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September 12, 1973

COMMISSION ANNOUNCEMENTS

CONCLUSIONS ANNOUNCED ON COMMISSION RATE PROPOSALS. The SEC on September 11 announced its unanimous conclusions concerning the commission rate proposals of both the New York Stock Exchange, Inc. and the PBW Stock Exchange, Inc. which were the subject of a recent public investigatory hearing. The Commission will publish shortly its letter to the exchanges embodying the reasons for its conclusions.

New York Stock Exchange Proposals. The NYSE has proposed to increase its fixed commission rates by 10% on orders ranging in size from \$100 to \$5,000, and by 15% on orders ranging in size from \$5,001 to \$300,000. The Commission stated its conclusions that:

(1) It will not object if the NYSE immediately should adopt the proposed rate increase effective through March 31, 1974;

(2) It will not object to the continuation of such a rate increase from April 1, 1974, through April 30, 1975, if the NYSE should first adopt rules, effective by or before April 1, 1974, which (a) eliminate that portion of NYSE Rule 383 prohibiting member firms from charging their customers commission rates exceeding the NYSE's commission rate schedule, and (b) permit, but do not require, member firms to provide less than a full range of brokerage services presently furnished customers in return for discounts of up to 10% from the commission rate schedule referred to in subparagraph (1), above;

(3) It will act promptly to terminate the fixing of commission rates by stock exchanges after April 30, 1975, if the stock exchanges do not adopt rule changes achieving that result; and

(4) It will not initiate in April, 1974, a breakpoint reduction below \$300,000 respecting the portion of orders above which rates may be competitively determined.

PBW Stock Exchange Proposal. The PBW has proposed rule changes which would permit its members to offer investors a 14-day round-trip commission rate--that is, the grant of a 50% reduction in the commissions charged on the second transaction (either an offsetting sale or purchase) executed within 14 days of a purchase or a sale of the same security. The Commission has concluded that it will object to the implementation of this round-trip commission rate proposal. (Rel. 34-10383)

RECEIPTS OF PRIVATE NONINSURED PENSION FUNDS ROSE IN 1972. Net receipts of ^{private} noninsured pension funds were \$11.6 billion in 1972 as compared to \$10.3 billion in 1971, according to estimates released today by SEC. Total receipts were a record \$20.1 billion, up from \$17.5 billion in the previous year; total disbursements were \$8.5 billion, up from \$7.3 billion in 1971. These figures cover pension plans of corporations, multi-employer and union groups, and non-profit organizations; profit-sharing funds with retirement provisions are also included. Other employee benefit plans--such as health and welfare funds--are not included in these data. For details, see the September 12, 1973 SEC Statistical Bulletin.

RULE PROPOSALS AND ADOPTIONS

PROPOSED AMENDMENTS TO REGULATION S-X AND FORMS 10 AND 10-K RE FINANCIAL STATEMENTS OF LIFE INSURANCE COMPANIES. - The Commission today issued for public comment a proposed general revision of Article 7A of Regulation S-X concerning the form and content of life insurance company financial statements. The release also proposes the removal of the exemption from certification of the financial statements of such companies as presently provided for in Forms 10 and 10-K.

The most significant change in the proposed revision is the requirement that financial statements be prepared in accordance with generally accepted accounting principles (GAAP) except that it also provides that a company may follow statutory accounting requirements if the statutes in the state of domicile prohibit published primary financial statements on any other basis. However, it also requires that statutory financial statements shall be accompanied by supplemental GAAP statements in such cases. A reconciliation of material differences between statutory accounting requirements and GAAP is also required.

The deadline for public comments is November 2, 1973. (33-5420)

PROPOSED AMENDMENT TO REGULATION S-X RULE 3-16(o). - The Commission today issued for public comment a revised proposed amendment to Rule 3-16 of Regulation S-X calling for increased disclosure of income tax expense and deferred taxes. The revised proposal reflected changes resulting from public comments received on an earlier proposed amendment (Release 33-5344, Dec. 18, 1972).

The new proposal requires footnote disclosure in the financial statements of the components of current period timing differences included in currently reported tax expense as well as the amount of the deferred income tax on the current balance sheet which is expected to be part of tax expense for each of the next five years. It also requires a reconciliation of the reported effective tax rate to the current Federal tax rate and establishes standards of significance guiding the extent of disclosure of reconciling items. An example of such disclosure is included in the release.

The deadline for public comments is October 31, 1973. (Rel. 33-5421)

COURT ENFORCEMENT ACTIONS

COASTAL STATES GAS CORP., OTHERS ENJOINED. The Fort Worth Regional Office announced that on September 11 the U. S. District Court in Houston, Tex., permanently enjoined Coastal States Gas Corporation, Coastal States Gas Producing Company, Lo-Vaca Gathering Company and Oscar S. Wyatt, Jr., from violations of the antifraud and reporting provisions of the securities in the purchase and sale of securities, of Coastal States Gas Corporation and Colorado Interstate Corporation. The defendants consented to the court order without admitting or denying the allegations.

The Court order also provides for Coastal States Gas Corporation to: (a) increase its Board of Directors from ten to thirteen members, with six new independent members satisfactory to the plaintiff to be designated by the court and elected by the Board of Directors, (b) elect a new Executive Committee to be comprised of three members, two of whom shall be new members designated by the court and satisfactory to the plaintiff, (c) to appoint an independent audit committee consisting of three members, the majority of whom shall be new members of the Board, (d) to request its independent auditors, Touche, Ross & Co., to furnish the plaintiff the results of its special review of certain transactions pertaining to the 1971 and 1972 financial statements, and (e) to furnish full and more detailed disclosures concerning items on its future reports and annual reports relating to deliverability, total gas reserves and factors which may affect the company's ability to acquire increased reserves and deliverability capacity. (LR-6054)

COMPLAINT NAMES HOME-STAKE PRODUCTION CO., OTHERS. The Fort Worth Regional Office today announced that a complaint was filed in the U. S. District Court in Tulsa, Okla., seeking to enjoin Home-Stake Production Company, Robert S. Trippet, Home-Stake's 1964 through 1972 Program Operating Corporation and Home-Stake Securities Company, all of Tulsa, from violations of the antifraud, registration and false filing provisions of the securities laws in the offer and sale of units of participation in the annual 1964 through 1972 Program Operating Corporations, other related offerings and in the offer and sale of common stock of Home-Stake Production Company. The complaint sought appointment of a receiver and alleged that all of the defendants, except Home-Stake Securities Company are insolvent. (LR-6055)

KLEE & COMPANY ENJOINED. The Chicago Regional Office announced that the Federal court in Cleveland, Ohio, on August 20 permanently enjoined Klee & Company, Inc., Cleveland, Ohio broker-dealer, from violations of the broker-dealer financial responsibility requirement provisions of the securities laws. Earlier the court appointed a trustee in response to an application of the Securities Investor Protection Corporation, which alleged the company could not meet its obligations to customers and that such customers were in need of protection under the Securities Investor Protection Act. Klee & Co. consented to the appointment of a trustee for its liquidation and to the court order of permanent injunction without admitting or denying the allegations in SIPC's application or the Commission's complaint. (LR-6052)

HOLDING COMPANY ACT RELEASES

OHIO EDISON COMPANY. An order has been issued authorizing Ohio Edison Company, Akron holding company, to sell \$75 million of first mortgage bonds, due 2003, at competitive bidding. Ohio Edison will use the net proceeds for the acquisition of property, the construction and related purposes, or for the improvement of service or for the repayment of unsecured short-term debt, or for other corporate purposes. (Rel. 35-18086)

DELMARVA POWER & LIGHT COMPANY. An order has been issued authorizing a proposal of Delmarva Power & Light Company, Wilmington Del. holding company, to sell up to \$75 million of short-term notes to banks and commercial paper to a dealer or private investors from time to time until December 31, 1974. Net proceeds will be used to finance, in part, Delmarva's construction program for the remainder of 1973 and all of 1974 (approximately \$213,408,000). (Rel. 35-18087)

INVESTMENT COMPANY ACT RELEASES

PROFESSIONAL PORTFOLIO FUND. An order has been issued on an application of Professional Portfolio Fund, Inc., of Honolulu, Hawaii, declaring that the Fund has ceased to be an investment company. (Rel. IC-7982)

SECURITIES ACT REGISTRATIONS FILED

(Note: "Per share maximum" prices referred to in the following summaries of registration statements are prices estimated for the purpose of computing the registration fee and are not necessarily prices at which the securities will be sold.)

EXCHANGE BANKSHARES CORPORATION, 6th St., and the Mall, Atchison, Kan. 66002 - 115,000 shares of common stock, of which 100,000 are to be offered for sale, by the company and 15,000 by a selling shareholder. The offering is to be made at \$15 per share maximum, no underwriting is involved. Exchange Bankshares is a one bank holding company. Net proceeds will be used towards payment of long-term debt and for other corporate purposes. (File 2-48807 - Aug. 9)

BELDEN & BLAKE AND COMPANY LIMITED PARTNERSHIP NO. 1-B (the Partnership), 702 Tuscarawas St., West, Canton, Ohio 44702 - 100 partnership units, to be offered for sale at \$7,500 per unit. Henry S. Belden III and Glenn A. Blake are the general partners. The Partnership will engage in oil and gas drilling and exploration. (File 2-48809 - Aug. 9)

NABISCO, INC., 425 Park Ave., New York, N.Y. 10022 - 945,693 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Associated Products, Inc., an Illinois corporation, at the rate of .725 Nabisco share for each Associated share. Nabisco primarily manufactures, processes and sells food products. Associated produces and distributes pet foods and home furnishings. (File 2-48814 - Aug. 9)

SONIC DEVELOPMENT INC., 613 Federal National Bank Bldg., Shawnee, Okla. 74801 - 187,500 shares of common stock, to be offered for sale to licensed operators of Sonic Drive-In restaurants as of June 30, 1973, at \$1.15 per share. No underwriting is involved. The company is in the organizational stage and owns no property. Through subsidiaries, it intends to open two Sonic Drive-In restaurants. Net proceeds will be used for working capital and other corporate purposes. (File 2-48816 - Aug. 9)

SECURITY PACIFIC COMMONS LTD. (the Partnership), 1400 Tower Bldg., Seattle, Wash. 98101 - \$1,340,000 of partnership interests, to be offered for sale at \$1000 per unit with a minimum purchase of three units. The offering is to be made by First Columbia Corp. and selected dealers. The Partnership owns an office building in Bellevue, Washington, known as The Commons. Securities Pacific, Inc., Thomas Usher and Walter Maserole are the general partners. (File 2-48817 - Aug. 10)

SECURA CORPORATION, 1402 Perimeter Center East, Atlanta, Ga. 30328 - 450,000 shares of common stock, to be offered for sale at \$10 per share. No underwriting is involved. Organized in February 1972, the company is engaged through a subsidiary in the mortgage guaranty insurance business. Net proceeds will be invested in the insurance subsidiary and used for other corporate purposes. (File 2-48818 - Aug. 10)

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY, 185 Franklin St., Boston, Mass. 02107 - 6,526,440 shares of common stock. It is proposed to offer these shares to shareholders of record September 7, at the rate of one new share for each six shares held (and at \$32 per share maximum). A subsidiary of AT&T, the company will apply net proceeds toward repayment of interim debt consisting of advances from the parent and notes payable. Construction expenditures are estimated at \$502 million for 1972 and \$550 million in 1973. (File 2-48820 - Aug. 10)

RALSTON PURINA COMPANY, Checkerboard Sq., St. Louis, Mo. 63188 - 500,000 shares of common stock, which may be offered for sale by certain shareholders (at \$41.375 per share maximum). The company produces commercial feeds for livestock and poultry and of dry dog and cat food and processes soybeans. (File 2-48823 - Aug. 10)

CONTROL LASER CORPORATION, 1800 S. W. Seventh Ave., Pompano Beach, Fla. 33060 - 55,000 shares of common stock, issued or to be issued under the company's Qualified Stock Option Plan. (File 2-48824 - Aug. 10)

HALSTEAD INDUSTRIES, INC., West New Castle Street, Zelienople, Pa. 16063 - 1,700,000 shares of common stock. Of these shares 100,000 are to be offered for sale by the company and 1,600,000 by certain shareholders (at \$10 per share maximum). The company produces drawn copper tubing for the plumbing, air conditioning, heating and refrigeration industries. Net proceeds will be added to the company's working capital. (File 2-48825 - Aug. 1)

VENTURA OFFSHORE INDUSTRIES, INC., 5308 Telephone Rd., Ventura, Calif. 93003 - 700,000 shares of common stock. Of these shares 300,000 are to be offered for sale by the company and 400,000 by certain shareholders. The offering is to be made at (\$26 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006. The company designs and manufactures offshore oil drilling and production equipment. Net proceeds will be used toward the reduction of short-term debt and for other corporate purposes. (File 2-48831 - Aug. 13)

IFCAE CAPITAL CORPORATION, 175 W. Jackson Blvd., Chicago, Ill. 60604 - 250,000 shares of common stock. Of these shares 200,000 are to be offered for sale by the company and 50,000 by Marvin E. Fritikin, president, at \$10 per share. The company, through subsidiaries engages in property and casualty insurance business. Net proceeds will be used to increase the surplus of a subsidiary company and the balance for other corporate purposes. (File 2-48841 - Aug. 14)

SQUIRE CORPORATION, 40 W. 57th St., New York, N.Y. 10019 - 26,089 shares of common stock which may be offered for sale from time to time by certain shareholders at prices current at the time of sale (\$99.16 per share maximum). (File 2-48842 - Aug. 14)

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

United Banks of Colorado, Inc., Denver, Col. (File 2-48811) - 275,000 shares
 Computer Dimensions, Inc., Dallas, Tex. (File 2-48812) - 75,000 shares
 Time Incorporated, New York, N. Y. (File 2-48813) - 77,649 shares
 Great Scott Super Markets, Inc., Ferndale, Mich. (File 2-48815) - 157,500 shares
 Clarkson Industries, Inc., New York, N. Y. (File 2-48821) - 69,767 shares
 Hexcel Corporation, Dublin, Cal. (File 2-48826) - 50,000 shares
 MSI Data Corporation, Costa Mesa, Cal. (File 2-48830) - 300,000 shares
 Rexham Corporation, New York, N. Y. (File 2-48835) - 250,000 shares
 Parker Pen Company, Janesville, Wis. (File 2-48836) - 244,434 shares
 American Home Products Corporation, New York, N. Y. (File 2-48838) - 3,000,000 shares
 Nibco, Inc., Elkhart, Ind. (File 2-48839) 144,000 shares
 Diamond M Drilling Company, Houston, Tex. (File 2-48843) - 100,000 shares
 Dayton Power and Light Company, Dayton, Ohio (File 2-48844) - 300,000 shares

SECURITIES ACT REGISTRATIONS. Effective September 11: Dillingham-Systech Development Fund 1973, 2-47962; First Mortgage Investors, 2-48675; Florida Bankshares, Inc., 2-48108; Grubb and Ellis Resorts, Inc., 2-48987; National Cash Register Company, 2-48251; Oxford Associates, Ltd., 2-46959; St. Regis Paper Co., 2-48645; ADR's for Zandpan Gold Mining Company, 2-48911.

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.