

# sec news digest

Issue 78-163

AUG 23 1978

August 22, 1978

## RULES AND RELATED MATTERS

## U.S. SECURITIES AND EXCHANGE COMMISSION

### PROPOSED ADOPTION OF FORM SECO-4-78

The Commission approved for publication a release announcing a proposal to adopt annual assessments and related Form SECO-4-78 for registered broker-dealers who are not members of the National Association of Securities Dealers, Inc., pursuant to Section 15(b)(7) and Section 15(b)(8) of the Securities Exchange Act of 1934. 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 September 8, and should refer to File No. S7-751. (Rel. 34-15074)

FOR FURTHER INFORMATION CONTACT: Daniel Bateman at (202) 755-1300

## 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 obtain a tape recording of Commission meetings must obtain permission in advance from the Secretary of the Commission.

### OPEN MEETING - TUESDAY, AUGUST 29, 1978 - 10 A.M.

The subject matter of the August 29 open meeting will be:

Consideration of the staff's recommendations concerning financial accounting and reporting practices for oil and gas producing activities. FOR FURTHER INFORMATION CONTACT Greta Powers at (202) 472-3782. ✓

### CLOSED MEETING - WEDNESDAY, AUGUST 30, 1978 - 10 A.M.

The subject matter of the August 30 closed meeting will be: Access to investigative files by Federal, State, or Self-Regulatory authorities; Formal orders of investigation; Institution of injunctive actions; Chapter X proceeding; Other litigation matters.

### OPEN MEETING - THURSDAY, AUGUST 31, 1978 - 10 A.M.

The subject matter of the August 31 open meeting will be:

(1) Consideration of the adoption of new rules designated Sections 210.9-01 to 210.9-05 of Regulation S-X intended to establish a comprehensive set of requirements for financial statements included in annual reports of bank holding companies filed with the Securities and Exchange Commission. FOR FURTHER INFORMATION CONTACT Lawrence J. Bloch at (202) 472-3782.

(2) Consideration of a proposed letter to be sent to the Municipal Securities Rule-making Board (MSRB) regarding the election of two public representatives to the MSRB. FOR FURTHER INFORMATION CONTACT Anne E. Chater at (202) 755-7915.

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## COURT ENFORCEMENT ACTIONS

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### ELLIOTT S. KAHN, OTHERS ENJOINED

The Chicago Regional Office announced that final orders of permanent injunction by consent were issued against Elliott S. Kahn and Harvey L. Orner on August 1 by Judge John Powers Crowley of the U.S. District Court for the Northern District of Illinois. The defendants consented to the orders without admitting or denying the Commission's allegations of violating the antifraud, and aiding and abetting violations of the issuer-reporting provisions of the Securities Exchange Act of 1934 contained in the Commission's complaint. The Commission's complaint alleges that Kahn and Orner misappropriated corporate funds of Todd Equipment Leasing Co., a subsidiary of Cenco, Incorporated, and that they used fictitious leases as collateral to obtain bank loans to purchase Todd from Cenco. Judge Crowley previously issued final orders of permanent injunction against Robert A. Smith, Anthony Urso, Charles Didriksen, Fredrick W. Schmauss, Reuben A. Katz and Erwin L. Berman, all of whom consented without admitting or denying the allegations contained in the Commission's complaint. Smith, Katz, and Berman were alleged to have violated the antifraud and aided and abetted violations of the issuer-reporting provisions of the Exchange Act. Urso, Didriksen and Schmauss, were alleged to have violated the antifraud provisions of the Exchange Act. (SEC v. Cenco, Inc., N.D. Ill., Civil Action No. 76-C-3258). (LR-8509)

### COMPLAINT NAMES BEATRICE FOODS CO.

The Chicago Regional Office announced than on August 17 a complaint was filed against Beatrice Foods Co. alleging violations of the reporting and proxy provisions of the Securities Exchange Act of 1934 in Beatrice's use of unrecorded bank accounts to fund possibly illegal rebate or discount payments to its domestic dairy customers. In addition, the complaint alleges violations of the reporting and proxy provisions in certain of Beatrice's lending activities to its domestic dairy customers and in certain foreign activities. Beatrice consented to the entry of a permanent injunction without admitting or denying the violations alleged in the complaint. (SEC v. Beatrice Foods Co., N.D. Ill., Civil Action No. 78-C-3293). (LR-8510)

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## INVESTMENT COMPANY ACT RELEASES

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### FIRST MULTIFUND FOR DAILY INCOME

A hearing has been ordered on an application by First Multifund for Daily Income, Inc. (Applicant), a registered open-end, diversified, management investment company, requesting an exemptive order, pursuant to Section 6(c) of the Act, to permit Applicant to value its assets on an amortized cost basis, and on Applicant's request that the application be granted on a temporary basis. The hearing on this application has been joined for hearing on all matters in issue with the hearing on InterCapital Liquid Asset Fund, Inc., et al., and such proceedings have been consolidated. The hearing is presently scheduled to commence on September 6, 1978. (Rel. IC-10366 - Aug. 18)

### AMERICAN GENERAL CONVERTIBLE SECURITIES

A notice has been issued giving interested persons until September 11 to request a hearing on an application pursuant to Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder by American General Insurance Company (Insurance), a company engaged through subsidiaries in the insurance and financial services business, American General Convertible Securities, Inc. (Company), a closed-end, diversified investment company, registered under the Act, and American General Capital Management, Inc. (Capital), a subsidiary of Insurance serving as investment adviser to the Company. The application requests that the Commission amend and modify its order, dated October 31, 1972, issued pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, which authorizes Insurance and the Company to participate together in direct placements, subject to certain specified conditions. (Rel. IC-10367 - Aug. 18)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Chicago Board Options Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-CBOE-78-23) to authorize CBOE Order Book Officials, who are employees of the CBOE, to handle the CBOE public limit order book. Publication of the proposal is expected to be made in the Federal Register during the week of August 21. (Rel. 34-15081)

## 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-7) OCCIDENTAL PETROLEUM CORPORATION, 10889 Wilshire Blvd., Los Angeles, Cal. 90024 (213) 879-1700 - 8,233,170 shares of \$10.00 cumulative preferred stock and 2,058,810 shares of \$7.50 cumulative convertible preference stock. Underwriters: Kidder, Peabody & Co. Inc., Blyth Eastman Dillon & Co. Inc., and Dean Witter Reynolds Inc. The company is engaged in exploring for and developing and producing natural resources. (File 2-62407 - Aug. 21)
- (S-1) FLOATING POINT SYSTEMS, INC., 11000 SW11th St., Beaverton, Ore. 97005 - 750,000 shares of common stock. Underwriters: Goldman, Sachs & Co. and Dean Witter Reynolds Inc. The company designs, manufactures and markets relatively low-cost, high-speed special purpose computers. (File 2-62408 - Aug. 21)
- (S-16) SUNDSTRAND CORPORATION, 4751 Harrison Ave., Rockford, Ill. 61101 (815) 226-6000 - 180,540 shares of common stock. (File 2-62409 - Aug. 21)
- (S-8) COMPREHENSIVE CARE CORPORATION, 660 Newport Center Dr., Newport Beach, Cal. 92660 - 100,000 shares of common stock and 50,000 shares of interests. (File 2-62410 - Aug. 21)
- (S-14) EATON CORPORATION, 100 Erieview Plaza, Cleveland, Ohio 44114 (216) 523-5000 - \$143,962,206 of 7-3/4% subordinated installment notes. (File 2-62411 - Aug. 21)
- (S-16) MACKS STORES, INC., 800 East Main St., Sanford, N.C. 27330 (919) 776-7611 - 75,000 shares of common stock. Underwriter: First Southeastern Company. (File 2-62412 - Aug. 21)
- (S-8) ENSERCH CORPORATION, 301 South Harwood St., Dallas, Tex. 75201 (214) 651-8700 - \$367,245 of participation. (File 2-62414 - Aug. 21)
- (S-7) PUBLIC SERVICE COMPANY OF COLORADO, 550 15th St., Denver, Colo. 80202 (303) 571-7511 - \$50 million of first mortgage bonds, due 2008. The company is engaged in the generation, purchase, transmission, distribution and sale of electricity. (File 2-62415 - Aug. 21)
- (S-14) WALLACE-MURRAY CORPORATION, 299 Park Ave., New York, N.Y. 10017 (212) 486-6400 - \$686,627 of 9% senior promissory notes, due 1983. (File 2-62416 - Aug. 21)
- (S-5) FIDELITY INSTITUTIONAL LIQUID ASSETS, 82 Devonshire St., Boston, Mass. 02109 - 50,000 shares of beneficial interest. (File 2-62417 - Aug. 21)
- (S-6) TAX EXEMPT SECURITIES TRUST, SERIES 22, 14 Wall St., New York, N.Y. 10005 - 15,000 units. Depositors: Loeb Rhoades, Hornblower & Co., 14 Wall St., New York, N.Y. 10005, Smith Barney, Harris Upham & Co. Inc. and Blyth Eastman Dillon & Co. Inc. (File 2-62419 - Aug. 21)
- (S-1) THE MORRISSEY HALL COMPANY, 246 West 44th St., New York City, N.Y. 10036 - \$500,000 of limited partnership interests. (File 2-62420 - Aug. 18)
- (S-1) COUNSELOR CORPORATION OF FLORIDA, Boca Plaza Executive Suite 9, 3200 North Federal Highway, Boca Raton, Fla. 33431 (305) 391-9702 - 1,250,000 shares of common stock. The company is engaged in the life insurance business. (File 2-62421 - Aug. 18)
- (S-1) THE SPIRIT COMPANY, 204 West 81st St., New York, N.Y. 10024 - \$1,300,000 of preformation limited partnership interests. (File 2-62422 - Aug. 18)

### REGISTRATIONS EFFECTIVE

Aug. 17: American Medical International Inc., 2-62085; American International Group, Inc., 2-61994; Barber-Greene Co., 2-62272; Brunswick Corp., 2-61818; Computer Sciences Corp., 2-62159; Itel Corp., 2-62293; Lucky Stores, Inc., 2-62294; Municipal Investment Trust Fund, Ninety-First Monthly Payment Series, 2-62138; Republic Franklin, Inc., 2-61950; Wisconsin Power and Light Co., 2-62252; Zenith National Insurance Corp., 2-62072.



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#### NOTICE

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