

sec news digest

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U.S. SECURITIES AND
EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDINGS

PROCEEDINGS INSTITUTED AND SANCTIONS IMPOSED AGAINST ETI INVESTMENT CORPORATION, OTHERS

The Commission announced that it has instituted public administrative proceedings and simultaneously accepted Offers of Settlement from ETI Investment Corporation (Registrant), a broker-dealer headquartered in Dunwoody, Georgia, ETI Corporation, the parent of Registrant; ETI Resources, Inc. (Resources), an affiliate of Registrant; ETI Management Company (ETI Management), an affiliate of Registrant, all of Dunwoody, Georgia, Frank M. Miller of Atlanta, Georgia, a former officer and director of Registrant; and James A. Davis of Stone Mountain, Georgia, a former officer of another affiliate of Registrant and a sales representative for Registrant.

The Order (1) revoked the registration of Registrant; (2) barred ETI Corporation, Resources, and ETI Management from association with a broker-dealer or investment adviser, provided, however, that they may apply to the Commission to become associated after 18 months; (3) suspended Miller from association with a broker-dealer or investment adviser for six months and thereafter barred him from association with a broker-dealer or investment adviser in a proprietary or supervisory capacity, provided that 18 months after the date of the Order Miller may apply to the Commission to become associated with a broker-dealer or investment adviser in a proprietary or supervisory capacity; and (4) suspended Davis from association with a broker-dealer or investment adviser in any capacity for 30 days.

The sanctions were based upon findings that Registrant, ETI Corporation, and Miller wilfully violated and/or wilfully aided and abetted violations of the registration, antifraud, net capital, financial reporting and books and records provisions; and Resources, ETI Management and Davis wilfully violated and/or wilfully aided and abetted violations of the antifraud provisions of the securities laws.

The respondents consented to the order without admitting or denying the findings. (Rel. 34-16584)

PROCEEDINGS INSTITUTED AND SANCTIONS IMPOSED AGAINST HENRY M. KLAUSMAN

The Commission announced that it has instituted administrative proceedings and simultaneously accepted an offer of settlement from Henry M. Klausman, doing business as Institute for Financial Planning (IFP), a registered investment adviser located in Atlanta, Georgia. The Commission made findings that Klausman wilfully violated the registration and antifraud provisions of the securities laws in the offer and sale of interests in real estate limited partnerships, which he syndicated and served as the general partner thereof. Without admitting or denying the allegations, Klausman consented to an Order which suspended him from association with a broker-dealer or investment adviser for 30 days and suspended Klausman's registration as an investment adviser for 30 days. The Order further requires Klausman to comply with his undertakings: (1) to provide each investor in the real estate limited partnerships syndicated by him between 1972 and 1974 with a document disclosing the price at which he acquired the property and the price that the partnership paid to acquire the property; and (2) for a period of 12 months not to offer for sale or otherwise participate in the distribution of unregistered securities offerings made in reliance on Section 3(a)(11) or Section 4(2) of the Securities Act without obtaining advice of counsel regarding compliance with the exemption. (Rel. 34-16585)

INVESTMENT COMPANY ACT RELEASES

FEDERATED MONEY MARKET TRUST

A notice has been issued giving interested persons until March 26 to request hearings on applications of Federated Money Market Trust and Trust for Cash Reserves (Applicants), "money market" funds registered under the Investment Company Act of 1940 as open-end, diversified, management investment companies, for orders, pursuant to Section 6(c) of the Act, exempting Applicants, subject to conditions, from the provisions of Section 2(a)(41) of the Act, and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to enable Applicants to utilize amortized cost valuation for the purpose of pricing their shares for sale and redemption. (Rel. IC-11063 - Mar. 3)

TRUST INDENTURE ACT RELEASES

SHEARSON LOEB RHOADES INC.

An order has been issued under the Trust Indenture Act of 1939 on an application of Shearson Loeb Rhoades Inc. that the trusteeship of Marine Midland Bank under two indentures of Applicant, one of which is qualified under the Act, is not so likely to involve a material conflict of interest as to make it necessary to disqualify Marine Midland Bank from acting as trustee under one of such indentures. (Rel. TI-555)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGES

The following stock exchanges have filed proposed rule changes pursuant to Rule 19b-4: The Chicago Board Options Exchange, Inc. (SR-CBOE-80-3) to amend its rules regarding the procedures for the resolution of unmatched trades. (Rel. 34-16618); and The Philadelphia Stock Exchange, Inc. (SR-Phlx-80-5) to define spread, straddle and combination orders and to accord to combination orders a limited exception to book priority. (Rel. 34-16619)

Publication of the above proposals are expected to be made in the Federal Register during the week of March 10.

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) VIGILANCE SYSTEMS CORP., 66 Dyke Lane, Stamford, Conn. 06902 (212) 986-1638 - 550,000 units, each unit consisting of one share of common stock and one redeemable common stock purchase warrant. Underwriter: Faherty & Faherty Inc. The company is engaged in the introductory marketing of a microcomputer-based energy management system. (File 2-66794 - Feb. 29)
- (S-6) THE DREYFUS INCOME TRUST, TWELFTH SHORT TERM SERIES, 600 Madison Ave., New York, N.Y. 10022 - 1,050 units of beneficial interest. Depositor: Dreyfus Service Corporation. (File 2-66804 - Feb. 29)
- (S-6) THE DREYFUS INCOME TRUST, THIRTEENTH SHORT TERM SERIES, 600 Madison Ave., New York, N.Y. 10022 - 1,050 units of beneficial interest. Depositor: Dreyfus Service Corporation. (File 2-66805 - Feb. 29)

- (S-8) MCDONNELL DOUGLAS CORPORATION, P.O. Box 516, St. Louis, Mo. 63166 (314) 232-8464
- \$5 million of interests. (File 2-66811 - Feb. 29)
- (S-2) ENERGY ASSETS INTERNATIONAL CORPORATION, 405 Lexington Avenue, Suite 3104,
New York, N.Y. 10017 (212) 867-7400 - 3,000,000 shares of common stock. Under-
writer: J. Daniel Bell & Company, Inc. (File 2-66813 - Feb. 29)
- (S-1) MAP 1980 DRILLING PARTNERSHIPS, 1177 Campbell Centre II, 8150 North Central
Expressway, Dallas, Tex. 75206 - 1,500 preformation limited partnerships. (File
2-66822 - Mar. 3)
- (S-6) THE CORPORATE INCOME FUND, FIFTY-NINTH SHORT TERM SERIES, One Liberty Plaza,
165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial
interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty
Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and
Dean Witter Reynolds Inc. (File 2-66825 - Mar. 3)
- (S-6) THE CORPORATE INCOME FUND, SIXTIETH SHORT TERM SERIES, One Liberty Plaza, 165
Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial inter-
est. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza,
165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean
Witter Reynolds Inc. (File 2-66826 - Mar. 3)
- (S-6) THE CORPORATE INCOME FUND SIXTY-FIRST SHORT TERM SERIES, One Liberty Plaza,
165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial
interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty
Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and
Dean Witter Reynolds Inc. (File 2-66827 - Mar. 3)

REGISTRATIONS EFFECTIVE

- Feb. 22: Municipal Investment Trust Fund, Twenty-Sixth New York Series, 2-66034.
Feb. 25: Deere & Co., 2-66670; Leslie Fay Inc., 2-66434.
Feb. 26: Bastian-Blessing Company, Inc., 2-66635; Central Maine Power Co., 2-66624;
Energy Resources Corp., 2-65805; Lucky Stores, Inc., 2-66512; Universal Resources
Corp., 2-66554.
Feb. 27: The Municipal Investment Trust Fund, One Hundred Twenty Fifth Monthly
Payment Series, 2-66637; The Pacific Telephone and Telegraph Co., 2-66692.

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