

sec news digest

Issue 79-133

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July 11, 1979

RULES AND RELATED MATTERS

U.S. SECURITIES AND
EXCHANGE COMMISSION

ENVIRONMENTAL PROTECTION PROCEDURAL REGULATIONS

The Commission adopted new procedural regulations, and an amendment to Form U-1 under the Public Utility Holding Company Act of 1935, to implement the procedural provisions of the National Environmental Policy Act should compliance with those provisions ever be appropriate for Commission action. (Rel. 33-6089)

FOR FURTHER INFORMATION CONTACT: Catherine Scanlon at (202) 755-1234

COMMISSION ANNOUNCEMENTS

STAFF ACCOUNTING BULLETIN NO. 31-A

The staff of the Commission has issued an amendment correcting the topic designation in Staff Accounting Bulletin No. 31. SAB No. 31-A places the subject caption "Notes and Other Receivables from Affiliates" under Topic 4-J rather than Topic 4-I which had been previously used. (Rel. SAB-31-A)

FOR FURTHER INFORMATION CONTACT: Howard P. Hodges, Jr. at (202) 755-1744

CIVIL PROCEEDINGS

COMPLAINT NAMES WESTERN PREFERRED CORPORATION

The Commission announced that on July 10 it filed a civil injunctive action in the U.S. District Court for the District of Columbia against Western Preferred Corporation alleging violations of the reporting provisions of the securities laws. The Commission's complaint alleged that Western has failed to file its quarterly report on Form 10-Q for its fiscal quarter ended March 31, 1979, required to have been filed with the Commission by May 15, 1979. Further, the complaint charged that Western, as part of a continuing course of conduct extending over several years, has failed timely to file certain of its annual and quarterly reports required to have been filed with the Commission. (SEC v. Western Preferred Corporation, U.S.D.C. D.C., Civil Action No. 79-1784). (LR-8817)

COMPLAINT NAMES DE TOMASO INDUSTRIES, INC.

The Commission announced that on July 10 it filed a civil injunctive action in the U.S. District Court for the District of Columbia against De Tomaso Industries, Inc. alleging violations of the reporting provisions of the securities laws. The Commission's complaint alleged that De Tomaso has failed to file its annual report on Form 10-K for its fiscal year ended December 31, 1978, required to have been filed with the Commission by April 2, 1979. Further, the complaint charged that De Tomaso, as part of a continuing course of conduct extending over several years, has failed timely to file certain of its annual and quarterly reports required to have been filed with the Commission. (SEC v. De Tomaso Industries, Inc., U.S.D.C., Civil Action No. 79-1785). (LR-8818)

COMPLAINT NAMES RICHARD MACDONALD, OTHERS

The San Francisco Branch Office announced that on June 29 the Commission filed a civil action in the Federal District Court in Honolulu, Hawaii, seeking injunctive and other relief against nine defendants, including Richard MacDonald, Frances R. MacDonald, and Richard C. MacDonald, of Honolulu, Hawaii (the MacDonalds); five entities formed and controlled by the MacDonalds -- Las Vegas View Properties, Las Vegas Hawaiian Ventures, Las Vegas Hawaiian Equities, Tauri Investment Corporation

(the Affiliates) and MacDonald & Associates Realty, Inc. (MacDonald & Associates); and Herbert A. Schley, of Honolulu, Hawaii, a limited partner of Las Vegas Hawaiian Ventures and former MacDonald & Associates salesman. The complaint charges violations of the registration and antifraud provisions of the securities laws between 1971 and the present in three offerings of securities, all of which relate to unimproved desert land in Clark County, Nevada.

Among other things, the complaint alleges that the MacDonalds, through the Affiliates, acquired ownership of four square miles of Nevada desert land, and that the defendants sold, pursuant to installment contracts, fractional undivided interests in 1,610 acres of the land to over 900 investors for a gross sales price of approximately \$6,258,050. The defendants made affirmative misrepresentations regarding the risks and rewards of the investment, and omitted to disclose, among other things, material facts relating to the identity of the owners of the land, the encumbrances of the land, the price paid by the Affiliates for the land, the sales commissions paid by investors, and the existence of prior injunctions against Richard and Frances R. MacDonald.

A hearing on the Commission's motion for a preliminary injunction and appointment of a receiver has been scheduled for August 6 before the Honorable Samuel P. King, U.S. District Judge for the District of Hawaii. (SEC v. Richard MacDonald, et al., D.C. Hawaii, C-79-0283). (LR-8814)

INVESTMENT COMPANY ACT RELEASES

JOHNSTON MUTUAL FUND

A notice has been issued giving interested persons until July 31 to request a hearing on an application of The Johnson Mutual Fund, Inc., for an order of exemption from Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to permit it to calculate the price per share of one of its three series, the Johnston Cash Management Fund, to the nearest one cent on a share value of one dollar using times other than the close of trading on each day on which the New York Stock Exchange is open for trading. (Rel. IC-10763 - July 9)

SOUTH COAST CAPITAL COMPANY

An order has been issued on an application of South Coast Capital Company (formerly Space Ventures, Inc.) (Applicant), registered under the Investment Company Act of 1940 as a closed-end, non-diversified, management investment company, declaring that Applicant has ceased to be an investment company. (Rel. IC-10764 - July 9)

KANSALLIS-OSAKE-PANKKI

A notice has been issued on an application of Kansallis-Osake-Pankki, a commercial bank whose principal office is located in Helsinki, Finland. The application requests that an order be issued pursuant to Section 6(c) of the Investment Company Act of 1940 exempting Applicant from all provisions of the Act or, alternatively, that an order be issued pursuant to Section 3(b)(2) of the Act declaring that Applicant is not an investment company. Issuance of the requested order would have the effect of permitting Applicant to make an offering of its commercial paper in the United States. (Rel. IC-10765 - July 9)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM, INC.

A notice has been issued giving interested persons until July 30 to request a hearing on a proposal of The Columbia Gas System, Inc. (Columbia), a registered holding company, and Columbia Gas System Service Corporation (Service), its subsidiary, for automatic adjustment of the return Service is permitted to charge the other Columbia subsidiaries and Columbia to the most recent overall rate of return allowed by the Federal Energy Regulatory Commission from time to time to Columbia Gas Transmission Corporation. (Rel. 35-21131 - July 5)

LOUISIANA POWER & LIGHT COMPANY

An order has been issued authorizing a proposal of Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., to issue and sell preferred stock at competitive bidding. (Rel. 35-21132 - July 5)

MISCELLANEOUS

ORDERS GRANTING EXEMPTIONS PURSUANT TO SECTION 12(h)

Orders have been issued granting the applications of the following companies, 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:

Vapor Corporation - It appears to the Commission that the exemption is consistent with the public interest and the protection of investors, in view of the fact that Vapor no longer has any public shareholders. (Rel. 34-15950)

Del Monte Corporation - It appears to the Commission that the requested exemption is not inconsistent with the public interest or the protection of investors, in view of the fact that none of Del Monte's securities are held publicly. (Rel. 34-15956)

Uarco Incorporated - On February 1, 1979, Uarco became a wholly-owned subsidiary of City Investing Company as the result of a merger approved by shareholders of Uarco. It appears to the Commission that the exemption is not inconsistent with the public interest or the protection of investors, and that no significant benefit will accrue to investors or the public of Uarco is required to file the subject reports. (Rel. 34-15958)

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-8) AFFILIATED PUBLICATIONS, INC., 135 William T. Morrissey Blvd., Boston, Mass. 02107 (617) 357-9300 - 50,000 shares of common stock. (File 2-64990 - July 10)

(S-12) MORGAN GUARANTY TRUST COMPANY OF NEW YORK, 30 West Broadway, New York, N.Y. 10015 - 100,000 American Depositary Receipts for ordinary twenty-five pence shares of Racal Electronics Limited. (File 2-64991 - July 9)

In a separate statement the company seeks registration of 100,000 American Depositary Receipts for ordinary shares of Anglo-Transvaal Consolidated Investment Company Limited. (File 2-64992 - July 6)

(S-8) DECISION DATA COMPUTER CORPORATION, 100 Witmer Rd., Horsham, Pa. 19044 (215) 674-3300 - 100,000 shares of common stock. (File 2-64993 - July 10)

REGISTRATIONS EFFECTIVE

June 27: Arizona Public Service Co., 2-64659; Charter Medical Corp., 2-64658; The Corporate Income Fund, Eighty-Ninth Monthly Payment Series, 2-64471; Georgia-Pacific Corp., 2-64516; Lifemark Corp., 2-64705; Magnetic Controls Co., 2-64639; Municipal Investment Trust Fund, Nineteenth New York Series, 2-64721; Nicklos Oil & Gas Co., 2-64490; Paragon 1979 Drilling Program, Ltd., 2-64092; Shell Oil Co., 2-64671; Skaggs Companies, Inc., 2-64844; Superior Industries, 2-64346; Volunteer Capital Corp., 2-64654.

June 28: Campanelli Industries, Inc., 2-64684; First Maryland Bancorp., 2-64693; Furr's Cafeterias, Inc., 2-64266; Golden Nugget, Inc., 2-64678; Municipal Investment Trust Fund, Twenty-Fifth Intermediate Term Series, 2-64281; The Pacific Telephone and Telegraph Co., 2-64764; Sun Banks of Florida, Inc., 2-64748; Republic of Finland, 2-64765; Xerox Corp., 2-64784; Zenith National Insurance Corp., 2-64749.

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