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## RULES AND RELATED MATTERS

### U.S. SECURITIES AND EXCHANGE COMMISSION

#### GUIDELINES PROPOSED FOR DISCLOSURE OF PROJECTIONS

The Commission announced that it has adopted an amendment to the note to Rule 14a-9 under the Exchange Act to delete the reference to predictions of "earnings" as possibly misleading in certain situations, and has withdrawn the various other rule and form proposals relating to projections of future economic performance and to changes in control of a registrant that were published in Release No. 33-5581 (April 28, 1975). The Commission also expressed its general views on the inclusion of projections in Commission filings and authorized the publication for public comment of proposed Guide 62 under the Securities Act and Guide 4 under the Exchange Act entitled "Disclosure of Projections of Future Economic Performance." These proposed guides set forth the views of the Division of Corporation Finance on the disclosure of projections in Commission filings. In general, this includes the Division's views on three important considerations related to the preparation and disclosure of projections: (1) that management have a reasonable basis for its projections; (2) that the projections be presented in an appropriate format; and (3) that the accompanying disclosures facilitate investor understanding of the basis for and limitations of projections. The comment period on the proposed guides expires on June 18, 1976. (Rel. 33-5699)

#### RULE 15a-4 ADOPTED

The Commission announced the adoption of Rule 15a-4 under the Securities Exchange Act of 1934. Rule 15a-4 provides a temporary exemption under certain conditions from the broker-dealer registration requirement for a member of an exchange who becomes disassociated from a registered broker-dealer. (Rel. 34-12372)

#### PROPOSED AMENDMENTS TO RULES 16b-3 AND 16a-6(c) UNDER THE EXCHANGE ACT

The Commission announced proposed amendments to Rules 16b-3 and 16a-6(c) under the Exchange Act to include certain transactions in stock appreciation rights within the transactions which may be exempted by those rules. The proposals also would impose new conditions to be met for the exemption of Rule 16b-3 to be available for option, bonus, appreciation or similar plans. The exemption from Sections 16(a) and (b) for transactions in stock appreciation rights would be available provided certain conditions are met, including requirements relative to the issuer, the options and rights, and the administration of the plan. The comment period expires July 23, 1976. (Rel. 34-12374)

## COURT ENFORCEMENT ACTIONS

DOUGLAS P. FIELDS, FREDERICK M. FRIEDMAN,  
PETER S. DAVIS, OTHERS ENJOINED

The New York Regional Office announced that on January 28 the Honorable Lawrence W. Pierce, U.S. District Judge for the Southern District of New York, signed a final judgment of permanent injunction enjoining Douglas P. Fields, Frederick M. Friedman, and Peter S. Davis from violations of the antifraud, periodic reporting, proxy, and registration provisions of the securities laws.

The Commission's complaint had alleged that a sham finder's fee of \$50,000 was paid by Westcalind Corp. (Westcalind), in 1971, and a sham finder's fee of \$100,000 was paid by TDA Industries, Inc. (TDA), in 1973, in connection with certain acquisitions by these companies, to a nominee of the defendants. In addition, after these payments were made, 70% of each fee was kicked back to certain of the defendants. The complaint further alleged that in 1971, Fields, Friedman, and Davis purchased, through the same nominee, a large block of TDA stock (which stock was not freely tradeable),

at a price substantially below the prevailing market price. Immediately thereafter, the defendants caused their shares to be "freed up" and the nominee sold these shares to members of the investing public, through various broker-dealers, for a profit exceeding \$400,000, of which \$284,375 was to be remitted to Fields, Friedman, and Davis, and the balance to be equally divided among certain other persons associated with the nominee.

In connection with the latter transaction, Fields and Friedman were also enjoined from violations of Section 16(a) of the Exchange Act and Rule 16a-1 thereunder. In addition, Eric Berge (executive vice-president and director of Westcalind) and Alan E. Sandberg (a former officer and director of TDA, and a former director of Westcalind), were enjoined from violations of the antifraud provisions; and Berge, TDA, and Westcalind were enjoined from violations of the reporting and proxy provisions of the securities laws.

The final judgments referred to above also provide for ancillary relief, as follows: (a) disgorgement of \$435,000 to TDA by Fields, Friedman, and Davis; (b) disgorgement of \$50,000 to Westcalind by Fields and Friedman; (c) the appointment of new additional directors and new chief executive officers for TDA and Westcalind; (d) the removal of Fields, Friedman, and Berge from the boards of directors of TDA and Westcalind; (e) the removal of Berge as an officer of Westcalind; (f) a prohibition on the right of Fields and Friedman to vote any shares of TDA or Westcalind which they own or control; and (g) the return by Sandberg, to TDA, of 28,000 TDA common shares. The ancillary relief provided for in items (c), (d), (e), and (f) above are to remain in effect for a two-year period. All of the defendants consented, without admitting or denying the allegations of the Commission's complaint, to the entry of the above final judgments of permanent injunction and orders of ancillary relief. For more information, see LR-7088 [SEC v. TDA Industries, Inc., et al., 75 Civil 4519 (S.D.N.Y.)]. (LR-7369)

#### COMPLAINT NAMES JOHN C. DOYLE, OTHERS

The SEC announced that on April 26 a complaint was filed in the U.S. District Court for the Southern District of New York seeking to enjoin John C. Doyle, Robert K. Glass, Albert A. Furst, Kiely Daniel Landrigan, Hubert Ducharme, Union Trust Corporation, Guardian Management, S.A., Securities & Real Estate Holding Co. (Overseas) Ltd., and Parsons & Landrigan Ltd. from engaging in further violations of Section 9(a) and 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

The Commission also announced that the suspension of trading in the securities of Canadian Javelin Limited will continue through May 2, 1976. The securities of Canadian Javelin Limited were initially suspended on April 29, 1975 after a public disclosure of an investigation by Canadian authorities into an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges.

The Commission's complaint alleges that during 1975 the defendants engaged in a scheme to manipulate the common stock of Canadian Javelin on the American Stock Exchange and two Canadian stock exchanges. The scheme is alleged to involve a series of transactions wherein the defendants purchased and sold large quantities of Canadian Javelin stock in order to create an illusion of widespread and bona fide buying interest in Canadian Javelin. It is alleged that, in fact, these transactions were matched orders and wash sales involving no change in the beneficial ownership and were designed to artificially increase and maintain the price of Canadian Javelin stock. (SEC v. John C. Doyle, et al., U.S.D.C., S.D.N.Y.). (LR-7371)

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## INVESTMENT COMPANY ACT RELEASES

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### SECURITY BENEFIT LIFE INSURANCE COMPANY

An order has been issued on an application of Security Benefit Life Insurance Company (SBL), a Kansas mutual life insurance company, and SBL Variable Annuity Account, a separate account of SBL registered as a unit investment trust under the Investment Company Act, approving an offer of exchange pursuant to Section 11 of the Act. (Rel. IC-9261 - Apr. 26)

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## TRADING SUSPENSIONS

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### ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of (a) Presley Companies for the further ten-day period April 24 - May 3,

## RECENT 8K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (i.e., collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
ALLIED PROPERTIES	13	04/76
AMERICAN TRAINING SERVICES INC	3,14	04/76
BENEFICIAL STANDARD CORP	10,14	03/76
BORDER STEEL ROLLING MILLS INC	11,14	03/76
BRAND INSULATIONS INC	6	03/76
BRISTOL MYERS CO	3,11,13,14	04/76
BUTLER INTERNATIONAL INC	3	03/76
CAMELOT ENTERPRISES INC	13	03/76
CHARTER CO	10,14	03/76
CITIZENS HOLDING CO	3	03/76
COLLETTTS INC	13,14	03/76
COTT CORP	13	03/76
COUSINS MORTGAGE & EQUITY INVESTMENTS	10,14	03/76
EMPIRE GAS CORP	8	03/76
ENERGY RESERVE INC	13	04/76
ENTRON INC	10,14	12/75
IDAHO POWER CO	3	03/76
INCOME PROPERTIES EQUITY TRUST	2,3,11,13,14	03/76
LEXTON ANCIIRA REAL ESTATE FUND LTD 1972B	10,14	03/76
MCAMCO CORP	13,14	03/76
PANTIQUE INC	13	04/76
SI HANDLING SYSTEMS INC	2,13,14	03/76
SOUNDESIGN CORP	9	10/75
TRANS WORLD AIRLINES INC	8,11,14	03/76
WESTERN MICROWAVE LABORATORIES INC	11	02/76
AMENDMENTS TO REPORTS ON FORM 8-K		
AMERICAN WESTERN LIFE INSURANCE CO	3	08/75
AVCO CORP	10,13,14	03/76
GODFREY CO	7	02/76
MERRILL LYNCH & CO INC	14	07/75
NATIONAL SEMICONDUCTOR CORP	7,13,14	03/76
PACIFIC INVESTORS FUND NUMBER TWO	2	12/75

### 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 and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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