

# sec news digest

Issue 83-234

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DEC 7 1983

December 6, 1983

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## ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

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### INVESTMENT ADVISER REGISTRATION OF DAN KING BRAINARD REVOKED; BRAINARD, OTHERS BARRED

The Commission revoked the investment adviser registration of Dan King Brainard, of Greensboro, North Carolina. It also barred Brainard, Henry Leroy Heybrock, also of Greensboro, and Richard O. White, of High Point, North Carolina, from association with any broker, dealer or investment adviser.

Brainard, Heybrock and White were officers, directors and shareholders of National Executive Planners, Ltd. (NEP), an unregistered broker-dealer and investment adviser. The Commission found that, from 1973 through September 1978, NEP sold at least \$4,375,000 worth of securities of Television Marketing Corp. (TVM) to at least 767 investors, although TVM was "a complete fraud." The Commission concluded that, in their recommendation and sale of TVM, respondents seriously violated antifraud provisions. According to the Commission, respondents not only failed to make an adequate investigation of TVM, but ignored numerous warning signals that should have alerted them to the questionable nature of the company's operations.

The Commission also found that respondents unlawfully sold unregistered TVM stock, that they aided and abetted NEP's failure to register as a broker-dealer, and that they had been permanently enjoined, subsequent to their misconduct, from violating registration, antifraud, and other provisions of the securities acts. It further found that Brainard had been convicted of mail fraud in his participation in the offer and sale of TVM, and that he had aided and abetted NEP's failure to register as an investment adviser. (Rel. 34-20408)

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## CIVIL PROCEEDINGS

### PERMANENT INJUNCTION ENTERED AGAINST RICHARD J. GREENLAW

The Boston Regional Office announced that on November 18 Judge Martin F. Laughlin, U.S. District Court for the District of New Hampshire, entered a permanent injunction and an order freezing assets and preventing the destruction of records against Richard J. Greenlaw of Henniker, New Hampshire. The defendant consented to the Order without admitting or denying the allegations of the complaint.

The Commission filed a complaint on September 15 against Greenlaw alleging violations of the registration and antifraud provisions of the securities laws in the offer and sale of at least \$600,000 worth of profit-sharing agreements and promissory notes to residents of New England, Canada and several states throughout the United States. According to the Commission's papers, Greenlaw engaged in undisclosed, risky options trading, paid investors with funds received from other investors, and used investor funds for personal expenses. (SEC v. Richard J. Greenlaw, D.C.N.H., 1983, CA 83-557-L). (LR-10219)

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## INVESTMENT COMPANY ACT RELEASES

### PB-SB 1983 INVESTMENT PARTNERSHIP IV

A notice has been issued giving interested persons until December 27 to request a hearing on an application of PB-SB 1983 Investment Partnership IV, a limited partnership organized for employees of Salomon Brothers Inc. and Phibro Salomon Inc., and PB-SB Ventures Inc., its general partner. The application requests an order: granting an exemption, with certain exceptions, from all provisions of the Investment Company Act; granting an exemption from Sections 6(b) and 2(a)(13) of the Act; and for confidential treatment. (Rel. IC-13653 - Dec. 2)

DEAN WITTER REYNOLDS, INC.

A notice has been issued giving interested persons until December 27 to request a hearing on an application for an order approving the terms of certain offers of exchange, and granting an exemption from the provisions of Section 22(d) of the Investment Company Act in those exchanges by: Sears Tax-Exempt Investment Trust, Long Term Municipal Portfolio Series 1 and Subsequent Series; Sears Tax Exempt Investment Trust, Intermediate Term Municipal Portfolio Series 1 and Subsequent Series; Sears Tax-Exempt Investment Trust, Short Term Municipal Portfolio Series 1 and Subsequent Series; Sears Tax-Exempt Investment Trust, Discount Municipal Portfolio Series 1 and Subsequent Series; Sears Tax-Exempt Investment Trust, Multiple Maturity Portfolio Series 1 and Subsequent Series; Sears Tax-Exempt Investment Trust, Multi-State Program Series 1 and Subsequent Series; Sears Tax Exempt Investment Trust, California Municipal Portfolio Series 1 and Subsequent Series; Sears Government Investment Trust, GNMA Portfolio Series 1 and Subsequent Series; Sears Tax-Exempt Investment Trust and Similar Series of Trust; Sears Government Investment Trust; Sears Corporate Investment Trust and Similar Series of Trust; and Dean Witter Reynolds Inc. (Rel. IC-13654 - Dec. 2)

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## HOLDING COMPANY ACT RELEASES

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### NEW ENGLAND ELECTRIC SYSTEM

A supplemental order has been issued granting New England Electric System, a registered holding company, an extension until March 31, 1984 to issue and sell common stock under an employees' share ownership plan. (Rel. 35-23144 - Dec. 1)

### THE ROCKY RIVER REALTY COMPANY

A notice has been issued giving interested persons until December 27 to request a hearing on a proposal by The Rocky River Realty Company, subsidiary of Northeast Utilities, to issue secured long-term notes up to \$1 million, in order to obtain working capital and to repay funds borrowed from Northeast. Rocky River has requested an exception from the competitive bidding requirements of Rule 50 to negotiate the sale of notes. (Rel. 35-23145 - Dec. 1)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING GRANTED

An order has been issued granting the applications of the Midwest Stock Exchange, Inc. for unlisted trading privileges in three issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system. (Rel. 34-20439)

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## SELF-REGULATORY ORGANIZATIONS

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### NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange, Inc. filed a proposed rule change under Rule 19b-4 (SR-PSE-83-19) to provide stock/option orders priority to trade with opposite stock/option orders over orders on the Order Book that are for only an option component of the stock/option order and are at no better price for that component. (Rel. 34-20442)

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## SECURITIES ACT REGISTRATIONS

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The following registration statements have been filed with the SEC under 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 under Rule 415.

- (S-1) LAWRENCE RESOURCES, INC., 600 Carillon Tower West, 13601 Preston Rd., Dallas, TX 75240 (214) 233-0444 - 1,000,000 shares of common stock. (File 2-88123 - Nov. 28) (Br. 1 - New Issue)
- (S-1) INDIAN WELLS ORCHARDS LIMITED PARTNERSHIP, 7635 159th Pl., N.E., Redmond, WA 98052 (206) 885-4644 - 13,200 units of limited partnership interest, \$1,000 per unit. Underwriter: Shearson/American Express Inc. (File 2-88146 - Nov. 30) (Br. 4 - New Issue) [S]
- (S-3) CRYSTAL OIL COMPANY, 400 Crystal Bldg., Shreveport, LA 71101 (318) 222-7791 - \$100,000,000 of senior subordinated debentures, due December 15, 1998. Underwriter: Drexel Burnham Lambert Incorporated. The company explores for and produces crude oil and natural gas. (File 2-88181 - Dec. 1) (Br. 3)
- (S-3) AMERICAN EXPRESS COMPANY, American Express Plaza, New York, NY 10004 (212) 323-2000 - 93,505 common shares. The company provides a variety of travel related, insurance, international banking and investment services. (File 2-88192 - Dec. 1) (Br. 6) [S]
- (S-3) MERCANTILE STORES COMPANY, INC., 128 West 31st St., New York, NY 10001 (212) 560-0500 - \$50 million of sinking fund debentures, due 2013. Underwriter: Merrill Lynch Capital Markets. (File 2-88204 - Dec. 2) (Br. 1) [S]
- (S-8) PETROMINERALS CORPORATION, 1538 North Century Blvd., Santa Ana, CA 92703 (714) 554-7800 - 245,000 shares of common stock. (File 2-88205 - Dec. 2) (Br. 3)
- (S-3) THE MEAD CORPORATION, Mead World Headquarters, Courthouse Plaza Northeast, Dayton, OH 45463 (513) 222-6323 - 1,100,300 common shares. Underwriter: Smith Barney, Harris Upham & Co. Incorporated. The company manufacture and sell paper, paperboard, pulp, lumber and other wood products. (File 2-88206 - Dec. 2) (Br. 8) [S]
- (S-1) CALFED INC., 5670 Wilshire Blvd., Los Angeles, CA 90036 (213) 932-4321 - 2,000,000 shares of cumulative convertible preferred stock. Underwriters: The First Boston Corporation and Morgan Stanley & Co. Incorporated. (File 2-88207 - Dec. 2) (Br. 1)
- (S-8's) GETTY OIL COMPANY, 3810 Wilshire Blvd., Los Angeles, CA 90010 (213) 739-2100 - 112,670; 15,846; 96,838; and 1,760,558 shares of common stock. (File 2-88208; 2-88209; 2-88210; and 2-88211 - Dec. 2) (Br. 3)
- (S-3) INTEL CORPORATION, 3065 Bowers Ave., Santa Clara, CA 95051 (408) 987-8080 - \$30 million of adjustable rate industrial revenue bonds, 1983 Series B. Underwriters: L.F. Rothschild, Unterberg, Towbin and A.G. Becker Puerto Rico. The company designs, develops, manufactures and markets advanced semiconductor large-scale integrated circuit components. (File 2-88213 - Dec. 2) (Br. 8)
- (S-6) DIRECTIONS UNIT INVESTMENT TRUST, THIRTEENTH SERIES (A UNIT INVESTMENT TRUST), One Battery Park Plaza, New York, NY 10004 - 750,000 units. Depositor: E.F. Hutton & Company Inc. (File 2-88215 - Dec. 2) (Br. 18 - New Issue)
- (S-1) HELIONETICS, INC., 17312 Eastman St., Irvine, CA 92714 (714) 546-4731 - 836,398 shares of common stock. (File 2-88217 - Dec. 2) (Br. 7) [S]
- (S-3) INTERNATIONAL MORTGAGE ACCEPTANCE CORPORATION, 3000 Ocean Park Blvd., Suite 3000, Santa Monica, CA 90405 (213) 450-6455 - \$125 million of GNMA-collateralized obligations. (File 2-88219 - Dec. 2) (Br. 10 - New Issue) [S]
- (S-6) MUNICIPAL SECURITIES TRUST 19th DISCOUNT SERIES, 55 Water St., New York, NY 10041 - 25,000 units. Depositor: Bear, Stearns & Co. (File 2-88221 - Dec. 2) (Br. 16 - New Issue)
- (S-1) MITEL CORPORATION, 350 Legget Dr., Kanata, Ontario, Canada K2K 1X3 (613) 592-2122 - 950,000 shares of common stock. The company designs, develops, manufactures and markets electronic telecommunications equipment and integrated circuits. (File 2-88223 - Dec. 2) (Br. 7) [S]
- (S-3) BACARDI CORPORATION, G.P.O. Box 3549, San Juan, PR 00936 (809) 795-1560 - \$15,200,000 of adjustable rate pollution control revenue bonds, 1983 Series A. Underwriter: Goldman, Sachs & Co. (File 2-88224 - Dec. 2) (Br. 1 - New Issue)
- (S-3) FLORIDA POWER & LIGHT COMPANY, 9250 West Flagler St., Miami, FL 33174 (305) 552-3552 - \$350 million of first mortgage bonds. (File 2-88216 - Dec. 2) (Br. 8) [S]

- (S-6) NEW YORK MUNICIPAL TRUST, NEW YORK DISCOUNT & ZERO COUPON FUND-3rd SERIES, 55 Water St., New York, NY 10041 - 15,000 units. Depositor: Bear, Stearns & Co. (File 2-88220 - Dec. 2) (Br. 16 - New Issue)
- (N-5) ELK ASSOCIATES FUNDING CORPORATION, 31 East Mall Plainview, NY 11803 - 164,000 shares of common stock. (File 2-88226 - Dec. 2) (Br. 16)
- (S-3) SQUIBB CORPORATION, P.O. Box 4000, Princeton, NJ 08540 (609) 921-4000 - 1,100,000 shares of common stock. The company is engaged in the manufacture and market of health and personal care products. (File 2-88227 - Dec. 2) (Br. 4) [S]
- (S-8) ORBIT INSTRUMENT CORP., 80 Cabot Court, Hauppauge, NY 11788 (212) 935-3900 - 600,000 shares of capital stock. (File 2-88228 - Dec. 2) (Br. 7)
- (S-6's) THE CORPORATE INCOME FUND, ONE HUNDRED EIGHTY-FIFTH MONTHLY PAYMENT SERIES; MUNICIPAL INVESTMENT TRUST FUND, MULTISTATE SERIES C; and FORTY-THIRD INTERMEDIATE TERM SERIES, One Liberty Plaza, 165 Broadway, New York, NY 10080 - an indefinite number of units of beneficial interest (each Series). Depositors: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza, 165 Broadway, New York, NY 10080, Dean Witter Reynolds Inc., Prudential-Bache Securities Inc. and Shearson/American Express Inc. (File 2-88230; 2-88231; and 2-88232 - Dec. 2) (Br. 17 - New Issues)
- (S-3) SAFEWAY STORES, INCORPORATED, Fourth and Jackson Sts., Oakland, CA 94660 (415) 891-3000 - \$27 million of lease certificates. Underwriter: Merrill Lynch Capital Markets. (File 2-88233 - Dec. 5) (Br. 2)
- (S-3) STONE CONTAINER CORPORATION, 360 North Michigan Ave., Chicago, IL 60601 (312) 346-6600 - 2,300,000 common shares. Underwriter: Morgan Stanley & Co. Incorporated. The company produces and sells linerboard and corrugating medium and the conversion of such products into corrugated containers. (File 2-88235 - Dec. 5) (Br. 8) [S]
- (S-8) DAISY SYSTEMS CORPORATION, 139 Kifer Court, Sunnyvale, CA 94086 (408) 773-9111 - 1,750,550 shares of common stock. (File 2-88237 - Dec. 5) (Br. 9)
- (S-8) DIONEX CORPORATION, 1228 Titan Way, Sunnyvale, CA 94086 (408) 737-0700 - 581,325 shares of common stock. (File 2-88238 - Dec. 5) (Br. 8)
- (S-3) FEDERAL EXPRESS CORPORATION, 2990 Airways Blvd., Memphis, TN 38116 (901) 369-3600 - 2,000,000 shares of common stock. Underwriters: Kidder, Peabody & Co. Incorporated and Merrill Lynch Capital Markets. The company provides door-to-door express delivery service. (File 2-88239 - Dec. 5) (Br. 4)

#### REGISTRATIONS EFFECTIVE

Nov. 10: Imex Medical Systems, Incorporated, 2-86388-D.

Nov. 14: Arizona Public Service Co., 2-87694; Belmont Bancorp., 2-85992; Chancellor Computer Corporation, 2-85592; Elm Bancshares, Inc., 2-87717; Emergency Alert Receiver Inc., 2-85785-NY; Esmark, Inc., 2-87664; Fertil-A-Chron, Inc., 2-86690-NY; First United Bancshares, Inc., 2-86804; The International Fund For Institutions, Inc., 2-85015; Investors Trust Financial Corporation, 2-86741-A; L.F. Rothschild Exempt Fund, Inc., 2-85239; Medical Management Corporation, 2-85685-LA; Mellon National Corporation, 2-87572; Middle South Utilities, 2-87668; Midland-PRC Oil & Gas Program 1983-1984, 2-86893; Multi Solutions, Inc., 2-85170-NY; NCB Financial Corporation, 2-87011; Neuberger & Berman Government Money Fund, Inc., 2-85229; North American Commodity Fund III, 2-86929-B; The Original Computer Camp, Inc., 2-84963-LA; Parsons Brinckerhoff, Inc., 2-87056-NY; Peoples First Bancorp of Madisonville, Inc., 2-87574; Square D Company, 2-87599; Windsor Park Properties, Ltd., 2-85754.

Nov. 15: Andover Controls Corporation, 2-86163; BancOklahoma Corp., 2-86576; Borden, Inc., 2-81267; Empire Airlines, Inc., 2-86184; The Federated Group, Inc., 2-86648; Freedom Income Trust, Special States Series 4, 2-86096; International Remote Imaging Systems, Inc., 2-87121; Ohio-Sealy Mattress Manufacturing Co., 2-86769; Paine Webber Programmed Amortization Term Securities, Inc., 2-87049; Philadelphia Electric Company, 2-87420; Puget Sound Power & Light Co., 2-87196; The Storyville Limited Partnership, 2-86374-NY; Swensen's Inc., 2-85983; The United Illuminating Company, 2-87394; Value Line Centurion Fund, Inc., 2-86337.