

sec news digest

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Issue 77-217

NOV 11 1977

November 10, 1977

ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

SANFORD ROSEN SANCTIONED

The Commission has issued an order (1) suspending Sanford Rosen, the president and chairman of the board of directors of a formerly registered broker-dealer, from being associated with any broker, dealer, investment company, investment adviser, or municipal securities dealer (registered entities) for a period of three months; and (2) barring Rosen from being associated with any registered entity in a supervisory or proprietary capacity, provided that, after a period of 27 months from the termination of the above three-month suspension period, Rosen may apply to the Commission to become associated with any registered entity in a supervisory or proprietary capacity.

The above sanctions were based upon findings that: (1) Rosen was an officer of a broker-dealer on the date that a trustee was appointed to liquidate the business of said broker-dealer pursuant to the provisions of the Securities Investor Protection Act of 1970; and (2) from the latter part of 1973 to on or about February 5, 1975, Rosen failed reasonably to supervise a person subject to his supervision with a view to preventing violations of the securities laws. Rosen submitted an offer of settlement by which he consented to the above findings and sanction without admitting or denying the allegations in the order for proceedings which instituted this action. (Rel. 34-14124)

COURT ENFORCEMENT ACTIONS

JULIUS KAHN ENJOINED

The SEC announced that on November 8 the Honorable Barrington D. Parker, U.S. District Judge, signed a final judgment of permanent injunction against Julius Kahn, a director of Continental Connector Corporation. Mr. Kahn consented to the entry of the injunction, which enjoined him from further violations of the antifraud and reporting provisions of the securities laws and Rules 10b-5, 12b-20, 13a-1 and 13a-11 thereunder, without admitting or denying the allegations contained in the Commission's complaint. (SEC v. Morris A. Shenker, et al., U.S.D.C. D.C., Civil Action No. 77-1787). (LR-8189)

INVESTMENT COMPANY ACT RELEASES

CURRENT INTEREST

A notice has been issued giving interested persons until November 29 to request a hearing on an application of Current Interest, Inc., an open-end, diversified, management investment company, for an order pursuant to Section 6(c) of the Act for an exemption from the provisions of Section 19(b) of the Act and Rule 19b-1 thereunder to allow it to distribute long-term capital gains more frequently than once every twelve months. (Rel. IC-9997 - Nov. 8)

DAILY INCOME FUND

A notice has been issued giving interested persons until November 29 to request a hearing on an application of Daily Income Fund, Inc. (Applicant), registered under the Act as a diversified, open-end management investment company, requesting an order pursuant to Section 6(c) of the Act exempting Applicant 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 Applicant, generally, to value its assets using the "amortized cost" method of valuation. (Rel. IC-9998 - Nov. 8)

A notice has been issued giving interested persons until November 29 to request a hearing on an application of White Weld Money Market Fund, Inc., and White Weld Government Fund, Inc. (Applicants), registered under the Act as diversified, open-end management investment companies, requesting an order pursuant to Section 6(c) of the Act exempting Applicants 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 Applicants, generally, to value their assets using the "amortized cost" method of valuation. (Rel. IC-9999 - Nov. 8)

INSTITUTIONAL LIQUID ASSETS

A notice has been issued giving interested persons until November 29 to request a hearing on an application of Institutional Liquid Assets, Inc. (Applicant), registered under the Act as a diversified, open-end management investment company, requesting an order pursuant to Section 6(c) of the Act (1) exempting Applicant from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, and (2) exempting Applicant's principal underwriter, Salomon Brothers, from the provisions of Rule 22c-1, to the extent necessary to permit Applicant, generally, to value its assets using the "amortized cost" method of valuation. (Rel. IC-10000 - Nov. 8)

HOLDING COMPANY ACT RELEASES

OHIO POWER COMPANY

A notice has been issued giving interested persons until December 2 to request a hearing on a proposal of Ohio Power Company, subsidiary of American Electric Power Company, Inc., to enter an agreement with a County authority for construction of pollution control equipment to be financed by the sale of revenue bonds. (Rel. 35-20248 - Nov. 8)

INDIANA & MICHIGAN ELECTRIC COMPANY

A supplemental order has been issued approving a proposal of Indiana & Michigan Electric Company (I&M), subsidiary of American Electric Power Company, Inc., whereby a new series of pollution control revenue bonds in an amount of \$12 million will be issued by the City of Lawrenceburg, Indiana pursuant to a previously authorized agreement between I&M and that City. (Rel. 35-20249 - Nov. 8)

ALLEGHENY POWER SYSTEM

A notice has been issued giving interested persons until December 2 to request a hearing on a proposal of Allegheny Power System, Inc., a registered holding company, whereby Allegheny will issue and sell up to 3,500,000 shares of its common stock, par value \$2.50 per share, for estimated cash proceeds of \$75 million. The proceeds of the sale will be used to retire outstanding short term debt. (Rel. 35-20250 - Nov. 8)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Bradford Securities Processing Services, Inc. (BSPS) has filed a proposed rule change under Rule 19b-4 (SR-BSPS-77-5) to establish, and to set fees for, a trade comparison and reporting service. Publication of the proposal is expected to be made in the Federal Register during the week of November 7. (Rel. 34-14141)

The National Association of Securities Dealers, Inc. (NASD) has filed a proposed rule change under Rule 19b-4 (SR-NASD-77-15) to amend Schedule E (Distribution of Issues of Members' Securities) to Article IV, Section 2(c) of its By-Laws to (a) expand the definition of "affiliate," (b) ease the conditions under which member-affiliates may participate in tender or exchange offers, (c) restrict the ability of certain stockholders of parents of members from participating in distributions of the parent's securities, and (d) make minor technical changes. Publication of the proposal is expected to be made in the Federal Register during the week of November 14. (Rel. 34-14144)

The NASD has rescinded a rule which had become effective upon filing (SR-NASD-77-13, filed August 12) lowering the variable portion of its membership assessment, and simultaneously submitted a new proposal (SR-NASD-77-16) identical to the one submitted as SR-NASD-77-13. Publication of the proposal is expected to be made in the Federal Register during the week of November 14. (Rel. 34-14145)

NOTICE OF INSTITUTION OF PROCEEDINGS

The Commission issued an order, pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934, instituting proceedings to determine whether or not to disapprove the changes proposed by the New York Stock Exchange, Inc., to Rule 405, its "Know Your Customer" rule (SR-NYSE-76-34). (Rel. 34-14143)

LETTER SENT TO CBOE RE PROPOSAL TO ADOPT RULE 4.18

The Commission sent a letter to the Chicago Board Options Exchange expressing its views regarding that Exchange's proposal to adopt Rule 4.18 prohibiting "front-running" (SR-CBOE-76-8) and stating that it will defer further action on the proposed rule so as to provide the Exchange an opportunity to consider the comments expressed in its letter. (Rel. 34-14156)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the New York Stock Exchange, Inc. (NYSE). The rule change (SR-NYSE-77-25) (1) lowers certain capital requirements for specialists, (2) rescinds a "three-man" unit rule for specialists firms, and (3) rescinds a prohibition against maintenance of joint limit order books. (Rel. 34-14147)

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-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK, 90 South Bedford Rd., Mt. Kisco, N.Y. 10549 - 100,000 American Depositary Receipts for ordinary shares of Ultramar Company Limited. (File 2-60261 - Nov. 8)
- (S-14) CUTLER-HAMMER, INC., 4201 North 27th St., Milwaukee, Wis. 53216 (414) 442-7800 - 62,394 shares of common stock. (File 2-60263 - Nov. 9)
- (S-8) COMPO INDUSTRIES, INC., 125 Roberts Rd., Waltham, Mass. 02154 - 54,933 shares of common stock. (File 2-60264 - Nov. 8)
- (S-14) UNITED CAROLINA BANCSHARES CORPORATION, 306 South Madison St., Whiteville, N.C. 28472 (919) 642-5131 - 49,890 shares of common stock. (File 2-60265 - Nov. 9)
- (S-16) GANNETT CO., INC., Lincoln Tower, Rochester, N.Y. 14604 (716) 546-8600 - 403,003 shares of common stock. (File 2-60266 - Nov. 9)
- (S-8) ROHR INDUSTRIES, INC., Foot of "H" St., Chula Vista, Cal. 92012 - 75,000 shares of common stock. (File 2-60267 - Nov. 9)
- (S-7) THE WESTERN UNION TELEGRAPH COMPANY, One Lake St., Upper Saddle River, N.J. 07458 - \$60 million of sinking fund debentures, due 1997. Underwriter: E.F. Hutton & Co. Inc. (File 2-60269 - Nov. 9)
- (S-6) THE CORPORATE INCOME FUND, FIRST GNMA SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006 - 25,000 units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006, Bache Halsey Stuart Shields Inc. and Reynolds Securities Inc. (File 2-60271 - Nov. 9)
- (S-7) DUQUESNE LIGHT COMPANY, 435 Sixth Avenue, Pittsburgh, Pa. 15219 (412) 471-4300 - 2,750,000 shares of common stock. Underwriter: The First Boston Corp. (File 2-60273 - Nov. 9)
- (S-B) COMMONWEALTH OF AUSTRALIA, Australian Embassy, 1601 Massachusetts Ave., Washington, D.C. 20036 - \$100 million of seven year bonds, due 1984 and \$100 million of twenty year bonds, due 1997. Underwriter: Morgan Stanley & Co. Inc. (File 2-60274 - Nov. 10)

REGISTRATIONS EFFECTIVE

Nov. 7: Bankers Trust New York Corp., 2-60116; Columbia Pictures Industries, Inc., 2-60110; Grolier Inc., 2-59889; Louisiana-Pacific Corp., 2-60064; Retirement Planning Funds of America Inc., 2-57209; Seneca Oil & Gas Co., 2-59295 (90 days).

Nov. 8: Combined Communications Corp., 2-59973; Enserch Corp., 2-60047; Illinois Power Co., 2-60101; Municipal Investment Trust Fund, Fifteenth Intermediate Term Series, 2-59737; National City Corp., 2-60058; Northern Indiana Public Service Co., 2-60030 & 2-60031; Public Service Co. of New Mexico, 2-60021.

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.

REGISTRATIONS WITHDRAWN

Oct. 6: Van Dyk Research Corp., 2-54012.
Oct. 7: St. Louis National Life Insurance Co., 2-57820.
Oct. 11: Empire-Orr, Inc., 2-59595.
Oct. 14: NRM 1976 Exploration Fund, 2-56843.
Oct. 17: National Educators Group, Inc., 2-58810.
Oct. 18: Robintech Inc., 2-57718.
Oct. 19: Automated Medical Laboratories, Inc., 2-51442.
Oct. 20: May Petroleum Inc., 2-59827; Zoecon Corp., 2-44745.
Oct. 28: G. D. Searle, 2-59513; The Quaker Oats Co., 2-46102.

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Commission. Documents and of registration statements may be ordered from the Public Information Office, Washington, D.C. 20549. The reproduction cost is 10c 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.

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