

# sec news digest

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Issue 80-98

May 19, 1980

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## COMMISSION ANNOUNCEMENTS

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### CONTINGENT ADVISORY COMPENSATION ARRANGEMENTS

The Commission announces the publication of a release which sets forth the interpretive views of the Division of Investment Management as to the application of Section 205(1) of the Investment Advisers Act of 1940 to advisory compensation arrangements which are contingent on the investment performance of the funds of advisory clients. (Rel. IA-721)

FOR FURTHER INFORMATION CONTACT: Michael J. Eizelman at (202) 272-2079

### LEGISLATIVE RECOMMENDATION TO AMEND TRUST INDENTURE ACT OF 1939

The Commission has submitted to Congress legislative recommendations to increase the maximum aggregate amount of debt securities that may be partially or totally exempt from that Act pursuant to Sections 304(a)(8) and 304(a)(9) of the Trust Indenture Act of 1939. In addition, the Commission is recommending that it be granted authority, pursuant to its rules and regulations, to establish from time to time the appropriate amounts of debt securities under the revised ceiling amounts that may be partially or totally exempt from the Trust Indenture Act.

FOR FURTHER INFORMATION CONTACT: Robert Rupp at (202) 272-2644

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## HOLDING COMPANY ACT RELEASES

### SOUTHWESTERN ELECTRIC POWER COMPANY

An order has been issued authorizing Southwestern Electric Power Company, subsidiary of Central and South West Corporation, to issue and sell 400,000 shares of new preferred stock at competitive bidding. (Rel. 35-21576 - May 16)

### THE SOUTHERN COMPANY

A supplemental order has been issued authorizing The Southern Company, a registered holding company, to issue and sell up to 8,500,000 shares of Southern's common stock pursuant to its Dividend Reinvestment and Stock Purchase Plan. The jurisdiction previously reserved in this proceeding has been released. (Rel. 35-21577 - May 16)

### CONSOLIDATED NATURAL GAS COMPANY

An order has been issued authorizing Consolidated Natural Gas Company, a registered holding company, to act as surety on a \$10,500,000 bond of Hope Natural Gas Company, a division of its public-utility subsidiary, Consolidated Gas Supply Corporation, said bond being required by the Public Service Commission of West Virginia in connection with the collection of increased rates and charges for natural gas service. (Rel. 35-21578 - May 16)

### ALABAMA POWER COMPANY

A notice has been issued giving interested persons until June 2 to request a hearing on a proposal of Alabama Power Company, subsidiary of The Southern Company, to issue and sell at competitive bidding up to \$100 million of first mortgage bonds. (Rel. 35-21579 - May 16)

## CENTRAL AND SOUTH WEST CORPORATION

A notice has been issued giving interested persons until June 9 to request a hearing on a proposal by Central and South West Corporation, a registered holding company, whereby CSW will issue and sell 6,000,000 shares of its authorized and unissued common stock at competitive bidding. (Rel. 35-21580 - May 16)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### ORDER GRANTING THE PHILADELPHIA STOCK EXCHANGE TO LIST PUT AND CALL OPTIONS

The Commission has issued an order granting the application of the Philadelphia Stock Exchange, Inc. to list put and call option classes on Caesar's World, Inc. to replace call option classes on Braniff International Corp. which were involuntarily delisted. (Rel. 34-16811)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGES

The following have filed proposed rule changes pursuant to Rule 19b-4: The National Association of Securities Dealers, Inc. (SR-NASD-80-5) to revise its By-Laws to generally require that NASDAQ Level 1 service provide subscribers with inside quotations. The proposal also identifies which quotations should be released to the news media. (Rel. 34-16812); and The Boston Stock Exchange, Inc. (SR-BSE-80-2) to permit specialists to execute odd-lots based on the last reported round-lot transaction, regular way, on the primary market (plus or minus a reasonable differential, if any). The rule also would prohibit differentials on orders received before the opening for execution at the opening. (Rel. 34-16815)

Publication of the above proposals are expected to be made in the Federal Register during the week of May 19.

### APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved, on an accelerated basis, a proposed rule change filed by the National Association of Securities Dealers, Inc. (SR-NASD-80-7) which deletes Sections 17(b)(3)-(5) and 18(c) of Appendix E under Article III, Section 33 of the NASD's Rules of Fair Practice. (Rel. 34-16813)

### NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

The American Stock Exchange, Inc. has filed a proposed rule change which became effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934 (SR-Amex-80-9) to amend its Rules 576 and 585 to increase the reimbursement rate to member organizations for transmission of follow-up proxy solicitation mailings, proxy materials and interim reports to shareholders; and to modify the invoice form used by member organizations to specify charges. Publication of the proposal is expected to be made in the Federal Register during the week of May 19. (Rel. 34-16814)

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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-18) TELEMETRY CONTROLS, INC., 1449 Brickell Ave., Miami, Fla. 33131 - 700,000 shares of common stock. Underwriter: A. L. Williamson & Co., 1140 Bloomfield Ave., West

Caldwell, N.J. 07006. The company was formed for the purpose of developing, producing and marketing proprietary Energy Management Control Systems. (File 2-67716 - May 9) (Br. 8)

- (S-16) LONE STAR INDUSTRIES, INC., One Greenwich Plaza, Greenwich, Conn. 06830 (203) 661-3100 - \$50 million of debentures, due 1990. Underwriter: The First Boston Corporation. The company is a supplier of ready-mixed concrete and sand and gravel aggregates. (File 2-67791 - May 16) (Br. 10)
- (S-16) WEST PENN POWER COMPANY, 800 Cabin Hill Dr., Greensburg, Pa. 15601 (412) 837-3000 - \$30 million of first mortgage bonds and 300,000 shares of cumulative preferred stock. The company is an electric utility. (File 2-67792 - May 15) (Br. 7)
- (S-16) PEPSICO CAPITAL RESOURCES, INC., Purchase, N.Y. 10577 (914) 253-2000 - \$150 million of guaranteed notes, due 1990. Underwriters: Salomon Brothers, Dillon, Read & Co. Inc., Goldman, Sachs & Co. and Merrill Lynch White Weld Capital Markets Group. The company has been organized to provide financing for PepsiCo's domestic businesses. (File 2-67794 - May 16) (Br. 1)
- (S-16) INDUSTRIAL NATIONAL CORPORATION, 55 Kennedy Plaza, Providence, R.H. 02903 (401) 278-5800 - \$20 million of notes, due 1990 and \$30 million of notes, due 1983. Underwriters: Warburg Paribas Becker Inc. and A. G. Becker Inc. The company is engaged in a general commercial banking and trust business. (File 2-67795 - May 16) (Br. 2)
- (S-16) PACIFIC GAS AND ELECTRIC COMPANY, 77 Beale St., San Francisco, Cal. 94106 (415) 781-4211 - 3,000,000 shares of common stock. The company is engaged in supplying electric and gas service. (File 2-67796 - May 16) (Br. 8)
- (S-16) DEERE & COMPANY, John Deere Rd., Moline, Ill. 61265 (309) 752-8000 - \$150 million of notes, due 1985. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company manufactures, distributes and finances the sale of mobile power machinery. (File 2-67797 - May 16) (Br. 9)
- (S-16) R. J. REYNOLDS INDUSTRIES, INC., Reynolds Blvd., Winston-Salem, N.C. 27102 (919) 777-2000 - \$150 million of notes, due May 15, 1990. Underwriter: Dillon, Read & Co. Inc. (File 2-67800 - May 16) (Br. 3)
- (S-16) THE HARTFORD ELECTRIC LIGHT COMPANY, Selden St., Berlin, Conn. 06037 (203) 666-6911 - 500,000 shares of preferred stock, 1980 Series, \$50 par value. (File 2-67801 - May 16) (Br. 7)
- (S-11) HOME SAVINGS AND LOAN ASSOCIATION, 3731 Wilshire Blvd., Los Angeles, Cal. 90010 (213) 385-1900 - 3,000 mortgage pass-through certificates, fifth series. Underwriters: Salomon Brothers and Goldman, Sachs & Co. (File 2-67802 - May 16) (Br. 1)
- (S-1) EVANS & SUTHERLAND COMPUTER CORPORATION, 580 Arapeen Dr., Salt Lake City, Utah 84108 (801) 582-5847 - 330,000 shares of common stock. Underwriter: Hambrecht & Quist. The company provides three-dimensional interactive computer graphics systems. (File 2-67804 - May 16) (Br. 9)
- (S-16) BAXTER TRAVENOL LABORATORIES, INC., One Baxter Pkwy., Deerfield, Ill. 60015 (312) 948-2000 - \$75 million of sinking fund debentures, due May 15, 2010. Underwriters: Merrill Lynch White Weld Capital Markets Group and Goldman, Sachs & Co. The company is engaged in the development, manufacture and sale of a diversified line of medical care products. (File 2-67805 - May 16) (Br. 4)

#### REGISTRATIONS EFFECTIVE

May 2: RCA Corp., 2-67486 (corrected order).  
May 6: Advanced Monitoring Systems, Inc., 2-66926.  
May 13: The Government Securities Income Fund, Twenty-First GNMA Series, 2-66505.  
May 14: The Corporate Income Fund, One Hundred Third Monthly Payment Series, 2-67525; First National State Bancorporation, 2-67379; The First Trust of Insured Municipal Bonds, Series 52, 2-67505; Lifemark Corp., 2-67684; Squibb Corp., 2-67380; Viacom International, 2-67424.  
May 15: Central Hudson Gas & Electric Corp., 2-67537; The Detroit Edison Co., 2-67658 & 2-67659; Security Pacific Corp., 2-67705.



**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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