report. Publication of the proposal is expected to be made in the Federal Register during the week of May 10. (Rel. 34-12416)

### APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, effective May 10, 1976, a proposed rule change (SR-PBW-76-4) filed by the PBW Stock Exchange, Inc. to readopt the name Philadelphia Stock Exchange, Inc. (Rel. 34-12415)

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## SECURITIES ACT REGISTRATIONS

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### (S-7) SOUTHERN CALIFORNIA GAS COMPANY

810 South Flower St., Los Angeles, Cal. 90017 - \$50 million of first mortgage bonds, to be offered for sale in face amounts of \$1,000 or any multiple thereof, through underwriters. The company is a public utility, engaged in the sale and distribution of natural gas. (File 2-56034 - Apr. 14)

### (S-1) MERCANTILE BANCORPORATION INC.

721 Locust St., St. Louis, Mo. 63101 - 80,000 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Shelbina Bank, Shelbina, Missouri, at the rate of 10 shares for each bank share. Mercantile Bancorporation Inc. is a bank holding company which controls twenty-six banks and a consumer finance company. (File 2-56117 - Apr. 22)

### (S-14) LENOIR CHAIR COMPANY

Broyhill Industrial Park, Lenoir, N.C. 28633 - 4,152,014 shares of common stock, to be issued following charter amendments and name change to Broyhill Furniture Industries, Inc., as the result of a proposed merger with ten affiliated corporations at conversion ratios based on relative book values of constituent corporations, except one, at November 29, 1975. Lenoir Chair Company and the other parties to the proposed merger (Broyhill Industrial Complex, Inc.; Rutherford Furniture Company, Inc.; Broyhill Occasional Furniture Company; Broyhill Properties, Inc.; Conover Furniture Company, Inc.; Harper Furniture Company; Lenoir Furniture Corporation; Manufacturers Development Company; National Veneer Company; and The Otis L. Broyhill Furniture Company) are engaged in the principal business of manufacturing furniture and furniture related products under the Broyhill name. (File 2-56265 - May 5)

(S-1) SHARED MEDICAL SYSTEMS CORPORATION

650 Park Ave., King of Prussia, Pa. 19406 - 750,000 shares of common stock, of which 200,000 are being offered by certain selling stockholders and 550,000 by the company, through underwriters represented by Mitchell, Hutchins Inc. and Alex. Brown & Sons. The company provides hospitals with patient-related and general financial and administrative data processing services, on a nationwide basis, by means of an on-line computer system. (File 2-56267 - May 5)

(S-6) THE FIRST TRUST OF INSURED MUNICIPAL BONDS,  
SERIES 15

300 West Washington, St., Chicago, Ill. 60606 - \$5 million of units, to be offered for sale at net asset value (\$1050 maximum). The Fund is one of a series of unit investment trusts created under a trust indenture between Wauterlek & Brown, Inc. as sponsor and Bradford Trust Company, as trustee. It consists of an insured 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. MGIC Indemnity Corporation has insured the prompt payment when due of interest and principal on the bonds in the portfolio of the Fund. (File 2-56277 - May 6)

(S-7) PUBLIC SERVICE COMPANY OF NEW MEXICO

414 Silver Ave., S.W., Albuquerque, N. M. 87102 - \$20 million of series cumulative preferred stock, constituting a new series to consist of 200,000 shares, to be offered for sale through underwriters headed by Kidder, Peabody & Co. Inc., 10 Hanover Sq., New York, N.Y. 10005. The company is a public utility engaged principally in the generation, distribution and sale of electricity. (File 2-56278 - May 6)

(S-7) TRANSAMERICA FINANCIAL CORPORATION

1150 South Olive St., Los Angeles, Cal. 90015 - \$50 million of notes, due 1984, to be offered for sale through an underwriting syndicate managed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006 and Salomon Brothers, One New York Plaza, New York, N.Y. 10004. Transamerica Financial Corporation is principally engaged in the consumer financing business and through its subsidiaries in the title insurance business. It is a wholly-owned subsidiary of Transamerica Corporation. (File 2-56279 - May 6)

REGISTRATIONS EFFECTIVE

May 5: Boston Edison Co., 2-55972; Modular Computer Systems, Inc., 2-55993; The New Brunswick Electric Power Commission, 2-56019.

May 6: Bankamerica Corp., 2-56096; The Corporate Income Fund, Thirtieth Monthly Payment Series, 2-55857; The Dow Chemical Co., 2-56161, 2-56162, 2-56163 & 2-55837; Dual-Lite, Inc., 2-55261; Lake Superior District Power Co., 2-56222; Nicor Inc., 2-56069; Parker-Hannifin Corp., 2-55968; Taylor Rental Corp., 2-56122.

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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