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June 6, 1979

U.S. SECURITIES AND EXCHANGE COMMISSION

RULES AND RELATED MATTERS

COMMISSION ADOPTS AMENDMENTS TO NET CAPITAL RULE

The Commission announced the adoption of amendments to its net capital rule as it pertains to the minimum financial requirements for brokers or dealers that are also commodity futures commission merchants. The amendments are designed to conform the net capital rule with the minimum financial requirements of the Commodity Futures Trading Commission for futures commission merchants. (Rel. 34-15898)

FOR FURTHER INFORMATION CONTACT: James G. Moody at (202) 376-8135

COMMISSION ADOPTS AMENDMENTS TO THE FOCUS REPORTING SYSTEM

The Commission announced the adoption of amendments to the financial and operational reporting requirements collectively known as the FOCUS reporting system by adopting the previously proposed Schedule of Segregation Requirements and Funds on Deposit in Segregation currently being used by the Commodity Futures Trading Commission for its registered futures commission merchants. (Rel. 34-15899)

FOR FURTHER INFORMATION CONTACT: James G. Moody at (202) 376-8135

ADMINISTRATIVE PROCEEDINGS

LAS VEGAS HAWAIIAN DEVELOPMENT COMPANY

The Commission has ordered proceedings pursuant to Section 8(d) of the Securities Act of 1933 to determine whether the effectiveness of the registration statement filed by Las Vegas Hawaiian Development Company (LVH), OF Honolulu, Hawaii, should be suspended. The order instituting the proceedings recites allegations by the Division of Enforcement that the registration statement includes untrue statements of material facts and omits to state material facts regarding the past and proposed activities of LVH and its affiliates in connection with the sale and development of land parcels near Las Vegas, Nevada. The Commission has ordered that the hearing on the staff's allegations commence on June 13 in Honolulu, Hawaii. (Rel. 33-6074)

COMMISSION ANNOUNCEMENTS

COMMISSIONER KARMEL SPEAKS BEFORE THE AMERICAN STOCK EXCHANGE

Commissioner Karmel spoke before the American Stock Exchange-Wharton School Conference on Mid-Range Companies, on June 5, 1979, in Washington, D.C. The title of her address was "Corporate Governance Issues and Small Business."

CIVIL PROCEEDINGS

PERMANENT INJUNCTION ISSUED AGAINST GRADY A. SANDERS, OTHERS

A Final Judgment of Permanent Injunction has been issued against Grady A. Sanders, Houston Complex, Inc. and Network One, Inc. of Las Vegas, Nevada and Leland Martineau and the accounting firm of Martineau and Bushman (M&B) of Salt Lake City, Utah. The injunction, issued by the U.S. District Court for the District of Nevada, enjoins the defendants from violations of the antifraud, registration and reporting provisions of the securities laws. The defendants, without admitting or denying the allegations, consented to the entry of the Final Judgment.

The Commission's complaint alleged, among other things, that Sanders, Network One, and Houston Complex issued a series of allegedly false and misleading letters to the shareholders of both companies, issued press releases to the public and filed reports with the Commission all of which grossly overstated the operations and revenues of the companies.

The Final Judgment provides that Houston Complex and Network One shall appoint and maintain Audit Committees with the responsibility to correct prior public statements made by or about the companies, and conduct an inquiry into certain allegations raised in the Commission's complaint. In addition, Houston Complex and Network One shall engage new independent certified public accountants to correct previously issued financial statements.

In consenting to the entry of a final judgment, Martineau and M&B agreed to submit to a peer review by a committee-appointed review team of the SEC Practice Section of the AICPA Division for CPA Firms and to deliver a copy of the peer review report to the Commission's Los Angeles Regional Office and the Office of the Chief Accountant. (SEC v. Houston Complex, Inc., et al., U.S.D.C. Dist. of Nev., Civil Action No. 79-57-RDF). (LR-8771)

ROBERT L. PRESTON, OTHERS ENJOINED AND SENTENCED

The Denver Regional Office and the Salt Lake Branch Office announced that on May 15 the Honorable Aldon J. Anderson, Chief U.S. District Court Judge for the District of Utah, Central Division, entered orders permanently enjoining Robert L. Preston, Stanley B. Meaker, Michael L. Davies, and Silver Bullion Exchange, Inc. from engaging in acts and practices which, in substance, constitute and will constitute violations of the securities laws in the offer and sale of securities in the form of silver sales agreements or any other securities.

Preston, Davies and Meaker consented to the entry of permanent injunctions, without admitting or denying the allegations of the complaint, and the permanent injunction against Silver Bullion was entered pursuant to the Commission's uncontested motion for summary judgment. Pursuant to the Commission's motion, claims for disgorgement and other ancillary relief were dismissed against all of the defendants.

On April 30 Preston and Meaker, and another individual, Robert M. Bromley, were sentenced in the U.S. District Court for the District of Utah, Central Division, as a result of their convictions on charges of violating the mail fraud statute. The Honorable Ewing Kerr, Senior U.S. District Court Judge, Cheyenne, Wyoming, sentenced Preston to two years in prison, five years probation, and a \$13,000 fine; Meaker to 15 months imprisonment and five years probation; and Bromley to one year and one day in prison, five years probation, and imposed a \$3,500 fine. (SEC v. Constitution Mint, Inc., et al., D. Utah, C-74-354; and U.S. v. Robert Lee Preston, et al., D. Utah, CR-78-88). (LR-8772)

INVESTMENT COMPANY ACT RELEASES

ADVANCE INVESTORS CORPORATION

An order has been issued declaring that Advance Investors Corporation, registered under the Investment Company Act of 1940 as an open-end, diversified management investment company, has ceased to be an investment company. (Rel. IC-10717 - June 4)

MASSMUTUAL CORPORATE INVESTORS, INC.

An order has been issued, pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder, on an application of MassMutual Corporate Investors, Inc. (Fund), registered under the Act as a non-diversified, closed-end, management investment company, and Massachusetts Mutual Life Insurance Company (Insurance Company), the Fund's investment adviser, amending the conditions contained in a prior order, which order permits the Insurance Company to invest concurrently for its general account in each issue of securities purchased by the Fund at direct placement. (Rel. IC-10718 - June 4)

HOLDING COMPANY ACT RELEASES

LOUISIANA POWER & LIGHT COMPANY

A notice has been issued giving interested persons until June 29 to request a hearing on a post-effective amendment to a declaration filed by Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., regarding increasing the amount of short-term borrowings from \$120 million to \$130 million at any one time outstanding. (Rel. 35-21073 - June 1)

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) SCI-PRO, INC., 5 Parker Pl., Suite 350, 2600 Souther Parker Rd., Denver, Colo. 80014 - 15,000 shares of common stock. Underwriter: Blinder, Robinson & Co., Inc. The company is engaged in the design, development, manufacture and marketing of a microcomputer system for research laboratories. (File 2-64679 - June 5)
- (S8) COMCAST CORPORATION, One Belmont Ave., Bala Cynwyd, Pa. 19004 (215) 667-4200 - 23,000 shares of Class A common stock. The company is engaged in operating community antenna television systems. (File 2-64680 - June 5)
- (S-8) BRAUN ENGINEERING CO., 3000 Town Center, Suite 2420, Southfield, Mich. 48075 (313) 568-6670 - 35,000 shares of common stock. (File 2-64681 - June 5)
- (S-8) SCOTT PAPER COMPANY, Scott Plaza, Philadelphia, Pa. 19113 (215) 521-5000 - 1,000,000 common shares. (File 2-64682 - June 5)
- (S-1) THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY, 720 East Wisconsin Ave., Milwaukee, Wis. 53202 - variable annuity contracts (these contracts are not issued in predetermined amounts or units). (File 2-64683 - June 5)
- (S-7) CAMPANELLI INDUSTRIES, INC., One Campanelli Dr., Braintree, Mass. 02184 (617) 843-8280 - 15,000 units and \$15 million of senior subordinated sinking fund debentures, due 1994 with shares of common stock. Underwriter: Bear, Stearns & Co. The company is engaged in the development, construction and marketing of single-family housing. (File 2-64684 - June 5)

REGISTRATIONS EFFECTIVE

May 30: Beneficial Corp., 2-64500; Carter Hawley Hale Stores, Inc., 2-64326; Chemical Financial Corp., 2-63758; Hospital Corporation of America, 2-63923; MB Corp., 2-63843; MEM Company, Inc., 2-64365; Municipal Investment Trust Fund, One Hundred Sixth Monthly Payment Series, 2-64394; National Medical Care, Inc., 2-64401; United Technologies Corp., 2-64579.

May 31: Ace Hardware Corp., 2-63880; Alabama Bancorp., 2-64334; American Medical Association Members Retirement Plan, 2-64510; Aydin Corp., 2-64093; Binney & Smith, Inc., 2-64323; The Coca-Cola Bottling Co. of New York, Inc., 2-64389; Corporate Securities Trust, Long-Term Debt Series 12, 2-64202; Crouse-Binds Co., 2-64440; Federal Discount Corp., 2-64263 & 2-64341; Integon Corp., 2-64366; National Gypsum Co., 2-64327; National Spinning Co., Inc., 2-64457; RCM Growth Equity Fund, Inc., 2-63825; Schwartz Brothers, Inc., 2-63691; Super Food Services, Inc., 2-64141; Tri-American Corp., 2-64083.

UNITED STATES
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