

sec news digest

LIBRARY

Issue 77-203

October 20, 1977

OCT 25 1977

NOTICE OF COMMISSION MEETINGS U.S. SECURITIES AND EXCHANGE COMMISSION

Following is a schedule of Commission meetings which will be conducted pursuant to provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

Visitors are welcome at all open meetings, insofar as seating is available.

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or tape record Commission meetings must obtain permission in advance from the Secretary of the Commission.

CLOSED MEETING - WEDNESDAY, OCTOBER 26, 1977 - 10 A.M.

The subject matter of the October 26 closed meeting will be: Formal orders of investigation; Institution of injunctive actions; Settlement of injunctive actions; Institution of administrative proceedings; Settlement of administrative proceedings; Referral of investigative files to Federal, State or Self Regulatory authorities; Regulatory matters arising from or bearing enforcement implications; Chapter X proceedings; Freedom of Information Act appeal; Personnel matter.

OPEN MEETING - WEDNESDAY, OCTOBER 26, 1977 - 2:30 P.M.

The subject matter of the October 26 open meeting will be:

Oral argument in the matter of an appeal by Investment Planning, Inc., George H. Weitzel and Erwin J. Hafeman from disciplinary action taken by the National Association of Securities Dealers, Inc.

OPEN MEETING - THURSDAY, OCTOBER 27, 1977 - 10 A.M.

The subject matter of the October 27 open meeting will be:

(1) Application filed by Israel Hotels International, Inc. for an order exempting the company from certain reporting requirements of the Securities Exchange Act of 1934.

(2) Application filed by ICH Corporation for a determination by the Commission, pursuant to Rule 252(f) of Regulation A, that it is not necessary under the circumstances that the Regulation A exemption be denied.

(3) Consideration of advance notice of proposed rulemaking concerning the possible disclosure of corporate debt security ratings in filings with the Commission under the federal securities acts.

(4) Consideration of the Freedom of Information Act request by C.C. Clinkscales, III, relating to the processing of proxy statement of CBS, Inc. and RCA Corporation.

(5) Proposed rule amendments filed by the New York Stock Exchange to: [1] lower minimum capital requirements for specialists, [2] permit one or two-member specialist units, and [3] maintenance of single limit order books by specialists registered in the same stocks.

OPEN MEETING - FRIDAY, OCTOBER 28, 1977 - 9 A.M.

The subject matter of the October 28 open meeting will be:

Proposed publication for comment of a proposed schedule and rule related to going private transactions by public companies or their affiliates.

FOR FURTHER INFORMATION CONTACT: Willie M. Alexander at (202) 376-7474 or Angela M. Desmond at (202) 755-1173.

ADMINISTRATIVE PROCEEDINGS

J. H. DILLON & CO., INC. AND JOE H. DILLON SANCTIONED

The Commission has determined to accept an offer of settlement by J. H. Dillon & Co., Inc., and Joe H. Dillon of Spokane, Washington, in which they agree, without admitting or denying the allegations in the Commission's order for public proceedings, to the revocation of J. H. Dillon & Co., Inc. as a broker and dealer in securities, and the suspension of Joe H. Dillon from association with any broker or dealer for a period of nine months, followed by a bar from such association in other than a supervised, non-supervisory, non-proprietary capacity. The Commission earlier alleged, in its order, that Dillon & Co., Inc., and Dillon violated the registration, antifraud, net capital, customer reserves and current books and recordkeeping provisions of the securities laws in the offer and sale of various mining company shares. (Rel. 34-14039)

DOMINIC ASCIOLLA

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 to determine what, if any, remedial action should be taken in the public interest against Dominic Ascioffa, of Staten Island, New York. The proceedings are based on allegations by the staff that Ascioffa was convicted of grand larceny, a felony, in New York State Supreme Court. The conviction allegedly arose out of a complex accounting scheme Ascioffa perpetrated while he was vice president, Accounting, of Drexel Burnham & Co., Inc., a broker-dealer registered with the Commission. In addition, it is alleged that, in connection with his scheme, which began in July 1972 and ended in September 1976, Ascioffa wilfully violated the antifraud provisions of the Securities Exchange Act of 1934. (Rel. 34-14071)

INVESTMENT COMPANY ACT RELEASES

NEWTON INCOME FUND

A notice has been issued giving interested persons until November 11 to request a hearing on an application of Newton Income Fund, Inc. (Income), Newton Select Fund, Inc. (Select) and Heritage Investment Advisors, Inc., for an order pursuant to Sections 17(b) and 17(d) of the Act and Rule 17d-1 thereunder, exempting the proposed merger of Select into Income and pursuant to Section 6(c) of the Act, exempting the issuance of Income shares from the provisions of Section 22(c) of the Act and Rule 22c-1 thereunder. (Rel. IC-9961 - Oct. 17)

TEMPLETON GROWTH FUND, LTD.

A notice has been issued giving interested persons until November 14 to request a hearing on an application of Templeton Growth Fund, Ltd. (Fund), and Securities Fund Investors, Inc., the Fund's principal underwriter, for an order to permit the Fund to offer its common shares for shares of the Reserve Fund, Inc., and to exempt the Fund and its principal underwriter from the provisions of Section 22(d) in connection with such an offer of exchange. (Rel. IC-9962 - Oct. 18)

THE CORPORATE FUND ACCUMULATION PROGRAM

An order has been issued on an application of The Corporate Fund Accumulation Program, Inc., The Municipal Fund Accumulation Program, Inc., Merrill Lynch Basic Value Fund, Inc., and Merrill Lynch Municipal Bond Fund, Inc. (Applicants), declaring that Mr. Thomas H. Lenagh shall not be deemed to be an "interested person" of Applicants, their investment adviser or the principal underwriter of Merrill Lynch Basic Value Fund, Inc., and Merrill Lynch Municipal Bond Fund, Inc., within the meaning of Section 2(a)(19) of the Act by reason of his position as a director of USLIFE Corporation. (Rel. IC-9963 - Oct. 18)

HOLDING COMPANY ACT RELEASES

INTER-CITY GAS LIMITED

A notice has been issued giving interested persons an opportunity to request a hearing on a proposal by Inter-City Gas Limited, a gas distribution company and an exempt holding company, to acquire the publicly held common stock of Canadian Hydrocarbons Limited, a Canadian holding company with subsidiaries in Canada, and by Hydrocarbons' subsidiaries, for an order pursuant to Section 3(b) of the Act exempting them from all obligations and duties imposed under the Act upon subsidiaries of a holding company.

PENNSYLVANIA ELECTRIC COMPANY

A notice has been issued giving interested persons until November 11 to request a hearing on a proposal of Pennsylvania Electric Company (Penelec), subsidiary of General Public Utilities Corporation, and Nineveh Water Company, subsidiary of Penelec, that Nineveh issue and sell to Penelec and Penelec purchase from Nineveh notes in an amount not to exceed \$800,000. (Rel. 35-20215 - Oct. 18)

OHIO EDISON COMPANY

A notice has been issued giving interested persons until November 18 to request a hearing on a proposal by Ohio Edison Company, a registered holding company, to issue and sell up to 6,000,000 shares of its \$9 par common stock at competitive bidding. (Rel. 35-20216)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING SOUGHT

A notice has been issued giving interested persons until November 2 to request a hearing on applications of the Philadelphia Stock Exchange, Inc. for unlisted trading privileges in the common stock of the following companies: Data Terminal Systems, Inc., \$0.20 par value; National Industries, Inc., \$1.00 par value; and Ward Foods, Inc., \$1.00 par value. (Rel. 34-14064)

UNLISTED TRADING GRANTED

An order has been issued granting the applications of the Philadelphia Stock Exchange, Inc. for unlisted trading privileges in the common stock of the following companies: Curtis Noll Corporation, no par value, and Ranger Oil (Canada) Ltd., no par value. (Rel. 34-14066)

An order has been issued granting the applications of the Boston Stock Exchange, Inc. for unlisted trading privileges in the common stock of the specified companies: Bally Manufacturing Corp. (Del.), \$0.66-2/3 par value; Combustion Equipment Associates, Inc., \$0.01 par value; Crum & Forster, \$1.25 par value; Inexo Oil Co. (Del.), \$0.02 par value; Mapco, Inc. (Del.), \$1.00 par value; and Nashua Corporation, \$1.00 par value. (Rel. 34-14067)

WITHDRAWAL FROM LISTING AND REGISTRATION

An order has been issued granting the application by Hawaiian Telephone Company to withdraw its first mortgage bonds, Series G, 3-1/8%, due July 15, 1980, from listing and registration on the Honolulu Stock Exchange. (Rel. 34-14065)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Municipal Securities Rulemaking Board (MSRB) has filed a proposed rule change under Rule 19b-4 (SR-MSRB-77-13) which would specify the minimum scope and frequency of periodic compliance examinations of municipal securities brokers and municipal securities dealers. Publication of the proposal is expected to be made in the Federal Register during the week of October 24. (Rel. 34-14063)

The American Stock Exchange, Inc. (Amex) has filed a proposed rule change under Rule 19b-4 (SR-Amex-77-24) to permit regular members or options principal members to lease their memberships to qualified options. Publication of the proposal is expected to be made in the Federal Register during the week of October 24. (Rel. 34-14068)

The Amex has also filed a proposed rule change under Rule 19b-4 (SR-Amex-77-27) to facilitate notification of "aggrieved persons" seeking reviews of Amex action pursuant to Section 19(d)(2) of the Act. Publication of the proposal is expected to be made in the Federal Register during the week of October 17. (Rel. 34-14069)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Municipal Securities Rulemaking Board (MSRB). The rule change (SR-MSRB-77-14) defers the effective date of subparagraphs (a)(xi)(G) and (a)(xi)(K) of Rule G-8 until November 15, 1977. (Rel. 34-14052)

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-1) PATTON 1978 OIL AND GAS PROGRAM, Plaza North Bldg., 5660 South Syracuse Circle, Englewood, Colo. 80110 - 2,700 units of limited partnership interests. (File 2-60097 - Oct. 18)
- (S-14) GULF UNITED CORPORATION, Gulf Life Tower, Jacksonville, Fla. 32201 (904) 396-2771 - 1,275,841 shares of \$1.20 cumulative convertible preferred stock, Series A, and 1,275,841 shares of common stock. (File 2-60098 - Oct. 18)
- (S-8) GOULD INC., 10 Gould Center, Rolling Meadows, Ill. 60008 - common stock. (File 2-60100 - Oct. 19)
- (S-7) ILLINOIS POWER COMPANY, 500 South 27th St., Decatur, Ill. 62525 (217) 424-6600 - \$100 million of first mortgage bonds, due 2007. (File 2-60101 - Oct. 19)
- (S-1) THE HILLIARD FUND 78, LTD., 2200 Sand Hill Rd., Menlo Park, Cal. 94025 - 3,600 shares of limited partnership interests. (File 2-60102 - Oct. 19)
- (S-5) FEDERATED HIGH INCOME FUND, INC., 421 Seventh Ave., Pittsburgh, Pa. 15219 - 100,000 shares of capital stock. (File 2-60103 - Oct. 19)
- (S-7) AMERICAN TELEPHONE AND TELEGRAPH COMPANY, 195 Broadway, New York, N.Y. 10007 (212) 393-9800 - 12,000,000 shares of common stock. Underwriters: Morgan Stanley & Co. Inc., Merrill Lynch, Pierce, Fenner & Smith Inc., and Salomon Brothers. (File 2-60104 - Oct. 19)
- (S-5) UNIFIED ACCUMULATION FUND, INC., 207 Guaranty Bldg., Indianapolis, Ind. 46204 - 494,135 shares of capital stock. (File 2-60105 - Oct. 3)
- (S-5) ANCHOR CORPORATE BOND FUND, INC., Westminster at Parker, Elizabeth, N.J. 07207 - 2,000,000 shares of common stock. (File 2-60106 - Oct. 19)
- (S-8) FIRST PENNSYLVANIA CORPORATION, Centre Square West, Philadelphia, Pa. 19101 - 833,333 shares of common stock. (File 2-60107 - Oct. 19)
- (S-14) NORTHWEST NITRO CHEMICALS LTD., P.O. Box 310, Medicine Hat, Alberta, Canada T1A 7G1 - 216,833 redeemable preference shares. (File 2-60108 - Oct. 19)
- (S-7) OHIO EDISON COMPANY, 76 South Main St., Akron, Ohio 44308 (216) 384-5100 - 6,000,000 shares of common stock. (File 2-60109 - Oct. 19)
- (S-8) COLUMBIA PICTURES INDUSTRIES, INC., 711 Fifth Ave., New York, N.Y. 10022 - 550,000 shares of common stock. (File 2-60110 - Oct. 19)

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 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail; \$54.65 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.