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RULES AND RELATED MATTERS

U.S. SECURITIES AND
EXCHANGE COMMISSION

PROPOSED AMENDMENTS TO UNIFORM NET CAPITAL RULE PERTAINING TO TRANSACTIONS IN OPTIONS

The Commission announced that it has under consideration proposed amendments to Rule 15c3-1 under the Securities Exchange Act of 1934, the uniform net capital rule. The proposed amendments are intended to protect the funds and securities of customers from the risks incurred by brokers and dealers who guarantee, endorse or carry the market maker accounts of specialists in listed options; this would be accomplished by requiring such brokers and dealers to apply proprietary haircuts to all their positions if they carry customers accounts. The proposed amendments would also provide an optional financial responsibility standard available to certain self-clearing options specialists.

These proposed amendments would add to the uniform net capital rule paragraph (a)(7), an optional financial responsibility standard intended to be available to dealers engaged solely (except as noted below) in the business of effecting (as sole proprietor or through one or more natural persons associated with the dealer) and clearing market maker transactions in listed options; a dealer electing to operate under proposed Rule 15c3-1(a)(7) may also act as guarantor, endorser, or carrying dealer with respect to the market maker accounts of options specialists not associated with the dealer and exempted from net capital regulation pursuant to Rule 15c3-1(b)(1).

All interested persons are invited to submit, in triplicate, their written views and comments concerning the amendments to Rule 15c3-1. All communications should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, no later than December 31, 1976. Reference should be made to File No. S7-616. All comments received will be available for public inspection. (Rel. 34-13019)

COMMENTS INVITED ON PROPOSED DISCLOSURE RULES RELATING TO BROKERAGE PLACEMENT PRACTICES AND POLICIES OF INVESTMENT MANAGERS

Pursuant to Section 28(e)(2) of the Securities Exchange Act of 1934, and other provisions of the securities laws, the Commission has published for comment proposed amendments to Forms S-1, S-4, S-5 and S-8 under the Securities Act of 1933, and other proposed rules, which would require registered investment companies, some other issuers (including certain H.R. 10 "Keogh" plans, employee benefit plans, and collective funds or separate accounts for the assets of such plans interests or participations in which are registered under the Securities Act), and certain registered investment advisers to make disclosures to investors about brokerage placement practices and policies, including the use of brokerage commissions to purchase research services. The proposed amendments to the registration forms under the Securities Act would require registered investment companies and other issuers subject thereto to include such information in their prospectus, and a proposed amendment to Rule 20a-2 under the Investment Company Act of 1940 would also require this information in proxy statements of registered investment companies. Under proposed Rule 28e2-1, registered investment advisers would have to provide a written disclosure statement containing information concerning their brokerage placement practices and policies prior to entering an advisory agreement with a client for whom they would exercise investment discretion, and annually thereafter. The proposed rules would also require investment advisers to correct such written statements if they become inaccurate or misleading, and to keep copies of disclosure statements provided pursuant to the proposed rules as part of their books and records.

Interested persons are invited to submit their views in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, no later than January 13, 1976. Comments should refer to File No. S7-660, and will be available for public inspection. (Rel. 33-5772)

ORDERS FOR PUBLIC PROCEEDINGS

ALLISON-JAMES, INC.

Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 against Allison-James, Inc., a municipal securities dealer registered with the Commission, William L. Grace, Jr., its president, and Mark A. Lewis, its secretary and treasurer, all of Daytona Beach, Florida. The proceedings are based upon allegations of the Commission's staff that Allison-James, Inc. had violated the Exchange Act and its rules as they relate to the net capital and recordkeeping requirements and Grace and Lewis aided and abetted those violations. A hearing will be scheduled in order to offer any defenses thereto, for the purpose of determining whether any action of a remedial nature should be ordered by the Commission. (Rel. 34-13025)

COMMISSION ANNOUNCEMENTS

DIVISIONS OF MARKET REGULATION AND INVESTMENT
MANAGEMENT TO PUBLISH LIST OF SIGNIFICANT LETTERS
IN NEWS DIGEST

The Commission has announced that the Divisions of Market Regulation and Investment Management will publish monthly a list of letters in the SEC News Digest. This list will encompass letters expressing certain views of the Divisions with respect to novel or important questions arising under the Securities Exchange Act of 1934, the Investment Company Act of 1940 or the Investment Advisers Act of 1940. The list will indicate the name of the subject company, the date of the letter and the pertinent section of the act or rule discussed. (Rel. 34-13017)

PERMANENT SUSPENSION OF REGULATION B EXEMPTIONS

An order has been issued permanently suspending the Regulation B exemptions from registration under the Securities Act of 1933 with regard to the fractional undivided working interests in oil and gas leases in the following offerings: Harvest Fuels, Inc. (Rel. 33-5773); Ascot Oils, Inc. (Rel. 33-5774); Belmont Oil Company (Rel. 33-5775).

SIGNIFICANT NO-ACTION AND INTERPRETIVE LETTERS

The following is a list of significant no-action and interpretative letters issued by the Division of Corporation Finance, during October 1976. These are letters which express the view of the Division with respect to novel or important questions arising under the Securities Act of 1933, the Securities Exchange Act of 1934, and the Trust Indenture Act of 1939. Copies of these letters may be obtained by writing to the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549, or by making a request in person at the Public Reference Section, 1100 L Street, N.W., Room 6101, Washington, D.C., stating the name of the subject company, the section of the act to which it relates, and the public availability date. Copies cost 15 cents per page for written requests; for requests made in person, copies cost 12 cents per page.

<u>COMPANY NAME</u>	<u>ACT/SECTION OR RULE</u>	<u>DATE MAILED</u>	<u>PUBLIC AVAILABILITY DATE</u>
Harvey B. Baum, Esq.	'33 Act/§2(1)	10-1-76	11-1-76
Nomura Securities Int'l, Inc.	'33 Act/§3(a)(3)	10-8-76	11-8-76
Tapecon, Inc.	'33 Act/§5	10-7-76	11-8-76
American Telephone & Telegraph Co.	'33 Act/Rule 144	10-8-76	11-8-76
Interco, Inc.	'33 Act/Rule 145	10-7-76	11-8-76
The Bendix Corp.	'33 Act/Rule 155	10-29-76	11-29-76
St. Louis-San Francisco Railway Co.	'34 Act/§14	10-5-76	11-5-76
Downe Communications, Inc.	'34 Act/§14(c)	10-15-76	11-15-76
Orange & Rockland Utilities, Inc.	'34 Act/§14(d)	10-22-76	11-22-76
Coit International, Inc.	'39 Act/§304(a)(1)	10-27-76	11-29-76

INVESTMENT COMPANY ACT RELEASES

ADMIRALTY FUND

An order has been issued on an application of Admiralty Fund, Competitive Capital Fund, Seaboard Leverage Fund and The Income Fund of Boston, Inc., exempting certain litigation trusts to be established by each of them from all provisions of the Act other than Sections 9, 17, 31, 34, 36 and 37 and the rules thereunder. (Rel. IC-9543 - Nov. 29)

LORD, ABBETT & CO.

A notice has been issued giving interested persons until December 24 to request a hearing on an application of Lord, Abbett & Co., for an order exempting certain transactions involving individual retirement accounts from the fixed sales load requirements of Section 22(d) of the Act so that individuals may participate in the Lord, Abbett Savings Account Option through which they would be able to redeem shares of any of the four mutual funds managed by applicant, invest the money in a savings account, and at a subsequent date reinvest that money in shares of the Funds without the payment of additional duplicative sales charges. (Rel. IC-9544 - Nov. 30)

ANCHOR RESERVE FUND

A notice has been issued giving interested persons until December 24 to request a hearing on an application of Anchor Reserve Fund, Inc. and Anchor Daily Income Fund, Inc., registered open-end companies, for an order pursuant to Section 17(b) exempting from Section 17(a) of the Act the proposed reorganization of Reserve with and into ADIF. (Rel. IC-9545 - Nov. 30)

EQUITY EXCHANGE FUND

An order has been issued exempting Equity Exchange Fund, a California and New Jersey limited partnership, from Sections 2(a)(3), 2(a)(19), and 22(e) of the Act. (Rel. IC-9546 - Nov. 30)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES

A notice has been issued giving interested persons until December 23 to request a hearing on a proposal of Middle South Utilities, Inc., a registered holding company, to purchase from Arkansas-Missouri Power Company, its subsidiary, \$2,100,000 of Ark-Mo's unsecured short-term promissory notes. (Rel. 35-19776 - Nov. 29)

PUBLIC SERVICE COMPANY OF OKLAHOMA

An order has been issued authorizing a proposal of Public Service Company of Oklahoma, subsidiary of Central and South West Corporation, that Public Service organize a coal mining subsidiary and acquire the capital stock of such subsidiary and make short-term loans to the coal mining subsidiary of up to \$12,500,000 through 1977. It is also proposed that the coal mining subsidiary make certain sales of coal to nonaffiliates. (Rel. 35-19777 - Nov. 30)

SECURITIES ACT REGISTRATIONS

(S-5) KENSINGTON INCOME FUND, LTD.

28 State St., Boston, Mass. 02109 - 50,000 shares of partnership interest, to be offered at their net asset value. The Fund is a newly-organized Nebraska limited partnership which will operate as an open-end diversified management investment company and will seek to obtain a high a level of income consistent with the preservation of capital through investment primarily in government obligations. (File 2-57381 - Oct. 8)

(S-16) MOTOROLA, INC.

1303 E. Algonquin Rd., Schaumburg, Ill. 60196 - 250,000 shares of common stock, which may be offered for sale from time to time by the selling stockholder through Goldman, Sachs & Co. as exclusive broker, subject to termination at any time, at prices current at the time of sale. Motorola is one of the world's leading manufacturers of electronic equipment and components. (File 2-57763 - Nov. 29)

Liberty and Charlotte Sts., Lancaster, Pa. 17604 - 345,075 shares of common stock, to be offered by certain stockholders of Armstrong Cork Company to one or more open-end diversified investment company exchange funds in exchange for shares or units of limited partnership interests in such funds. Armstrong Cork Company is a manufacturer of interior, furnishings, including resilient floorings and carpets, ceilings and furniture, and also manufactures various industrial and other products. (File 2-57767 - Nov. 29)

REGISTRATIONS EFFECTIVE

Nov. 23: Long Island Lighting Co., 2-57520.

Nov. 29: American Financial Corp., 2-57662; Dominion Bankshares Corp., 2-57245 & 2-57246; Malone & Hyde, Inc., 2-57698; National CSS, Inc., 2-57422; Nuveen Municipal Bond Fund Inc., 2-57408; Oak Industries Inc., 2-57244; Pacific Power & Light Co., 2-57573 & 2-57574; Tobin Packing Co. Inc., 2-57457; United Scientific Corp., 2-57464.

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 on request. All other reference material is available in the SEC Docket.

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U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.