

sec news digest

Issue 79-47

March 9, 1979

RULES AND RELATED MATTERS

PROPOSED RULE CONCERNING USE OF FALSE AND MISLEADING INVESTMENT COMPANY SALES LITERATURE AND WITHDRAWAL OF STATEMENT OF POLICY

The Commission has withdrawn its Statement of Policy on investment company sales literature (Statement) and has issued for public comment proposed Rule 156 under the Securities Act of 1933, the Securities Exchange Act of 1934 and the Investment Company Act of 1940, concerning the use of false and misleading investment company sales literature. The Commission is also considering the implementation of a policy whereby: (1) neither the Commission nor its staff will give detailed interpretive advice on sales literature prior to its use; (2) the staff will undertake a systematic "spot check" of sales literature filed with the Commission and will review sales literature in connection with its inspections of investment companies; and (3) staff advisory views on the content of sales literature will be published in staff interpretive releases from time to time as the need arises. These actions are being proposed following a general review of the Statement and of public comments received on the revision and continued use of the Statement.

All comments should be sent in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549 on or before May 15 and should refer to File No. S7-716. (Rel. 33-6034)

FOR FURTHER INFORMATION CONTACT: Anthony A. Vertuno at (202) 755-1192 or Sarah B. Ackerson at (202) 755-1792

HOLDING COMPANY ACT RELEASES

OHIO EDISON COMPANY

A notice has been issued giving interested persons until April 2 to request a hearing on a proposal of Ohio Edison Company, an electric utility company and a registered holding company, and its subsidiary, Pennsylvania Power Company, concerning the financing of pollution control facilities. (Rel. 35-20949 - Mar. 8)

GENERAL PUBLIC UTILITIES CORPORATION

A notice has been issued giving interested persons until April 2 to request a hearing on a proposal of General Public Utilities Corporation, a registered holding company, that the period within which it may issue and sell shares pursuant to its dividend reinvestment and stock purchase plan be extended until June 30, 1980. (Rel. 35-20950 - Mar. 8)

SELF-REGULATORY ORGANIZATIONS

ORDER DENYING APPLICATION FOR A STAY

The Commission has denied a stay requested by the Board Brokers Association of a proposed rule change filed by the Chicago Board Options Exchange, Inc. (SR-CBOE-78-23), approved by the Commission on January 11, 1979 (Rel. 34-15490). The rule change authorizes the CBOE to replace its board broker system, using exchange employees known as order book officials. (Rel. 34-15620)

MISCELLANEOUS

CAPITOL INDUSTRIES - EMI, INC.

An order has been issued granting the application of Capitol Industries - EMI, Inc. (Applicant), pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting Applicant from the provisions of Sections 13 and 15(d) of the Act. It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors, and no significant benefit will accrue to either investors or the public if Applicant is required to file the subject reports. (Rel. 34-15606)

DIAMOND COAL COMPANY, INC.

An order has been issued granting the application of Diamond Coal Company, Inc., a Virginia corporation, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an exemption from the reporting requirements of Section 15(d) of the Act. It appears to the Commission that granting the requested exemption would not be inconsistent with the public interest or the protection of investors, in view of the fact that Diamond has become the wholly-owned subsidiary of Transcontinental Oil Corporation, and there is no trading in Diamond's securities. (Rel. 34-15607)

M.A.G. LIQUIDATING CORPORATION

An order has been issued granting the application of M.A.G. Liquidating Corporation (formerly Houston First Financial Group, Inc.) pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting M.A.G. from the provisions of Sections 13 and 15(d) of the Act. It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors, and no significant benefit will accrue to either investors or the public if M.A.G. is required to file the subject reports. (Rel. 34-15608)

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) UNIT DRILLING AND EXPLORATION COMPANY, 1101 Petroleum Club Bldg., Tulsa, Okla. 74119 - 540,000 shares of common stock. Underwriter: Paine, Webber, Jackson & Curtis Inc. The company is engaged in the onshore contract drilling of oil and gas wells. (File 2-63702 - Mar. 7)
- (S-1) UNITED TELECOMMUNICATIONS CORPORATION, Plaza Seven, Latham, N.Y. 12110 - 200,000 shares of common stock. Underwriter: D. H. Blair & Co., Inc. The company markets, engineers, designs, installs and services telephone interconnect systems. (File 2-63709 - Mar. 7)
- (S-7) TENNECO INC., Tenneco Bldg., Houston, Tex. 77002 (713) 757-2131 - 2,653,819 shares of common stock. Underwriters: Morgan Stanley & Co. Inc. and Merrill Lynch White Weld Capital Markets Group. The company is engaged in all phases of integrated oil and gas operations. (File 2-63718 - Mar. 8)
- (S-16) THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, 55 Public Sq., P.O. Box 5000, Cleveland, Ohio 44101 (216) 623-1350 - 2,400,000 shares of common stock. (File 2-63719 - Mar. 8)
- (S-1) NEEDCO OIL INCOME PROGRAM II, Suite 400, 7911 Herschel Ave., La Jolla, Cal. 92038 - 2,000 units of limited partnership interests. (File 2-63720 - Mar. 7)
- (S-16) GRAHAM MANUFACTURING CO., INC., 20 Florence Ave., Batavia, N.Y. 14020 (716) 343-2216 - 15,000 shares of common stock. (File 2-63721 - Mar. 8)
- (S-7) FORD MOTOR CREDIT COMPANY, The American Rd., Dearborn, Mich. 48121 (313) 322-3000 - \$150 million of notes, due March 15, 1987 and \$150 million of debentures, due March 15, 2004. Underwriter: Goldman, Sachs & Co. The company provides wholesale financing to and purchases retail installment sales contracts from franchised Ford vehicle dealers. (File 2-63722 - Mar. 8)

REGISTRATIONS EFFECTIVE

Mar. 5: Associated Grocers, Inc., 2-36497; Damson Oil Corp., 2-63577; Union Trust, Inc., 2-62713; The Williams Companies, 2-63241.
Mar. 6: Brockwood Health Services, Inc., 2-63277; The Municipal Investment Trust Fund, Fifteenth New York Series, 2-63543.
Mar. 7: The Future Fund, 2-63160 (5-31-79).

REGISTRATIONS WITHDRAWN

Feb. 16: Nature's Bounty, Inc., 2-61952.
Mar. 1: Applied Digital Data Systems, Inc., 2-62558.
Mar. 6: Calny Food Services, Inc., 2-62808; Capital Diamonds, Inc., 2-61373.



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NOTICE

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