

sec news digest

Issue 81-184

BRARY

September 23, 1981

SEP 24 1981

COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND
EXCHANGE COMMISSION

WEEKLY CALENDAR

The Following is a schedule of speaking engagements, Congressional testimony, Commission hearings and other public events involving the Commission for the week of September 27, 1981. (Commission Meetings are announced separately in the News Digest)

Wednesday, September 30

- * Chairman Shad will be the guest speaker at the annual meeting of The Conference Board to be held in the Grand Ballroom of the Waldorf-Astoria Hotel in New York City, New York.

Thursday, October 1

- * Commissioner Loomis will testify before the House Agriculture Subcommittee on Conservation, Credit and Rural Development which will hold a hearing on the "Report to Congress Prepared by the Commodity Futures Trading Commission concerning various aspects of the silver market during late 1979 and early 1980." The hearing will be held at 9:30 a.m. in Room 1302, Longworth House Office Building.

FILES ON CORPORATE PAYMENTS MADE PUBLIC

The Commission, pursuant to requests under the Freedom of Information Act (FOIA), has made available to the public certain previously non-public files in its possession relating to questionable corporate payments. Files concerning the following corporations will be made available beginning today (information in parenthesis are the FOIA exemptions used to withhold certain material in the files): Beneficial Corp. (5 USC 552(b)(5)); and Del Monte Corp., additional material (5 USC 552(b)(5) and (b)(7)(C)). These files, and others made available previously, may be inspected at the Commission's Public Reference Room, Room 6101, 1100 L Street, N.W., Washington, D.C., between the hours of 9 a.m. and 5 p.m. Persons wishing further information may call the Public Reference Room at (202) 523-5506.

CIVIL PROCEEDINGS

COMPLAINT NAMES FIRST INDEPENDENT STOCK TRANSFER AGENT, INC.

The Denver Regional Office announced that on September 16 a complaint was filed in the U.S. District Court for the District of Colorado naming as defendants First Independent Stock Transfer Agent, Inc. (FISTA), a Denver, Colorado securities transfer agent, and Terry E. Kirchner, the company's president, seeking, in sum and substance, to enjoin them from violating, among other things, provisions of the Securities Exchange Act of 1934 relating to (a) recordkeeping requirements; (b) the time during which turnaround must be made of all securities classified as routine items; (c) notice required to be given to the defendants' issuer clients for failure to meet turnaround requirements; and (d) limitations on transfer agent functions when failing to comply with turnaround requirements.

The complaint further alleged, among other things, that FISTA and Kirchner violated the antifraud provisions of the securities laws in connection with the purchase and sale of the securities of various issuers for which FISTA was the transfer agent; and failed to disclose to the shareholders, prospective shareholders and issuers of such securities, among others, that FISTA was insolvent, had over-issued securities, and failed to cancel securities.

The Commission also is seeking the appointment of a temporary, preliminary and permanent receiver to take charge of any and all assets of FISTA including bank accounts and to operate the business of FISTA and such other and further relief as the Court may direct.

On September 16 Judge Richard Matsch appointed Craig Cristensen as a temporary receiver. (SEC v. First Independent Stock Transfer Agent, Inc., et al., USDC, Colorado, Civil Action No. 81-M-1645). (LR-9452)

PHILIP S. SINDLER ENJOINED

The Los Angeles Regional Office announced that on September 15 the Honorable Gordon Thompson, Jr. of the U.S. District Court for the Southern District of California entered an Order of Permanent Injunction against Philip S. Sindler enjoining him from any further violations of the antifraud provisions of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Sindler is the chairman of the board and president of Specialized Systems, Inc. (SSI), a publicly-held corporation which has its corporate offices located in San Diego, California. SSI's principal business is the marketing and distribution of portable telecommunication devices for the deaf and hearing impaired.

Sindler was charged in the Commission's complaint, filed on September 14, with violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Sindler, without admitting or denying the allegations in the Commission's complaint, consented to the entry of the Order of Permanent Injunction which enjoins him from, among other things, making false and misleading statements concerning the development, design, testing, production or marketability of any SSI product. The Order also requires Sindler to use his best efforts to cause SSI to establish and maintain an audit committee and a products evaluation committee. (SEC v. Philip S. Sindler, U.S.D.C. S.D. Cal., Civil Action No. 81-0871-Gt). (LR-9453)

INVESTMENT COMPANY ACT RELEASES

CENTENNIAL TAX EXEMPT TRUST

A notice has been issued giving interested persons until October 16 to request a hearing on an application of Centennial Tax Exempt Trust (Applicant), for an order conditionally exempting Applicant from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder, to the extent necessary to permit Applicant to value its portfolio securities using the amortized cost method of valuation. (Rel. IC-11945 - Sept. 21)

SENTINEL CASH MANAGEMENT FUND, INC. AND MFS SEPARATE ACCOUNT MONEY MARKET TRUST

Orders have been issued on an application filed by Sentinel Cash Management Fund, Inc. and MFS Separate Account Money Market Trust (Applicants), registered, open-end, diversified, management investment companies, exempting Applicants, pursuant to Section 6(c) of the Investment Company Act of 1940 and 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 permit Applicants to use the amortized cost valuation method for the purpose of pricing its shares of its initial series (Sentinel) and its portfolio securities (MFS). (Rel. IC-11946[Sentinel] and IC-11947[MFS] - Sept. 21)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF PROPOSED RULE CHANGE

A rule change filed by the National Securities Clearing Corporation, pursuant to Rule 19b-4 (SR-NSCC-81-13), has become effective in accordance with Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The rule change requires members, in NSCC's discretion, to make additional contributions to the Clearing Fund based on a formula NSCC will use to call for additional mark-to-the-market payments on certain securities. Under the proposed rule change, NSCC will calculate daily and collect through the Settlement System additional contributions to the Clearing Fund from Clearing Members carrying long or short positions representing more than 10 percent of the value of their total position in securities defined by NSCC as "high-risk" and/or "volatile". Publication of the proposal is expected to be made in the Federal Register during the week of September 21. (Rel. 34-18104)

NOTICE AND APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, on an accelerated basis, a proposed rule change filed by the Chicago Board Options Exchange, Incorporated (SR-CBOE-81-19) to, among other things, establish an Interest Rate Options Committee. (Rel. 34-18110)

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; and whether the registration statement is a New Issue.

- (S-18) SARATOGA MINES, INC., 2700 Youngfield St., Suite 206, Lakewood, CO 80215 (303) 238-6642 - 30,000,000 shares of common stock. Underwriter: C. E. Carlson, Inc., 2700 Youngfield St., Suite 204, Lakewood, CO 80215 (303) 232-8424. The company is engaged in the exploration, development and mining of mineral properties. (File 2-74025-D - Sept. 11) (Br. 5 - New Issue)
- (N-1) CRITERION INVESTMENT SERIES TRUST, Geico Plaza, Washington, DC 20076 (301) 986-3000 - an indefinite number of shares of beneficial interest. (File 2-74127 - Sept. 21) (Br. 16 - New Issue)
- (S-16) LOUISIANA POWER & LIGHT COMPANY, 142 Delaronde St., New Orleans, LA 70174 (504) 366-2345 - \$100 million of first mortgage bonds, % Series. The company is engaged in the generation, transmission, distribution and sale of electric energy. (File 2-74128 - Sept. 21) (Br. 7)
- (S-1) CONSUL CORPORATION, Suite 139, 9531 West 78th St., Eden Prairie, MN 55344 - 700,000 shares of common stock. Underwriters: The Milwaukee Company, 250 Wisconsin Ave., Milwaukee, WI 53202, and B. C. Christopher & Company. The company operates five "Chi-Chi's" Mexican restaurants. (File 2-74129 - Sept. 22) (Br. 4)
- (S-11) NATIONAL PACIFIC REAL ESTATE FUND III, 1528 Chapala St., Santa Barbara, CA 93101 - 20,000 limited partnership units. (File 2-74130 - Sept. 22) (Br. 5 - New Issue)
- (S-16) LONG ISLAND LIGHTING COMPANY, 250 Old Country Rd., Mineola, NY 11501 (516) 228-2890 - 2,000,000 shares of preferred stock, Series U. Underwriters: Bache Halsey Stuart Shields Incorporated, Blyth Eastman Paine Webber Incorporated, E.F. Hutton & Company Inc. and Lehman Brothers Kuhn Loeb Incorporated. The company supplies electric and gas service. (File 2-74131 - Sept. 22) (Br. 7)
- (S-16) ONEOK INC., 624 South Boston Ave., Tulsa, OK 74119 (918) 583-6161 - 1,000,000 shares of common stock. (File 2-74132 - Sept. 22) (Br. 8)
- (S-16) RORER GROUP INC., 500 Virginia Dr., Fort Washington, PA 19034 (215) 628-6541 - 189,433 common shares. (File 2-74133 - Sept. 22) (Br. 4)

NOTICE

Many requests for copies of documents referred to in the "SEC News Digest" have erroneously been directed to the Government Printing Office. Copies of such documents, registration statements, and other filings may be ordered by writing to the Public Reference Branch, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order by registrant name to expedite service. Cost estimates are given on request. Two types of service are available through the Public Reference Branch, one of which (priority service) is also available directly from the SEC's service contractor.

REGULAR SERVICE — The regular service reproduction cost is 10c per page, including applicable sales taxes, plus postage (\$5.00 minimum order). Regular service orders will be shipped within seven calendar days of the receipt by the SEC's service contractor of your request, forwarded from the Public Reference Branch. Slight delays may occur if the materials to be copied are not already in the contractor's master files.

PRIORITY SERVICE — Copies of documents may be ordered by telephone directly from the SEC's service contractor by calling 301/951-1350 (Maryland callers), or the toll-free number, 800-638-8241. The priority reproduction cost is 35¢ per page plus postage and applicable sales taxes (\$10.00 minimum order). Priority service orders will be shipped by 4:00 PM of the working day following the day of your telephoned request for materials already in the contractor's master files. Cost estimates are given on request.

All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$100.00/yr in U.S. first class mail; \$125.00 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$110.00/yr in U.S. first class mail; \$137.50 elsewhere.

SEC MONTHLY STATISTICAL REVIEW is published monthly. Subscription rates: \$19.00/yr in U.S. first class mail; \$23.75 elsewhere.

The News Digest, the Docket, and the Statistical Review are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.