

LIBRARY SEC NEWS DIGEST

Issue 84-193

U.S. SECURITIES AND
EXCHANGE COMMISSION

October 3, 1984

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 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, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, N.W., Washington, DC. 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 - THURSDAY, OCTOBER 11, 1984 - 10:00 a.m.

The subject matter of the October 11 open meeting will be:

(1) Consideration of a proposal by the New York Stock Exchange, Inc. (NYSE) to allow NYSE specialists to use options on their specialty stocks for hedging purposes. FOR FURTHER INFORMATION, PLEASE CONTACT Alden Adkins at (202) 272-2843.

(2) Consideration of whether to propose for public comment Rule 26a-3 under the Investment Company Act of 1940, which would provide variable annuity separate accounts with exemptive relief in connection with the deduction of mortality and expense risk charges. FOR FURTHER INFORMATION, PLEASE CONTACT Jeffrey S. Puretz at (202) 272-3010.

(3) Consideration of whether to adopt: (a) Rule 2a19-1 under the Investment Company Act of 1940 to exempt from the definition of "interested person", under certain conditions, any investment company director who would be considered "interested" solely because he is a registered broker or dealer or an affiliated person of a registered broker or dealer; (b) Rule 10b-1 under the Act to define the term "regular broker or dealer" as used in Section 10(b) of the Act and in Form N-1R, the annual report for management investment companies; and (c) technical amendments to investment company registration statement forms to reflect the adoption of Rule 10b-1. FOR FURTHER INFORMATION, PLEASE CONTACT Brian M. Kaplowitz at (202) 272-3025.

CLOSED MEETING - THURSDAY, OCTOBER 11, 1984 - FOLLOWING THE OPEN MEETING

The subject matter of the October 11 closed meeting will be: Formal orders of investigation; Institution of injunctive actions; Institution of administrative proceedings of an enforcement nature; Settlement of administrative proceeding of an enforcement nature.

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: David Wescoe at (202) 272-2092

ADMINISTRATIVE PROCEEDINGS

PROCEEDINGS INSTITUTED AGAINST JOHN WESLEY ENGLISH, OTHERS

The San Francisco Branch Office instituted public administrative proceedings against John Wesley English, Gray Emerson Cardiff, J.W. English & Company, Inc., Gray Cardiff & Company, Inc., and S/A Tax Planning and Investment Services, Inc. The Order for Proceedings alleges that between January 1980 and the present, those individuals and entities participated in some or all of the following violations: (1) registration and fraud violations in the operation and promotion of an investment advisory newsletter and related counseling service; (2) failure to maintain required books and records and to provide disclosure statements to advisory clients; (3) participation in the sale of unregistered securities and failure to disclose commissions; and (4) improper payments of fees for solicitations of advisory clients. A hearing will be scheduled to determine whether the allegations are true, and if so, what, if any, sanctions are appropriate. (Rel. IA-933)

CIVIL PROCEEDINGS

TANDEM COMPUTERS INCORPORATED, CERTAIN OFFICERS SUED IN REVENUE RECOGNITION CASE

The San Francisco Branch Office filed a complaint on October 2 in the federal district court in San Francisco, California seeking a permanent injunction and ancillary relief against Tandem Computers Incorporated, and permanent injunctions against Robert C. Marshall, Henry V. Morgan and James G. Treybig, all of the San Francisco area. The complaint charges that Tandem violated the antifraud, periodic and accounting provisions of the Securities Exchange Act of 1934 and that Marshall, Morgan and Treybig violated the periodic reporting and accounting provisions of that Act. The defendants simultaneously agreed to be enjoined on consent without admitting or denying the complaint's allegations.

According to the complaint, Tandem, aided and abetted by Marshall, Morgan and Treybig, engaged in a course of conduct which resulted in the improper recognition of revenue by Tandem, thereby causing Tandem to issue a false and misleading press release on November 1, 1982 and to file, with the Commission, false and misleading financial statements for the second and third quarters of its 1982 fiscal year. The complaint further alleges that Tandem kept inaccurate books and records, and failed to maintain adequate internal accounting controls over its revenue recognition practices. (SEC v. Tandem Computers Incorporated, et al., ND CA, C 84-6413, JPV). (LR-10550)

CHRONAR CORP. ENJOINED, OTHER RELIEF ORDERED

The U.S. District Court for the District of Columbia permanently enjoined Chronar Corp., of Trenton, New Jersey, from violating an antifraud provision of the Securities Act of 1933 and the periodic reporting and antifraud provisions of the Securities Exchange Act of 1934 in a Commission enforcement action. Chronar was also ordered to restate its financial statements as of and for its fiscal year ended March 31, 1983, and its interim financial statements for the three, six and nine month periods thereafter. The complaint alleged that: Chronar improperly recognized revenue in two separate transactions, occurring in March and December 1983; Chronar disseminated certain press releases and reprints of articles which contained untrue and misleading statements; and the misstatements concerned the status and use in a commercial setting of technology being developed by Chronar and the status of certain contracts for the sale of photovoltaic panel manufacturing plants. Chronar consented to the Final Judgment without admitting or denying the complaint's allegations. (SEC v. Chronar Corp., USDC DC, Civil Action No. 84-3069). (LR-10552)

CRIMINAL PROCEEDINGS

MAURICE SHEAR INDICTED IN BOSTON

The Boston Regional Office and the U.S. Attorney in Boston, Massachusetts announced that on September 25 a grand jury returned an indictment against Maurice Shear of Malden, Massachusetts, and that an information had been filed against American

International Health Services, Inc. (AIHS) of Lynn and Worcester, Massachusetts, a corporation with which Shear was affiliated.

AIHS is charged with filing a false and misleading registration statement with the Commission in a proposed offering of stock in AIHS. Shear is charged with conspiring to file such registration statement. According to the information and indictment, AIHS and Shear sought to raise in excess of \$3 million through the public offering. The registration statement was filed in August 1981. Shear is also charged in the indictment with mail fraud in attempting to dominate and control the price of AIHS stock traded in the public market between 1979 and 1981. (U.S. v. Maurice Shear, et al., USDC MA 1984, CR No. - 84). (LR-10551)

INVESTMENT COMPANY ACT RELEASES

HIRAM WALKER COMMERCIAL PAPER, INC.

A notice has been issued giving interested persons until October 26 to request a hearing on an application filed by Hiram Walker Commercial Paper, Inc., a Delaware corporation, for an order exempting it from all provisions of the Investment Company Act. (Rel. IC-14180 - Oct. 2)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND POWER COMPANY

A notice has been issued giving interested persons until October 30 to request a hearing on a proposal by New England Power Company (NEP), subsidiary of New England Electric System, to implement a \$100 million financing plan for NEP ending December 31, 1986, consisting of the issuance and sale of preferred stock and general and refunding mortgage bonds and the financing of pollution control facilities. (Rel. 35-23441 - Oct. 2)

MISCELLANEOUS

RISKS AND USES OF LISTED CANADIAN OPTIONS

The Commission issued a release under Rule 9b-1 of the Securities Exchange Act of 1934 allowing distribution to public investors of the Listed Canadian Options Disclosure Document prepared by Trans Canada Options Inc. (Rel. 34-21365)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, address and phone number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- N-1A GUIDANCE INVESTMENTS INC, 1110 WOODVIEW DR, LIBERTYVILLE, IL 60048 (312) 362-0034 (FILE 2-75722 - SEP. 24) (BR. 16)
- S-18 EL POLLO ASADO INC, 3519 E SHEA BLVD STE 124, PHOENIX, AZ 85028 (602) 996-0941 - 766,667 (\$2,300,001) COMMON STOCK. 66,667 (\$67) WARRANTS, OPTIONS OR RIGHTS. 66,667 (\$240,001) COMMON STOCK. (FILE 2-93291-LA - SEP. 14) (BR. 12 - NEW ISSUE)
- S-18 COMMUNICATION SCIENCES INC, 100 N SEVENTH ST STE 518, MINNEAPOLIS, MN 55403 (612) 332-7559 - 632,500 (\$1,423,125) COMMON STOCK. 55,000 (\$158,400) COMMON STOCK. (FILE 2-93342-C - SEP. 19) (BR. 10 - NEW ISSUE)
- N-1A BABSON VALUE FUND INC, 2440 PER SHING RD G-15, KANSAS CITY, MO 64108 (816) 471-5200 - INDEFINITE SHARES. (FILE 2-93363 - SEP. 21) (BR. 16 - NEW ISSUE)
- S-18 CAPE CORAL FINANCIAL CORP, 4040 DEL PRADO BLVD, P O BOX 1204, CAPE CORAL, FL 33904 (813) 945-9818 - 500,000 (\$5,000,000) COMMON STOCK. (FILE 2-93370-A - SEP. 20) (BR. 1 - NEW ISSUE)

- F-6 CITIBANK NA, 399 PARK AVE, NEW YORK, NY 10043 (212) 559-1000 - 1,150,000 (\$57,500) FOREIGN COMMON STOCK. (FILE 2-93419 - SEP. 21) (BR. 65)
- S-6 NASL VARIABLE ACCOUNT, 57 RIVER ST STE 104, WELLESLEY HILLS, MA 02181 - INDEFINITE SHARES. (FILE 2-93435 - SEP. 24) (BR. 20 - NEW ISSUE)
- S-1 CONSUMERS POWER CO, 212 W MICHIGAN AVE, JACKSON, MI 49201 (517) 788-1030 - 100,000,000 (\$100,000,000) MORTGAGE BONDS. (FILE 2-93438 - SEP. 24) (BR. 8)
- S-6 SEARS TAX EXEMPT INV TR LONG TERM MUN PORT SERIES 32, 130 LIBERTY ST, C/O DEAN WITTER REYNOLDS INC, NEW YORK, NY 10006 - 22,000 (\$22,440,000) UNIT INVESTMENT TRUST. (FILE 2-93439 - SEP. 24) (BR. 16 - NEW ISSUE)
- S-6 SEARS TAX EXEMPT INV TR LONG TERM MUNI PORT SERIES 33, 130 LIBERTY ST, C/O DEAN WITTER REYNOLDS INC, NEW YORK, NY 10006 - 22,000 (\$22,440,000) UNIT INVESTMENT TRUST. (FILE 2-93440 - SEP. 24) (BR. 16 - NEW ISSUE)
- S-6 SEARS TAX EXEMPT INV TR FIN GURTY INSUR CO INS CAL SER 8, 130 LIBERTY ST, C/O DEAN WITTER REYNOLDS, NEW YORK, NY 10006 - 22,000 (\$22,440,000) UNIT INVESTMENT TRUST. (FILE 2-93441 - SEP. 24) (BR. 16 - NEW ISSUE)
- S-6 SEARS TAX EXEMPT INV TRUST MULTI MATURITY PROGRAM SERIES 8, 130 LIBERTY ST, C/O DEAN WITTER REYNOLDS INC, NEW YORK, NY 10006 - 16,511,000 (\$28,545,000) UNIT INVESTMENT TRUST. (FILE 2-93442 - SEP. 24) (BR. 16 - NEW ISSUE)
- S-3 FIRST BANK SYSTEM INC, 1200 FIRST BANK PL EAST, MINNEAPOLIS, MN 55480 (612) 370-5100 - 2,000,000 (\$55,000,000) COMMON STOCK. (FILE 2-93443 - SEP. 25) (BR. 2)
- S-8 MAY PETROLEUM INC, 800 ONE LINCOLN CENTRE, 5400 LBJ FWY LB8, DALLAS, TX 75240 (214) 934-9600 - 75,000 (\$450,000) COMMON STOCK. (FILE 2-93444 - SEP. 25) (BR. 4)
- S-2 GOLD KIST INC, 244 PERIMETER CTR PKWY NE, ATLANTA, GA 30346 (404) 393-5000 - 5,000,000 (\$5,000,000) STRAIGHT BONDS. 10,000,000 (\$10,000,000) STRAIGHT BONDS. 30,000,000 (\$30,000,000) STRAIGHT BONDS. (FILE 2-93446 - SEP. 25) (BR. 6)
- S-8 ROBINS A H CO INC, P O BOX 26609, RICHMOND, VA 23261 (804) 257-2185 - 429,100 (\$5,873,306) COMMON STOCK. 570,900 (\$9,491,213) COMMON STOCK. (FILE 2-93447 - SEP. 25) (BR. 4)
- S-2 LYNCH COMMUNICATION SYSTEMS INC, 204 EDISON WAY, RENO, NV 89502 (702) 786-4020 - 862,500 (\$17,896,875) COMMON STOCK. (FILE 2-93449 - SEP. 25) (BR. 7)
- S-14 FIRST WESTERN BANCSHARES INC, 219 E CAMP WISDOM RD, DUNCANVILLE, TX 75116 (214) 298-4601 - 179,500 (\$586,773) COMMON STOCK. 4,195,000 (\$4,195,000) FLOATING RATE NOTES. (FILE 2-93452 - SEP. 25) (BR. 1 - NEW ISSUE)
- S-1 SANDS REGENT, 345 N ARLINGTON AVE, RENO, NV 89501 (702) 348-2200 - 400,000 (\$6,000,000) COMMON STOCK. 980,000 (\$14,700,000) COMMON STOCK. (FILE 2-93453 - SEP. 25) (BR. 11 - NEW ISSUE)
- S-1 BOWATER INC, 1 PARKLANDS DR, P O BOX 4012, DARIEN, CT 06820 (203) 656-7200 - 75,000,000 (\$75,000,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 2-93455 - SEP. 25) (BR. 8)
- S-3 GENSTAR CORP, FOUR EMBARCADERO CTR, STE 3800, SAN FRANCISCO CA 94111, AD (415) 986-7200 - 4,000,000 (\$100,000,000) PREFERRED STOCK. (FILE 2-93456 - SEP. 25) (BR. 9)
- S-8 GIBRALTAR FINANCIAL CORP OF CALIFORNIA, 9111 WILSHIRE BLVD, BEVERLY HILLS, CA 90213 (213) 278-8720 - 825,000 (\$6,909,375) COMMON STOCK. (FILE 2-93457 - SEP. 24) (BR. 2)
- S-3 BOW VALLEY INDUSTRIES LTD/NEW/, 1800 321 SIXTH AVE SW, CALGARY ALBERTA CANADA T2P 3R2, AD (403) 231-1211 - 1,000,000 (\$16,750,000) COMMON STOCK. (FILE 2-93460 - SEP. 24) (BR. 12)
- S-15 TRUST CO OF GEORGIA, ONE PARK PL NE, ATLANTA, GA 30303 (404) 588-7711 - 238,120 (\$4,783,948) COMMON STOCK. (FILE 2-93461 - SEP. 25) (BR. 2)
- S-14 LIBERTY SHARES INC, 300 S MAIN ST, P O BOX 1009, HINESVILLE, GA 31313 (912) 368-3332 - 390,000 (\$5,262,000) COMMON STOCK. (FILE 2-93462 - SEP. 26) (BR. 2 - NEW ISSUE)
- N-2 ACORN PENNY STOCK FUND INC, LLOYDS BANK BLDG 14895 E 14TH ST, STE 480, SAN LEANDRO, CA 94578 (415) 895-1450 - 75,000,000 (\$7,500,000) COMMON STOCK. (FILE 2-93463 - SEP. 26) (BR. 18 - NEW ISSUE)