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## **RULES AND RELATED MATTERS**

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### **NEW CAPITAL REQUIREMENTS FOR BROKERS AND DEALERS**

The Commission has authorized issuance of a release (a) proposing amendments to its net capital rule which will lower capital requirements for brokers and dealers operating under the alternative net capital rule, (b) proposing amendments to the Commission's customer protection rule which will exclude certain items from the Reserve Formula of that rule thereby lowering capital requirements for brokers and dealers operating under the alternative net capital rule, (c) soliciting public comments on a broad range of questions regarding the Commission's financial responsibility program for brokers and dealers. (Rel. 34-17208)

The Commission has also authorized issuance of a release proposing amendments to its net capital rule which would increase the percentage deduction (haircut) to be applied by brokers and dealers to debt securities held in proprietary or other accounts. (Rel. 34-17209)

All comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, on or before January 15, 1981 and should refer to File Nos. S7-855 (Rel. 34-17208) and S7-856 (Rel. 34-17209). All comments will be available for public inspection.

**FOR FURTHER INFORMATION CONTACT:** Gregory N. Smith at (202) 272-2368 or Rosanne F. Greene at (202) 523-5495 on Rel. 34-17208 and Michael A. Macchiaroli at (202) 272-2372 on Rel. 34-17209

### **EXTENSION OF COMMENT PERIOD**

The Commission has extended until October 31, 1980 the period for public comment on the proposed amendments to Form X-17A-5 (17 CFR 249.617), the Financial and Operational Combined Uniform Single (FOCUS) Report and Rule 17a-5 (17 CFR 240.17a-5), under the Securities Exchange Act of 1934. All comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, and should refer to File No. S7-851. (Rel. 34-17213)

### **CORRECTION RE PROPOSED COMPREHENSIVE REVISION TO SYSTEM FOR REGISTRATION OF SECURITIES OFFERINGS**

The Commission has authorized the publication of a release setting forth revised figures with regard to the use of the short form, Form S-16, for primary offerings of securities. This statistical profile appears as Appendix I to Release 33-6235 (September 2, 1980) which proposes three new registration forms under the Securities Act of 1933. (Rel. 33-6235A)

**FOR FURTHER INFORMATION CONTACT:** Hugh Haworth at (202) 523-5629

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## **CIVIL PROCEEDINGS**

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### **COMPLAINT NAMES STEPHEN SMITH**

The Commission announced on October 14 the filing of a complaint for injunction and other equitable relief in the U.S. District Court for the Southern District of New York against Stephen Smith of New York, New York, alleging violations of the beneficial ownership reporting requirements of the Williams Act, in connection with Smith's acquisition of the common stock of Friendly Frost, Inc. (Frost). According to the complaint, Smith purchased 300,298 shares of Frost

common stock in November 1977 and thereafter failed to disclose in reports on Schedule 13D or amendments thereto, among other things, transactions which Smith effected in Frost common stock; contracts, arrangements, understandings or relationships Smith entered into with certain persons with respect to Frost common stock, including several individuals who purchased Frost common stock using funds borrowed or obtained from Smith; the source of funds Smith used to purchase Frost common stock; and plans or proposals by Smith to make material changes in the nature of Frost's business. The complaint also charges that Smith failed to disclose that he has previously been the subject of three Commission enforcement proceedings, and has been enjoined from violating the provisions of Rule 10b-5 and barred from association with a broker or dealer, investment adviser or investment company. The Commission's action seeks an injunction against Smith from future violations of the beneficial ownership requirements of the Williams Act, Section 13(d) of the Securities Exchange Act of 1934, and Rules 12b-20, 13d-1 and 13d-2, and an order that Smith correct his past reports of beneficial ownership of Frost common stock on Schedule 13D. (SEC v. Stephen Smith, S.D.N.Y., 80 Civ. 5840 [CSH]). (LR-9200)

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## INVESTMENT COMPANY ACT RELEASES

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### ALGEMENE BANK NEDERLAND N.V.

A notice has been issued giving interested persons until November 10 to request a hearing on an application filed by Algemene Bank Nederland N.V. (Applicant), a Dutch commercial bank whose principal office is located in Amsterdam, The Netherlands, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicant from all the provisions of the Act. Issuance of the requested order would have the effect of permitting Applicant to make a public offering of commercial paper in the United States. (Rel. IC-11397 - Oct. 15)

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## HOLDING COMPANY ACT RELEASES

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### BLACKSTONE VALLEY ELECTRIC COMPANY

A notice has been issued giving interested persons until November 10 to request a hearing on a proposal of Blackstone Valley Electric Company, subsidiary of Eastern Utilities Associates, to amend its preferred stock provisions regarding the issuance of unsecured indebtedness. An order has been issued authorizing the solicitation of proxies. (Rel. 35-21745 - Oct. 10)

### LOUISIANA POWER & LIGHT COMPANY

A notice has been issued giving interested persons until November 17 to request a hearing on a proposal of Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., to issue and sell at competitive bidding up to \$100 million of first mortgage bonds. (Rel. 35-21746 - Oct. 15)

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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; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

- (S-7) NATIONAL CONVENIENCE STORES INC., 3200 Travis St., Houston, TX 77006 (713-529-5711) - 900,000 shares of common stock. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company operates over 800 retail convenience stores. (File 2-69500 - Oct. 14)

- (S-16) FLAGSHIP BANKS INC., 777 Brickell Ave., Miami, FL 33131 (305-591-2212) - 800,000 shares of cumulative convertible preferred stock. Underwriters: Smith Barney, Harris Upham & Co. and Keefe, Bruyette & Woods, Inc. The company is a registered bank holding company. (File 2-69501 - Oct. 14) (Br. 1)
- (S-8) ANTHEM ELECTRONICS, INC., 174 Componenet Dr., San Jose, Cal. 95131 (408) 946-8000 - 90,000 shares of common stock. (File 2-69503 - Oct. 14) (Br. 7)
- (S-1) MID-AMERICA DRILLING & EXPLORATION, INC., Suite 508, 210 West Sixth St., Fort Worth, Tex. 76102 - 17,396,482 shares of common stock. (File 2-69504 - Oct. 15) (Br. 4)
- (S-7) INTERNATIONAL CLINICAL LABORATORIES, INC., Five Park Plaza, P.O. Box 24027, Nashville, Tenn. 37202 - 385,000 shares of common stock. Underwriter: J.C. Bradford & Co. The company provides medical laboratory testing services to hospitals and physicians. (File 2-69505 - Oct. 15) (Br. 3)
- (S-15) SOUTHWEST FOREST INDUSTRIES, INC., 3443 North Central Ave., Phoenix, Ariz. 85012 (602) 279-5381 - 400,000 shares of common stock. (File 2-69506 - Oct. 15) (Br. 10)
- (S-11) SHELTER PROPERTIES II, 1000 Executive Center Dr., P.O. Box 6725, Greenville, S.C. 29606 - 27,500 limited partnership units. Underwriter: E.F. Hutton & Company Inc. (File 2-69507 - Oct. 5) (Br. 5)
- (S-16) WILLAMETTE INDUSTRIES, INC., 3800 First National Bank Tower, 1300 S.W. Fifth Ave., Portland, Ore. 97201 (503) 227-5581 - \$100 million of notes, due 1990. Underwriter: The First Boston Corporation. The company is an integrated forest products manufacturer. (File 2-69508 - Oct. 15) (Br. 9)
- (S-14) GOULD INC., 10 Gould Center, Rolling Meadows, Ill. 60008 (312) 640-4000 - 6,774,302 shares of common stock. (File 2-69509 - Oct. 15) (Br. 8)
- (S-14) COLUMBUS INSURANCE HOLDING COMPANY, 3070 Riverside Dr., Columbus, Ohio 43221 (614) 486-5981 - 622,968 shares of common stock and 125,968 shares of preferred stock. (File 2-69510 - Oct. 15) (Br. 9 - New Issue)
- (S-8) KENAI CORP., 477 Madison Ave., New York, N.Y. 10022 (212) 688-6600 - 225,000 shares of common stock. (File 2-69511 - Oct. 14) (Br. 3)
- (S-8) FSC CORPORATION, 1000 RIDC Plaza, Pittsburgh, Pa. 15238 (412) 566-1818 - 50,000 shares of common stock. (File 2-69512 - Oct. 15) (Br. 2)
- (S-8) NIAGARA FRONTIER SERVICES, INC., 60 Dingens St., Buffalo, N.Y. 14206 (716) 823-3712 - 150,000 common shares. (File 2-69513 - Oct. 15) (Br. 4)
- (S-8) CSX CORPORATION, 707 East Main St., P.O. Box 1535, Richmond, Va. 23212 (804) 788-8200 - 877,812 shares of common stock. (File 2-69514 - Oct. 15) (Br. 5)
- (S-16) IOWA ELECTRIC LIGHT AND POWER COMPANY, Cedar Rapids, Iowa 52401 (319) 398-4411 - \$30 million of first mortgage bonds, Series T, due December 1, 1990. Underwriter: Goldman, Sachs & Co. The company is engaged in the generation, transmission, distribution and sale of electric energy. (File 2-69516 - Oct. 15) (Br. 8)

In a separate statement the company seeks registration of 1,000,000 shares of common stock. (File 2-69517 - Oct. 15) (Br. 8)

#### REGISTRATIONS EFFECTIVE

Sept. 19: The Equity Income Fund, Fourth Utility Common Stock Series, 2-68397.  
 Oct. 3: The Dorsey Corp., 2-68814; Fingermatrix, Inc., 2-67591.  
 Oct. 6: Kallstad Laboratories, Inc., 2-69279; Piedmont Management Co. Inc., 2-69213; RFS Liquidating Corp., 2-68933.  
 Oct. 7: Eastern Edison Co., 2-69052; Team Inc., 2-68928 & 2-69294.  
 Oct. 8: The Dreyfus Income Trust, Sixteenth Short Term Series, 2-66900; KLA Instruments Corp., 2-69072; Nuclear Power & Energy Co., 2-68779; Ocean Drilling & Exploration Co., 2-69204.  
 Oct. 9: Shearson Property Investors, 2-68535.  
 Oct. 10: First Decatur Bancshares, Inc., 2-68945; The 44 Wall Street Equity Fund, Inc., 2-67610.



**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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