

# sec news digest

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Issue 80-129

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JUL 7 1980

## 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 morning. 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 space 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 videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

### OPEN MEETING - TUESDAY, JULY 8, 1980 - 10:00 A.M.

The subject matter of the July 8 open meeting will be:

- (1) Consideration of whether to approve a proposed rule change by the Chicago Board Options Exchange (the CBOE), SR-CBOE-80-1, to revise its rules with respect to the organization and procedures used by the CBOE to discipline its members and their associated persons. FOR FURTHER INFORMATION CONTACT Stuart Strauss at (202) 272-2405.
- (2) Consideration of whether to propose for comment amendments to Rule 10a-1 under the Securities Exchange Act of 1934 to (a) modify Rule 10a-1 to permit a market maker, under certain specified circumstances, to effect short sales of a security at a price equal to that market maker's most recently communicated offer for that security, and (b) modify Rule 10a-1 to provide a new definition of the term "third market maker." FOR FURTHER INFORMATION CONTACT Bruce Beatt at (202) 272-2888.
- (3) Consideration of whether to propose for comment revisions of Form U-4, the Uniform Application for Securities and Commodities Industry Registration. FOR FURTHER INFORMATION CONTACT Elizabeth S. York at (202) 272-2376.
- (4) Consideration of whether to propose for comment amendments to the Securities Exchange Act of 1934 Rules 17a-1 and 17a-6 to extend the record retention, production, and destruction requirement embodied therein to registered clearing agencies and the Municipal Securities Rulemaking Board. FOR FURTHER INFORMATION CONTACT Judith W. Axe at (202) 272-2415.
- (5) Consideration of whether to approve a proposed rule change of the National Association of Securities Dealers, Inc. (the NASD) authorizing the Board of Governors of the NASD to adopt rules relating to the sponsorship and distribution of direct participation programs (i.e., tax shelter programs) by NASD members and their affiliates and associates. FOR FURTHER INFORMATION CONTACT Susan Davis at (202) 272-2846.
- (6) Consideration of whether to affirm action, taken by the Commission's Duty Officer, approving the appearance of a former Commission employee in a private suit to testify about a matter on which he worked while at the Commission. FOR FURTHER INFORMATION CONTACT Theodore Bloch at (202) 272-2454.

(7) Consideration of whether to authorize the Division of Corporation Finance to publish amendments to existing Guides 61 and 3, "Statistical Disclosure by Bank Holding Companies". FOR FURTHER INFORMATION CONTACT William H. Carter at (202) 272-2604.

CLOSED MEETING - TUESDAY, JULY 8, 1980 - FOLLOWING THE OPEN MEETING

The subject matter of the July 8 closed meeting will be: Formal orders of investigation; Litigation matters; Access to investigative files by Federal, State, or Self-Regulatory authorities; Institution of injunctive actions; Dismissal of injunctive action; Settlement of injunctive actions; Settlement of administrative proceeding of an enforcement nature; Institution of administrative proceeding of an enforcement nature; Subpoena enforcement action; Regulatory matters bearing enforcement implications; Freedom of Information Act appeal; Consideration of amicus participation; Freedom of Information and Privacy Act appeals; Administrative proceeding of an enforcement nature; Personnel security matter.

CLOSED MEETING - WEDNESDAY, JULY 9, 1980 - 2:30 P.M.

The subject matter of the July 9 closed meeting will be: Legislative and regulatory matters bearing enforcement implications.

CLOSED MEETING - THURSDAY, JULY 10, 1980 - 9:00 A.M.

The subject matter of the July 10 closed meeting will be: Settlement of proposed enforcement action; Institution of injunctive action.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: John Granda at (202) 272-2209.

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## **ADMINISTRATIVE PROCEEDINGS**

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### **INSTITUTION AND SETTLEMENT OF ADMINISTRATIVE PROCEEDINGS AGAINST OCCIDENTAL PETROLEUM CORPORATION**

The Commission announced today that it has instituted proceedings pursuant to Section 15(c)(4) of the Securities Exchange Act of 1934 with respect to Occidental Petroleum Corporation (Oxy), a California corporation, to determine whether, during the period January 1, 1973 to the present, Oxy failed to make certain required disclosures in various filings submitted to the Commission pursuant to Section 13 of the Exchange Act and the Rules and Regulations thereunder. Simultaneously with the institution of these proceedings, Oxy submitted an Offer of Settlement for the purpose of disposing of the issues raised in these proceedings. Oxy's Offer of Settlement states it was submitted "in order to terminate the proceedings and avoid the expenditure of further cost and time, prior to any hearing, trial, adjudication or presentation of any evidence and solely for the purpose of the proceedings". In its Offer of Settlement, Oxy, without admitting or denying any of the matters in the Commission's Order Instituting Proceedings, Opinion and Order (the Order), made certain undertakings. The Commission has determined that it is appropriate and in the public interest to accept the Offer of Settlement as submitted and accordingly has issued the Order.

In the Order the Commission states that various filings by Oxy with the Commission did not contain certain required disclosures relating to: the discharge of chemical and toxic wastes into the environment by Oxy's Hooker Chemical subsidiaries, or to the protection of the environment; the status of the proposed construction by Oxy of a hydroskimming refinery on Canvey Island; the status of Oxy's negotiations with Libya concerning the financial arrangement pursuant to which Oxy operated in Libya; and signed undated letters of resignation which were submitted by certain nominees to Oxy's Board of Directors.

In the Order, the Commission ordered Oxy to, among other things, comply with the reporting requirements of the Exchange Act; amend its reports with the Commission within 30 days and include in its next quarterly report to shareholders, a summary of the contents of the Order. In its Offer of Settlement, Oxy has undertaken to designate (and has designated) a director satisfactory to the Commission to (1) prepare an environmental report with respect to certain specified matters; and (2) assure that potential liabilities regarding the impact of Oxy's operations on the environment have been identified to its Board of Directors and that

appropriate disclosure has been made in filings with the Commission. Oxy has also made an undertaking and representation with respect to its policy concerning letters of resignation from members of its Board of Directors.

## COMMISSION ANNOUNCEMENTS

### DIVISION OF CORPORATION FINANCE - INDUSTRY ASSIGNMENTS

On February 21 the Commission announced the reorganization of the disclosure operations section of the Division of Corporation Finance and the implementation of industry centralization which generally provides for the assignment of registrants to the processing branches on the basis of their industry classification. Under this system, except in certain situations involving affiliated entities, each registrant is assigned on the basis of its primary Standard Industrial Classification (SIC) Code to one of thirty-four industry groups. Foreign Governments also has been designated as an additional industry group. It is believed that this procedure will permit the Division to better ascertain the particular disclosure needs of different industries and to more readily identify industry trends.

In order to assist present and prospective registrants in identifying their particular Assistant Directors and Branch Chiefs, the following table represents the present assignments of the industry groups indicated. Requests for pre-filing conferences by companies not presently reporting with the Commission should be made to the appropriate Assistant Director, or, if the industry group is not readily discernible or there exists a position vacancy, to William C. Wood, Associate Director, (202) 272-3269.

Morton Koepfel Assistant Director 272-3733		Robert Ahrenholz Assistant Director 272-3275	
Vacant Branch 1 (272-2717)	William Malloy Branch 2 (272-2735)	Michael Nocera Branch 3 (272-3271)	John Roycroft Branch 4 (272-3273)
Financial	Financial	Natural Resources	Natural Resources
Automotive	Automotive	(Fuel)	(Fuel)
Misc. Retail	Misc. Retail	Trucking &	Trucking &
Chemicals	Chemicals	Transportation	Transportation
Publishing	Publishing	Leisure	Leisure
Beverages	Aerospace	Food	Food
		Foreign Gov'ts	Drugs
		Tobacco	
Irving Borochoff Assistant Director 272-3309		Donald Lewis Assistant Director 272-2683	
Val. Lavernoch Branch 5 (272-3307)	A. Richard Tow Branch 6 (272-3313)	Steven Duvall Branch 7 (272-2685)	Charles Leber Branch 8 (272-2663)
Real Estate	Real Estate	Electronics	Electronics
Metals & Mining	Metals & Mining	Utilities	Utilities
Service	Service	Textiles	Textiles
Railroads	Misc. Manufacturing	Radio & TV	Paper
Food & Lodging	Steel	Misc. Wholesale	Instruments

Howard Morin  
Assistant Director  
272-3203

William Robinson  
Branch 9 (272-3220)

Robert Gowers  
Branch 10 (272-3211)

Office Equipment &  
Business Services  
Building Materials  
General Machinery  
Insurance  
Appliances  
Containers

Office Equipment &  
Business Services  
Building Materials  
General Machinery  
Insurance  
Appliances  
Air Transportation

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## CIVIL PROCEEDINGS

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### ROBERT STEWART CONSENTS TO CIVIL INJUNCTIVE ACTION REGARDING SALE OF ROYALTY INTERESTS

The Seattle Regional Office announced that on June 3 a final decree of permanent injunction was entered by the U.S. District Court, Eastern District of Washington, against Robert C. Stewart, following the filing in October, 1979, of an SEC complaint alleging violations by Stewart and seven other defendants of the registration and antifraud provisions of the securities laws in connection with sales of promissory notes, royalty interests and dealerships. Stewart consented to the entry of the decree of permanent injunction without admitting or denying the allegations of the Commission's complaint. The other defendants had earlier consented to decrees of permanent injunction and to certain ancillary relief. (SEC v. Stewart Energy Systems of Idaho, Inc., et al., E.D. Wash., Civil Action No. C79-372). (LR-9119)

### COMPLAINT NAMES CHEMTREE CORPORATION AND WILLIAM CORNELIUS HALL

The New York Regional Office announced the filing of a complaint in the U.S. District Court for the Southern District of New York on June 24 against Chemtree Corporation, a Delaware corporation located in Central Valley, New York, and William Cornelius Hall of Central Valley, New York. The Commission's action seeks to enjoin Chemtree and Hall from further violations of the registration, antifraud, reporting and proxy provisions of the securities laws. The Commission's complaint alleges that from 1975 to 1979, the defendants offered and sold unregistered securities of Chemtree, including common stock and convertible notes, by means of materially misleading statements and omissions to state material facts. The misleading statements and omissions concerned, among other things, the financial condition of Chemtree, including earnings, assets, expenses, the current business of Chemtree, and predictions of future sales, earnings and potential markets.

The complaint also alleges that the defendants filed and caused to be filed a false and misleading general form for registration of securities and annual and quarterly reports. Finally, it is alleged that the defendants failed to file proxy materials which complied with applicable rules and regulations. (SEC v. Chemtree Corporation and William Cornelius Hall, S.D.N.Y., 80 Civil 3562[CES]). (LR-9120)

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## INVESTMENT COMPANY ACT RELEASES

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### INVESTORS LIFE INSURANCE COMPANY OF NORTH AMERICA

An order has been issued on an application of Investors Life Insurance Company of North America, a Pennsylvania stock life insurance company, and INA/Putnam Separate Account, a separate account of Investors Life registered under the Investment Company Act of 1940 as a unit investment trust, pursuant to Section 11 of the Act approving certain offers of exchange, and pursuant to Section 6(c) of

the Act, granting exemptions from Sections 2(a)(32), 2(a)(35), 22(c), 26(a), 27(c)(1), 27(c)(2), 27(d) and Rule 22c-1 permitting certain variable annuity contracts providing for contingent deferred sales charges to be offered and sold. (Rel. IC-11238 - June 30)

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## HOLDING COMPANY ACT RELEASES

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### LOWELL GAS COMPANY

A supplemental order has been issued clarifying the terms contained in certain amendments to short-term credit agreements of Lowell Gas Company and Cape Cod Gas Company, subsidiaries of Colonial Gas Energy System, with certain banks. (Rel. 35-21645 - June 30)

### CONNECTICUT YANKEE ATOMIC POWER COMPANY

An order has been issued authorizing Connecticut Yankee Atomic Power Company, subsidiary of Northeast Utilities and New England Electric System, to issue notes to banks and commercial paper to a dealer through June 30, 1981 in a maximum aggregate principal amount of \$25 million at any one time outstanding. The proceeds of such borrowings will be used to repay outstanding commercial paper, to finance construction and to purchase nuclear fuel. Jurisdiction has been reserved over further borrowings by Connecticut Yankee in excess of the authorized amount. (Rel. 35-21646 - July 1)

### NORTHEAST UTILITIES

An order has been issued authorizing Northeast Utilities (NU), a registered holding company, and five of its subsidiaries, Connecticut Light & Power Company (CL&P), Hartford Electric Light Company (HELCO), Western Massachusetts Electric Company (WMECO), Holyoke Water Power Company (HWP) and Northeast Nuclear Energy Company (NNECO), to issue notes to banks and commercial paper to a dealer from time to time through June 30, 1981. CL&P, HELCO & WMECO will also enter into a multibank revolving credit/term loan agreement. Jurisdiction has been reserved over the revolving credit/term loan agreement pending completion of the record with respect thereto. The aggregate amount of all such notes at any time outstanding pursuant to all three methods of borrowing will not exceed \$55 million in the case of NU, \$185 million for CL&P, \$100 million for HELCO, \$55 million for WMECO, \$8 million for HWP and \$30 million for NNECO. The proceeds of such sales will be used by Northeast to make capital contributions and advances to its subsidiaries. The subsidiaries will use the proceeds of their borrowings to finance their respective construction programs and to provide working capital. (Rel. 35-21647 - July 1)

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## TRUST INDENTURE ACT RELEASES

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### PANHANDLE EASTERN PIPE LINE COMPANY

An order has been issued on an application by Panhandle Eastern Pipe Line Company, pursuant to Section 310(b)(1)(ii) of the Trust Indenture Act of 1939, that the trusteeship of The Chase Manhattan Bank under two indentures of Panhandle is not so likely to involve a material conflict of interest as to make it necessary to disqualify The Chase Manhattan Bank from acting as trustee. (Rel. TI-574)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF EFFECTIVENESS OF A RULE CHANGE

A rule change filed by Bradford Securities Processing Services, Inc., pursuant to Rule 19b-4 (SR-BSPS-80-5), has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The rule change describes BSPS' Mutual Fund Redemption Service and amends SR-BSPS-78-5 to include a fee for each mutual fund redemption transaction. Publication of the proposal is expected to be made in the Federal Register during the week of June 30. (Rel. 34-16939)

The Options Clearing Corporation has filed a proposed rule change pursuant to Rule 19b-4 (SR-OCC-80-5) amending its disciplinary rules and procedures. Publication of the proposal is expected to be made in the Federal Register during the week of June 30. (Rel. 34-16942)

## 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-18) C.P. REHAB CORP., 20 East 67th St., New York, N.Y. 10021 - 625,000 units. Underwriters: Bond, Richman & Co., Inc. and Sherwood Securities Corp. The company is engaged in providing facility management services to physicians and hospitals. (File 2-68276 - June 26) (Br. 6)
- (S-1) BRADY ENERGY CORPORATION, 660 South Federal Highway, Pompano Beach, Fla. 33062 (305) 491-7440 - 1,100,000 shares of preferred stock and 4,400,000 shares of common stock. Underwriter: John Muir & Co. The company has principally been engaged in the business of onshore exploration for and development of oil and gas. (File 2-68325 - June 30) (Br. 3)
- (S-8) NEW JERSEY NATIONAL CORPORATION, One West State St., Trenton, N.J. 08603 (609) 989-5021 - \$750,000 of participations and an indeterminate number of shares of common stock. (File 2-68327 - June 30) (Br. 2)
- (S-1) COMBANKS CORPORATION, 750 South Orlando Ave., Winter Park, Fla. 32789 - 1,569,584 shares of Series 1 cumulative preferred stock. The company is a bank holding company. (File 2-68329 - June 30) (Br. 1)
- (S-1) GREAT AMERICAN BANKS, INC., 11755 Biscayne Blvd., North Miami, Fla. 33181 - 3,005,407 shares of Series I cumulative preferred stock. The company is a bank holding company. (File 2-68330 - June 30)
- (S-14) FIRST NATIONAL BOSTON CORPORATION, 100 Federal St., Boston, Mass. 02110 (617) 434-2200 - 36,000 shares of common stock. (File 2-68331 - June 30) (Br. 1)
- (S-6) NEW YORK MUNICIPAL TRUST, SERIES 13, 55 Water St., New York, N.Y. 10041 - 13,000 units. Depositor: Bear, Stearns & Co. (File 2-68333 - June 30) (Br. 18)
- (S-16) ROCHESTER GAS AND ELECTRIC CORPORATION, 89 East Ave., Rochester, N.Y. 14649 (716) 546-2700 - 250,000 shares of preferred stock, Series Q. Underwriters: The First Boston Corporation and E. F. Hutton & Company Inc. The company supplies electric, gas and steam service. (File 2-68334 - July 1) (Br. 7)
- (S-16) AUTOMATIC DATA PROCESSING, INC., 405 Route 3, Clifton, N.J. 07015 (201) 365-7300 - 14,300 shares of common stock. (File 2-68335 - June 30) (Br. 10)
- (S-1) XOIL ENERGY RESOURCES, INC., 44 Wall St., New York, N.Y. 10005 - 600,000 shares of common stock. (File 2-68336 - July 1) (Br. 3)
- (S-8) BELDEN CORPORATION, 2000 South Batavia Ave., Geneva, Ill. 60134 (312) 232-8900 - 240,000 shares of common stock. (File 2-68337 - June 30) (Br. 6)
- (S-7) TRANSTECHNOLOGY CORPORATION, Suite 400, Union Bank, 15233 Ventura Blvd., Sherman Oaks, Cal. 91403 (213) 990-5920 - 715,000 shares of common stock. Underwriter: Bateman Eichler, Hill Richards Incorporated. The company designs, engineers and manufactures a wide range of devices and systems for use in aerospace-defense, and machinery and other products related to the textile industry. (File 2-68338 - July 1) (Br. 1)

- (S-3) MORITZ MINING CO., INC., 1213-1/2 Washington Ave., Golden, Colo. 80401 - 250,000 shares of common stock. Underwriter: Seaboard Planning Corporation, 215 Main St., Chatham, N.J. 07928. The company presently owns and operates a custom mill where the milling of nonferrous metal ores is performed. (File 2-68339 - July 1) (Br. 5)
- (S-16) UNION CAMP CORPORATION, 1600 Valley Rd., Wayne, N.J. 07470 - \$100 million of sinking fund debentures, due July 1, 2010. Underwriter: Goldman, Sachs & Co. The company is engaged in the manufacture and sale of paper and paperboard, among other things. (File 2-68347 - June 30) (Br. 8)
- (S-14) NEL CASH MANAGEMENT TRUST, 501 Boylston St., Boston, Mass. 02117 - an indefinite number of shares of beneficial interest. (File 2-68348 - June 30) (Br. 17)
- (S-16) TWENTIETH CENTURY-FOX FILM CORPORATION, 10201 West Pico Blvd., Los Angeles, Cal. 90035 (213) 277-2211 - \$50 million of subordinated debentures, due 2000. Underwriter: Lehman Brothers Kuhn Loeb Incorporated. The company is engaged in filmed entertainment, soft drink bottling, international theatres, resort and recreation and television broadcasting. (File 2-68349 - July 1) (Br. 3)
- In a separate statement the company seeks registration of \$50 million of senior notes, due 1987. (File 2-68350 - July 1)
- (S-1) ENTERPRISE ENERGY PARTNERS 1980, P.O. Box 516, Cambridge, Ohio 43725 - 2,000 limited partnership interests. Underwriter: Prescott, Ball & Turben, 900 National City Bank Bldg., Cleveland, Ohio 44114. (File 2-68351 - July 1) (Br. 4)
- (S-1) MCI COMMUNICATIONS CORPORATION, 1150 Seventeenth St., N.W., Washington, D.C. 20036 - \$65 million of subordinated debentures, due August 1, 2000. Underwriter: Shearson Loeb Rhoades Inc. The company offers long distance, intercity telephone and other telecommunications services. (File 2-68353 - July 1) (Br. 7)
- (S-1) CONVEST 1980-II ENERGY INCOME PROGRAM, 1700 West Loop South, Suite 1000, Houston, Tex. 77027 - 40,000 units of limited partnership interests. (File 2-68355 - July 2) (Br. 3)

#### REGISTRATIONS EFFECTIVE

June 20: Investment Quality Interest, Inc., 2-66906.

June 25: Petro-Lewis Corp., 2-67986.

June 26: Associates First Capital Corp., 2-67970; Occidental Life Insurance Co. of California, 2-66998; P.M.A. Restaurants, Inc., 2-67109; Santa Fe International Corp., 2-68053; Western Oil Shale Corp., 2-66905.



**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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