

# sec news digest

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## ADMINISTRATIVE PROCEEDINGS

### DECISION REVOKING REGISTRATION OF EQUITY INVESTMENTS, LTD. AND BARRING JOSEPH EUGENE POLK IS FINAL

The decision of an administrative law judge revoking the investment adviser registration of Joseph Eugene Polk, doing business as Equity Investments, Ltd., and barring Polk from association with any investment adviser, has become final.

The law judge found that Polk, formerly of Jackson, Mississippi, violated antifraud provisions of the Investment Advisers Act by embezzling his clients' funds, a practice that led to his conviction for mail fraud. The law judge also found that Polk was permanently enjoined from violating the Act's antifraud provisions, that he filed a false application for investment adviser registration, that he improperly failed to amend that application, and that he refused to permit a Commission representative to examine his records.

The law judge stated that Polk's violations were of the "utmost seriousness" and lacked any justification or mitigation. He concluded that Polk was "unfit to serve in any capacity in the securities business." (Rel. IC-866)

## CIVIL PROCEEDINGS

### DAL-TEX OIL COMPANY, INC., ROBERT J. MCNEILLY ENJOINED

The Fort Worth Regional Office announced that on June 24, the Honorable Barefoot Sanders in the U.S. District Court for the Northern District of Texas, Dallas Division, issued orders of permanent injunction against Dal-Tex Oil Company, Inc., located in Dallas, Texas and Robert J. McNeilly, of Staffordshire, England. The order permanently enjoins both of the defendants from further violations of the registration and antifraud provisions of the Securities Act of 1933 and the antifraud provisions of the Securities Exchange Act of 1934. Dal-Tex and McNeilly consented to the entry of the orders of permanent injunction without admitting or denying the allegations of the Commission's complaint.

The complaint, filed on March 30, 1983, alleged that Dal-Tex and McNeilly offered and sold in excess of \$7 million of securities to the public in the form of fractional undivided working interests in oil and gas leases in violation of the registration provisions of the securities laws. The complaint further alleged that the defendants violated the antifraud provisions of the securities laws by making misrepresentations of material facts and omitting to state material facts in connection with the sale of the above described securities. These omissions and misrepresentations concerned, among other things, the misuse of investor funds by Dal-Tex and McNeilly, the failure to pay third party drillers and the failure to complete certain wells, even though funds to complete the wells had been raised from investors. (SEC v. Dal-Tex Oil Company, Inc., et al., N.D. Tex./Dallas Division, CA 3-83-0544H.) (LR-10047)

## CRIMINAL PROCEEDINGS

### TEXAS MAN PLEADS GUILTY TO JOJOBA BEAN FRAUD

The Boston Regional Office announced that on June 21, Reginald Bernard Chisholm (also known as "Doctor" Reginald Bernard) of San Antonio, Texas, pled guilty in Federal District Court in Boston to seven counts of an 18 count indictment returned against him on March 10, 1983, charging violations of the mail and wire fraud statutes and the registration provisions of the securities laws. Chisholm pleaded guilty to raising over \$1 million from investors in New England and throughout the United States by fraudulent means including the obtaining of money from investors as loans to purchase and develop real estate projects and jojoba plantations which were in many cases never purchased nor developed. Sentencing has been set for August 2, 1983, before Judge David S. Nelson of the Massachusetts Federal District Court. (U.S. v. Reginald Chisholm, CR 83-65-N, U.S.D.C. Massachusetts.) (LR-10046)

## INVESTMENT COMPANY ACT RELEASES

### AETNA TAX-EXEMPT MONEY SERIES TRUST

A notice has been issued giving interested persons until July 19 to request a hearing on an application of Aetna Tax-Exempt Money Series Trust, a registered open-end, diversified, management investment company, for an order that it has ceased to be an investment company. (Rel. IC-13353 - June 24)

### ACACIA FUND CORPORATION

An order has been issued, under Section 6(c) of the Investment Company Act of 1940, on an application by Acacia Fund Corporation (Applicant), an open-end, diversified, management investment company, exempting Applicant from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to permit Applicant's price per share for purposes of sales, redemptions and repurchases to be calculated by using the amortized cost method of valuation. (Rel. IC-13354 - June 24)

### PENN SERIES FUNDS, INC.

An order has been issued under Section 6(c) of the Investment Company Act of 1940, on an application by Penn Series Funds, Inc. (Applicant), an open-end, diversified, management investment company, exempting Applicant from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to permit Applicant's price per share for purposes of sales, redemptions, and repurchases to be calculated by using the amortized cost method of valuation. (Rel. IC-13355 - June 24)

### COLORADO INVESTMENT CLUBS, INC.

An order has been issued, under Section 6(d) of the Investment Company Act of 1940, exempting Colorado Investment Clubs, Inc. from certain provisions of the Act. (Rel. IC-13356 - June 24)

### IOWA TAX FREE LIQUID ASSETS FUND, INC.

A notice has been issued giving interested persons until July 18 to request a hearing on an application of Iowa Tax Free Liquid Assets Fund, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, for an order of the Commission, under Section 6(c) of the Act, exempting Applicant from the provisions of Section 2(a)(41) of the Act and Rules 2-a4 and 22c-1 thereunder to permit the net asset value of Applicant's shares to be calculated based on the amortized cost method of valuing portfolio securities, subject to specific conditions. (Rel. IC-13357 - June 24)

### CAPITAL REALTY INVESTORS - II LIMITED PARTNERSHIP

An order has been issued, under Section 6(c) of the Investment Company Act of 1940, exempting Capital Realty Investors - II Limited Partnership from all provisions of the Act. (Rel. IC-13358 - June 24)

### BAYERISCHE LANDESBANK GIROZENTRALE

An order has been issued, under Section 6(c) of the Investment Company Act of 1940, exempting Bayerische Landesbank Girozentrale, a West German bank, from all provisions of the Act so that it may offer and sell commercial paper in the United States. (Rel. IC-13359 - June 24)

### KEMPER TAX-EXEMPT INSURED INCOME TRUST

A notice has been issued giving interested persons until July 19 to request a hearing on an application of Kemper Tax-Exempt Insured Income Trust (Trust), Kemper Financial Services, Inc., and Kemper Reinsurance Co. (Kemper Reinsurance) requesting an order of the Commission: (1) under Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder to permit Kemper Reinsurance to participate with certain unaffiliated third parties in providing insurance guaranteeing the payment of interest and/or principal in a timely manner on the units of each series of the Trust; (2) under Section 17(b) of the Act permitting the Trust to purchase such insurance coverage and to accept any settlement which might arise from a claim made upon the insurance; and (3) under Section 6(c) of the Act granting exemption from the provisions of Section 26(a)(2)(C) of the Act to allow the Trustee of the Trust to make (and deduct as a Trust expense) premium payments on the insurance notwithstanding the fact that a portion thereof might be deemed to be made to an affiliated person. (Rel. IC-13360 - June 24)

**NAFE MONEY MARKET FUND, INC.**

An order has been issued under Section 6(c) of the Investment Company Act of 1940, exempting NAFE Money Market Fund, Inc. from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to permit it to value its portfolio securities using the amortized cost method of valuation. (Rel. IC-13361 - June 24)

**AGGRESSIVE GROWTH SHARES, INC.**

An order has been issued on an application of Aggressive Growth Shares, Inc., Bullock Fund, Ltd., Bullock Tax-Free Shares, Inc., Canadian Fund, Inc., Dividend Shares, Inc., High Income Shares, Inc., Monthly Income Shares, Inc. and Nation-Wide Securities Company, Inc. (Funds), each of which is registered as an open-end, investment company under the Investment Company Act of 1940, and their principal underwriter, Calvin Bullock, Ltd. (collectively, Applicants), under Section 6(c) of the Act, exempting Applicants from the provisions of Section 22(d) of the Act in connection with Applicants' proposed program of marketing shares of the Funds to American Indians through their tribal councils or affiliated organizations, and applying the reduced sales charges currently in effect for the Funds for quantity purchases of aggregated orders for such shares. (Rel. IC-13362 - June 24)

**MEMPHIS & SHELBY COUNTY MEDICAL SOCIETY  
INVESTMENT RETIREMENT TRUST**

An order has been issued, under Section 8(f) of the Investment Company Act of 1940, on an application of Memphis & Shelby County Medical Society Investment Retirement Trust for an order of the Commission declaring that the Trust has ceased to be an investment company. (Rel. IC-13363 - June 24)

**EATON & HOWARD BALANCED FUND**

An order has been issued on an application by Eaton & Howard Balanced Fund, Eaton & Howard Income Fund, Eaton & Howard Stock Fund, Eaton Vance Growth Fund, Inc., Eaton Vance High Yield Fund, Eaton Vance Income Fund of Boston, Inc., Eaton Vance Investors Fund, Inc., Eaton Vance Municipal Bond Fund, Eaton Vance Special Equities Fund, Inc., Eaton Vance Tax-Managed Trust, Vance, Sanders Income Fund, Inc., and Vance Sanders Special Fund, Inc. (the Funds), registered under the Investment Company Act of 1940 as open-end, management investment companies, and Eaton & Howard, Vance Sanders Distributors Inc., principal underwriters of the Funds' shares, under Section 6(c) of the Act exempting them from the provisions of Section 22(d) of the Act and Rule 22d-1 thereunder to permit sales of the shares of the Funds at net asset value without a sales charge to (a) any officer, director, trustee, general partner, or employee of any investment company for which Eaton & Howard, Vance Sanders Inc. (the Adviser) acts as investment adviser, (b) any investment advisory, agency, custodial or trust account managed or administered by Adviser, and (c) any officer, director, or employee of any parent or subsidiary or other affiliate of Adviser. (Rel. IC-13364 - June 24)

**SUNBELT GROWTH FUND, INC.**

An order has been issued on an application of Sunbelt Growth Fund, Inc., Commerce Income Shares, Inc., Pilot Fund, Inc., and Funds, Inc. Services Corp., under Section 11(a) of the Investment Company Act of 1940, approving certain proposed offers of exchange, and under Section 6(c) of the Act, granting exemptions from Section 22(d) of the Act in connection with those exchanges. (Rel. IC-13365 - June 24)

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**HOLDING COMPANY ACT RELEASES**

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**CENTRAL AND SOUTH WEST CORPORATION**

A notice has been issued giving interested persons until July 22 to request a hearing on a proposal by Central and South West Corporation and six subsidiaries, Central and South West Services, Central Power and Light Company, Southwestern Electric Power Company, Public Service Company of Oklahoma, West Texas Utilities Company and Transok Inc., to extend and increase short-term borrowings from the system money pool and from banks and with commercial paper up to an aggregate amount of \$450 million through June 30, 1985. (Rel. 35-22986 - June 27)

## 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; File number and date filed; Assigned Branch; if the registration statement is a New Issue; and [S] denoting SHELF REGISTRATION pursuant to Rule 415.

- (S-8) BANK SECURITIES, INC., P.O. Box 1081, 200 Lomas Blvd., N.W., Albuquerque, NM 87103 (505) 765-5064 - 300,000 shares of common stock. (File 2-84251 - June 3) (Br. 2)
- (N-2) PRUTECH VENTURE PARTNERS I, L.P., 100 Gold St., New York, NY 10292 (212) 791-1000 - 5,000 units of limited partnership interest. (File 2-84575 - June 24) (Br. 27 - New Issue)
- (S-6) MUNICIPAL INVESTMENT TRUST FUND, TWENTY-FOURTH FLOATING RATE SERIES, One Liberty Plaza, 165 Broadway, New York, NY 10038 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, NY 10038, Dean Witter Reynolds Inc., Prudential-Bache Securities Inc. and Shearson/American Express Inc. (File 2-84765 - June 24) (Br. 17 - New Issue)
- (S-1) POLICY MANAGEMENT SYSTEMS CORPORATION, 1321 Lady St., Columbia, SC 29201 (803) 748-2000 - 1,000,000 shares of common stock. Underwriters: Shearson/American Express Inc. and Alex. Brown & Sons and Kidder, Peabody & Co. Incorporated. The company develops, markets and services a broad range of proprietary standardized computer software systems. (File 2-84768 - June 27) (Br. 9)
- (S-6) SEARS TAX-EXEMPT INVESTMENT TRUST, SHORT TERM MUNICIPAL PORTFOLIO, SERIES 2, 130 Liberty St., New York, NY 10006 - 16,500 units. Depositor: Dean Witter Reynolds Inc. (File 2-84770 - June 27) (Br. 16 - New Issue)
- (S-15) CENTEL CORPORATION, 5725 N. East River Rd., Chicago, IL 60631 (312) 399-2500 - 400,000 shares of common stock. (File 2-84772 - June 27) (Br. 7)
- (S-2's) VAGABOND HOTELS, INC., 10021 Willow Creek Rd., San Diego, CA 92131 (619) 578-8710 - 20,000 units, \$20 million of subordinated debentures, due July 1995, shares of common stock and common stock purchase warrants; and \$30 million of senior subordinated debentures, due July 1995. Underwriter: Drexel Burnham Lambert Incorporated. The company operates motor inns. (File 2-84777; 2-84778 - June 27) (Br. 3)
- (F-6's) MORGAN GUARANTY TRUST COMPANY OF NEW YORK, 23 Wall St., New York, NY 10015 - 10,000,000 American Depositary Receipts for ordinary shares of Sasol Limited; for common stock of 50 yen each of Fuji Photo Film Co., Ltd.; for ordinary shares of R0.20 of Impala Platinum Holdings Limited; and 50,000,000 American Depositary Receipts for ordinary fifty pence shares of Glaxo Holdings p.l.c. (File 2-84780; 2-84781; 2-84782; and 2-84783 - June 21) (Br. 99 - New Issues)
- (S-15) MARTIN MARIETTA CORPORATION, 6801 Rockledge Dr., Bethesda, MD 20817 (301) 897-6000 - 582,086 shares of common stock. (File 2-84787 - June 27) (Br. 2)
- (S-8) KIRBY EXPLORATION COMPANY, 1717 Saint James Pl., Houston, TX 77056 (713) 629-9370 - 600,000 shares of common stock. (File 2-84789 - June 27) (Br. 4)