

sec news LIBRARY digest

NOV 24 1979

Issue 79-227

November 26, 1979

COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND
EXCHANGE COMMISSION

STATEMENT OF MANAGEMENT ON INTERNAL ACCOUNTING CONTROL

The Commission announced today that any rule adopted with respect to its proposal to require inclusion of a statement of management on internal accounting control in annual reports on Form 10-K and in annual reports to security holders furnished pursuant to the proxy rules would not be effective for periods ending on or before December 31, 1979. The Commission has received over 900 letters of comment on the rule proposals, which were announced in Release 34-15772, April 20, 1979.

FOR FURTHER INFORMATION CONTACT: James J. Doyle at (202) 272-2130

COMMISSIONER LOOMIS SPEAKS BEFORE THE NEW YORK STATE SOCIETY OF CPAs

Commissioner Loomis spoke before the Foundation for Accounting Education, The New York State Society of Certified Public Accountants, Annual SEC Accounting Conference on November 19, 1979. The title of his address was "Current Developments Affecting Small Business and Small and Medium-Sized Accounting Firms".

CIVIL PROCEEDINGS

JUDGMENT AND FINAL ORDER ENTERED AGAINST A-T-O INC.

The Chicago Regional Office announced that on November 16 Judge June Green of the U.S. District Court for the District of Columbia, entered a Judgment and Final Order in connection with a Commission suit against A-T-O Inc. The Commission's complaint had charged that during the period between 1968 through early 1975, the defendant had made approximately \$1.2 million in payments to various individuals, usually the owner or an employee of a foreign business organization, in an effort to obtain or retain business. The Commission's complaint charged that these payments should have been disclosed in periodic reports required to be filed with the Commission.

Under the terms of the settlement, which was entered into by A-T-O without admitting or denying the allegations of the Commission's complaint and without the entry by the court of any findings with respect to whether A-T-O had committed violations of the securities laws, A-T-O agreed to the entry by the court of an Order directing it, in the future, to file with the Commission, annual, periodic and other reports which are not materially false and misleading. In connection with the settlement, A-T-O has filed a report with the Commission describing the results of an investigation conducted by its Audit Committee into certain payments and practices which were the subject of the Commission's complaint.

A-T-O has also granted to the Commission and its staff access to all materials gathered during the course of the internal investigation conducted by its Audit Committee. (LR-8931)

INVESTMENT COMPANY ACT RELEASES

EATON & HOWARD CASH MANAGEMENT FUND

A notice has been issued giving interested persons until December 17 to request a hearing on an application of Eaton & Howard Cash Management Fund, a registered, open-end, diversified management investment company, for an order pursuant to Section 6(c) of the Investment Company Act of 1940, exempting it, subject to conditions, from the provisions of Section 2(a)(41) of the Act, and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit it to compute its net asset value per share using the amortized cost method of valuing portfolio securities. (Rel. IC-10949 - Nov. 21)

HOLDING COMPANY ACT RELEASES

CEDAR COAL COMPANY

A notice has been issued giving interested persons until December 19 to request a hearing on a proposal of Cedar Coal Company and four other subsidiaries of American Electric Power Company, Inc., concerning the leasing of mining equipment. (Rel. 35-21302 - Nov. 21)

AMERICAN ELECTRIC POWER COMPANY, INC.

A notice has been issued giving interested persons until December 19 to request a hearing on a proposal of American Electric Power Company, Inc. (AEP), and its subsidiary, Michigan Power Company (MPC), that the period within which AEP may make open-account advances to MPC be extended until December 31, 1980. (Rel. 35-21303 - Nov. 21)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike the common stock (par value \$5.00) of Paterson Parchment Paper Company from listing and registration thereon. (Rel. 34-16358)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGES AND ORDER EXTENDING THE TIME PERIOD

The New York Stock Exchange, Inc. has filed proposed rule changes under Rule 19b-4 (SR-NYSE-79-45) in response to certain recommendations made by the Commission's Special Study of the Options Markets which the Commission requested the self-regulatory organizations which currently list and trade standardized options or which have proposed to list and trade standardized options to implement before further expansion of the standardized options markets is permitted. The Commission has extended until 90 days from the date of publication of notice of filing of the proposed rule change, the time period within which the Commission must either approve the change or institute proceedings to determine whether the change should be disapproved. Publication of the proposal is expected to be made in the Federal Register during the week of November 26. (Rel. 34-16359)

APPROVAL OF PROPOSED RULE CHANGES

The Division of Market Regulation has approved certain proposed rule changes filed by the New York Stock Exchange, Inc. concerning standards for formation and approval of a member organization (SR-NYSE-77-14). Certain of the proposed rule changes contained in the filing have not been approved pending further study. (Rel. 34-16360) and the Commission has approved, on an accelerated basis, a proposed rule change filed by the Midwest Stock Exchange, Inc. (SR-MSE-79-19) which amends the definitions of spread and straddle orders, defines combination orders, and accords to combination orders the same limited priority which is accorded to spread and straddle orders. (Rel. 34-16361)

SECURITIES ACT REGISTRATIONS

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-14) TRUST COMPANY OF GEORGIA, Trust Company of Georgia Bldg., One Park Plaza, N.E., Atlanta, Ga. 30303 (404) 588-7711 - 250,000 shares of common stock. (File 2-66072 - Nov. 23)
- (N-1) NRM INVESTMENT COMPANY, Morehall Rd., Malvern, Pa. 19355 (215) 644-6700 - an indefinite number of shares of common stock. (File 2-66073 - Nov. 23)
- (S-6) AMERICAN TAX-EXEMPT BOND TRUST, SERIES 40, 215 North Main St., West Bend, Wis. 53095 - 6,000 units. Depositor: B. C. Ziegler and Company. (File 2-66074 - Nov. 23)
- (S-1) DENELCOR, INC., 3115 East 40th Ave., Denver, Colo, 80205 - 1,014,550 shares of common stock. (File 2-66075 - Nov. 23)
- (S-16) BINNEY & SMITH INC., 1100 Church Lane, Easton, Pa. 18042 (215) 253-6271 - 66,202 shares of common stock. The company manufactures and sells a broad line of educational art materials and creative craft and activity sets. (File 2-66076 - Nov. 23)
- (S-16) BACHE GROUP INC., 100 Gold St., New York, N.Y. 10038 (212) 791-1000 - 190,394 shares of common stock. (File 2-66077 - Nov. 23)
- (S-8) SEALED AIR CORPORATION, Park 80 Plaza East, Saddle Brook, N.J. 07662 (201) 791-7600 - \$4 million of interests. (File 2-66078 - Nov. 23)
- (S-1) CDA SECURITIES, INC., 8750 Georgia Ave., Silver Spring, Md. 20910 - an undetermined amount of call option contracts. (File 2-66079 - Nov. 23)

REGISTRATIONS EFFECTIVE

Nov. 14: The Pacific Telephone and Telegraph Co., 2-65824.
Nov. 15: Minnesota Mining and Manufacturing Co., 2-65846.
Nov. 16: Harris Corp., 2-65821; Koppers Co., Inc., 2-65753; Nooney Real Property Investors-Two, 2-65006 (90 days); Nuveen Tax-Exempt Bond Fund, Series 137, 2-65896; Santa Anita Operating Co., 2-65894.
Nov. 19: Composite Cash Management Co., 2-65242 (90 days); Four-Phase Systems, Inc., 2-65866; Giant Food, Inc., 2-65841; The Government Securities Income Fund, Seventeenth GNMA Series, 2-65339; Philips Industries, Inc., 2-65920; Virginia Electric and Power Co., 2-65827.
Nov. 20: Central Telephone & Utilities Corp., 2-65997; The Corporate Income Fund, Forty-Fourth Short Term Series, 2-65803; Florida Power Corp., 2-65798; Parker-Hannifin Corp., 2-65957.

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.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FIRST CLASS MAIL

POSTAGE AND FEES PAID
U. S. SECURITIES AND
EXCHANGE COMMISSION



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.

SEC NEWS DIGEST is published daily.

*Subscription rates: \$100.00/yr in U.S. first class mail;
\$125.00 elsewhere.*

SEC DOCKET is published weekly.

*Subscription rates: \$79.00/yr in U.S. first class mail;
\$98.75 elsewhere.*

SEC STATISTICAL BULLETIN is published monthly.

*Subscription rates: \$15.00/yr in U.S. first class mail;
\$18.75 elsewhere.*

The News Digest, the Docket, and the Statistical Bulletin are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.