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September 15, 1977

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

NYSE ACTION AGAINST ALAN P. MACQUOID AFFIRMED

The Commission has affirmed disciplinary action taken by the New York Stock Exchange against Alan P. MacQuoid, of Palos Verdes Estates, California. The exchange barred MacQuoid from employment with any member or member organization until such time as (a) it completes its investigation of alleged misconduct by MacQuoid while employed by a member firm; (b) it determines whether or not to penalize MacQuoid as a result thereof; and (c) the penalty, if any, is carried out. The Commission, as had the exchange, found that MacQuoid failed to furnish the exchange with information it had requested relating to his conduct while employed by the member. The Commission noted that the sanction assessed was the precise penalty spelled out in MacQuoid's agreement with the exchange for the offense he committed. (Rel. 34-13909)

NOTICE OF COMMISSION MEETINGS

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 - MONDAY, SEPTEMBER 19, 1977 - immediately following open meeting

The subject matter of the September 19 closed meeting will be: Institution of injunctive actions; Referral of investigative files to Federal, State, or Self Regulatory authorities; Opinions.

CLOSED MEETING - WEDNESDAY, SEPTEMBER 21, 1977 - 10 A.M.

The subject matter of the September 21, 10 a.m. closed meeting will be: Referral of investigative files to Federal, State, or Self Regulatory authorities; Settlement of injunctive actions; Institution of administrative proceeding; Institution of injunctive action; Subpoena enforcement action.

CLOSED MEETING - WEDNESDAY, SEPTEMBER 21, 1977 - immediately following open meeting

The subject matter of the September 21, 2 p.m. closed meeting will be: Post-oral argument discussion.

OPEN MEETING - MONDAY, SEPTEMBER 19, 1977 - 11 A.M.

The subject matter of the September 19 open meeting will be:

(1) Consideration of the deferral of re-examination of the indefinite underwriter status under Rule 145(c) and certain provisions of Rule 145(d) pending completion and presentation of a study being prepared by the Directorate of Economic and Policy Research.

(2) Affirmation of duty officer action authorizing staff members to appear and testify at a hearing in the matter of SEC v. Equity Service Corporation.

(3) Consideration of an application by the Interment Association of California and certain other California mortuary companies for exemption from all provisions of the Investment Company Act of 1940.

(4) Consideration of rulemaking proposals to require disclosure in proxy statements of all services auditors provide public companies and their related fees; and a request for information on non-audit services provided by accounting firms.

(5) Proposed rule to require disclosure of all the reasons for a change in auditors and whether the decision to change auditors was considered by the registrant's Board of Directors or its Audit Committee.

(6) Application filed by the Columbia Gas System, Inc. for an order to issue and sell short-term notes and commercial paper and request for hearing by the State of Ohio regarding the application (Rescheduled from September 14, 1977).

(7) Consideration of letters to be sent to certain self-regulatory organizations giving further notice that certain transaction completion rules do not comply with the Securities Exchange Act of 1934.

OPEN MEETING - WEDNESDAY, SEPTEMBER 21, 1977 - 2 P.M.

The subject matter of the September 21 open meeting will be:

Oral argument on an application by Mr. Steven C. Pruette for appeal from disciplinary action taken against him by the National Association of Securities Dealers, Inc.

For further information contact: Willie M. Alexander at (202) 376-7474 or Sam Knight at (202) 376-8068.

TRADING SUSPENSIONS

TRADING SUSPENDED IN PITTSBURGH YOUNGSTOWN & ASHTABULA RAILWAY COMPANY

The SEC announced the single five day suspension of exchange and over-the-counter trading in the securities of Pittsburgh Youngstown & Ashtabula Railway Company (PY&A), a Pennsylvania and an Ohio corporation located at Six Penn Center, Room 1418, Philadelphia, Pennsylvania, for the period beginning on September 14 and terminating at midnight (EDT) on September 18, 1977.

The Commission ordered the suspension of trading in the securities of PY&A at the request of the company pending announcement by Penn Central Transportation Company of certain amendments to its proposed plan of reorganization affecting the proposed distribution of cash and securities under the plan to the public stockholders and bondholders of PY&A. (Rel. 34-13955)

INVESTMENT COMPANY ACT RELEASES

SIGMA TAX-FREE INCOME FUND

An order has been issued declaring that Sigma Tax-Free Income Fund, Inc., has ceased to be an investment company. (Rel. IC-9925 - Sept. 13)

THE VANGUARD GROUP

A notice of and order for a hearing has been issued on an application of Wellington Fund, Inc., Windsor Fund, Inc., Ivest Fund, Inc., Wellesley Income Fund, Inc., W. L. Morgan Growth Fund, Inc., Exeter Fund, Inc., Gemini Fund, Inc., Westminster Bond Fund, Inc., Trustees' Equity Fund, Inc., Explorer Fund, Inc., Whitehall Money Market Trust, Qualified Dividend Portfolio, Inc., Qualified Dividend Portfolio II, Inc., and First Index Investment Trust (collectively Vanguard Funds), diversified management investment companies registered under the Act, and The Vanguard Group, Inc. (Vanguard), a corporation which performs management and administrative functions for the Vanguard Funds (collectively Applicants), pursuant to Section 40(a) of the Act, setting the aforesaid application down for a hearing scheduled to commence on October 17 at the Commission's headquarters office. In addition, in view of certain cost savings which Applicants have represented will inure to the benefit of the Vanguard Funds, an order of temporary exemption has been issued on the basis of the information contained in the above application: (1) pursuant to Rule 17d-1 under the Act, until the final determination of this application and any review thereof, permitting Applicants to

effect certain proposed transactions whereby Vanguard, through its subsidiary, Vanguard Marketing Corporation (Marketing), will undertake the distribution of the shares of those Vanguard Funds which continuously offer and redeem their shares; (2) pursuant to Section 17(b) of the Act, exempting from Section 17(a) of the Act, until the final determination of this application and any review thereof, the issuance by Vanguard, and the periodic purchase and sale among the Vanguard Funds, of Vanguard securities in order to maintain proportional ownership by the Vanguard Funds; (3) pursuant to Section 6(c) of the Act, exempting, until the final determination of this application and any review thereof, the directors of the Vanguard Funds from the definition of interested person contained in Section 2(a)(19) of the Act to the extent that such directors would be deemed to be interested persons of any of the Vanguard Funds or of Marketing solely by reason of the implementation of the proposed arrangements; and (4) pursuant to Section 6(c) of the Act, exemption, until the final determination of this matter and any review thereof, the proposed distribution arrangements from Sections 2(a)(35) and 22(c) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit the proposed distribution arrangements. (Rel. IC-9927 - Sept. 13)

HOLDING COMPANY ACT RELEASES

MONONGAHELA POWER COMPANY

An order has been issued approving a proposal of Monongahela Power Company, subsidiary of Allegheny Power System, Inc., whereby the amount of Monongahela's short-term notes to be outstanding at any one time will be increased to \$46 million. Monongahela has been authorized to issue and sell up to \$44 million of such notes at any one time outstanding. (Rel. 35-20170 - Sept. 13)

CENTRAL POWER AND LIGHT COMPANY

An order has been issued approving a proposal of Central Power and Light Company, subsidiary of Central and South West Corporation, to issue and sell up to \$75 million of first mortgage bonds. (Rel. 35-20171 - Sept. 14)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the American Stock Exchange, Inc. The rule change (SR-Amex-77-17) is to provide a procedure whereby a listed company may obtain review of Exchange determinations to halt or suspend trading in its securities. (Rel. 34-13952)

EXTENSION OF TIME FOR COMMISSION ACTION ON PROPOSED CHANGES TO NYSE RULE 405

The Commission announced that it has extended until November 7 the time for its action on amendments proposed by the New York Stock Exchange, Inc. to its "Know Your Customer" rule, Rule 405 (SR-NYSE-76-34). (Rel. 34-13953)

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-8) GENERAL PUBLIC UTILITIES CORPORATION, 260 Cherry Hill Rd., Parsippany, N.J. 07054 - 2,000,000 shares of common stock. (File 2-59839 - Sept. 7)
- (S-6) CORPORATE SECURITIES TRUST, PREFERRED STOCK SERIES 6, 42 Wall St., New York, N.Y. 10005 - 860,000 units. Depositors: Loeb Rhoades & Co. Inc., 42 Wall St., New York, N.Y. 10005, Smith Barney, Harris Upham & Co. Inc., Blyth Eastman Dillon & Co. Inc., Hornblower, Weeks, Noyes & Trask Inc., Paine, Webber, Jackson & Curtis Inc., Shearson Hayden Stone Inc., and Thomas McKinnon Securities Inc. (File 2-59880 - Sept. 14)
- (S-1) TIDEWAY ENERGY LIMITED PARTNERSHIP 1977-2, 203 Ergon Bldg., 134 S. Lamar St., Jackson, Mississippi 39205 - 1000 units of limited partnership interests. Underwriter: Tideway Financial Services, Inc. (File 2-59881 - Sept. 14)

(S-7) CREDITRIFT FINANCIAL, INC., 601 N.W. Second St., Evansville, Ind. 47708 (812)
424-8031 - \$30 million of investment notes, Series B. (File 2-59882 - Sept. 14)

(S-7) CONTINENTAL TELEPHONE CORPORATION, 56 Perimeter Center East, Atlanta, Ga. 30346
(404) 393-2323 - 150,000 shares of common stock. (File 2-59883 - Sept. 14)

REGISTRATIONS EFFECTIVE

Sept. 13: Barry Wright Corp., 2-59646; The First Trust of Insured Municipal Bonds, Series 28, 2-59696; Jaeger of Canada, Inc., 2-59594 (90 days); Knudsen Corp., 2-59725; Medalist Industries, Inc., 2-59722 & 2-59723; Mountain States Telephone & Telegraph Co., 2-59815; The Municipal Bond Fund, Series 41, 2-59469; Province of Ontario, 2-59753.

Sept. 14: Central Power and Light Co., 2-59684; Dinner Bell Foods, Inc., 2-59673 & 2-59674; E.F. Hutton Tax-Exempt Fund, National Series 34, 2-59741; Tri-American Corp., 2-59489.

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.

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 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ 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.

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