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ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

FRANK GORDON PUTNAM

The SEC announced that on May 30 it accepted an offer of settlement by Frank Gordon Putnam. Under the terms of the settlement, the SEC simultaneously instituted administrative proceedings against Putnam under the Securities Exchange Act of 1934 and imposed certain remedial sanctions. Putnam is suspended from being associated with any broker or dealer for a period of 10 business days. For a period of 5 calendar years, Putnam will remain in a non-supervisory position, on a showing of adequate supervision, as an employee of any broker or dealer.

The administrative proceeding was based upon allegations in the Commission's complaint in SEC v. Advisory Investment Services, et al., that Putnam had violated antifraud, antimanipulative and credit provisions of the Exchange Act. Putnam made his offer of settlement without admitting or denying the Commission's allegations. (See LR-8422) (Rel. 34-14812)

COMMISSION ANNOUNCEMENTS

MICHAEL P. MALONEY NAMED ASSISTANT DIRECTOR

Andrew M. Klein, Director of the Division of Market Regulation, announced today the appointment of Michael P. Maloney as an Assistant Director for the Office of Self-Regulatory Oversight.

Mr. Maloney has primary responsibility for overseeing the operations of the Branch of Municipal Securities and the Branch of Market and Financial Data Analysis, and for administering the Commission's regulatory program with respect to options trading on exchanges and in the over-the-counter markets. In addition, pending the return from the Options Study of Martin Moskowitz, the Office's other Assistant Director, Mr. Maloney will exercise general supervisory responsibility for the Branches of Exchange and Over-the-Counter Regulation.

Mr. Maloney received his B.A. from Georgetown University in 1966 and both his MBA (1968) and his J.D. (1971) from Cornell University. Since graduation from law school, he has been an associate with a New York law firm. Mr. Maloney and his wife, Jane, will reside in Alexandria, Virginia.

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES R. J. REYNOLDS INDUSTRIES, INC.

The SEC announced that on June 6 a civil injunctive action was filed in the U.S. District Court for the District of Columbia charging R. J. Reynolds Industries, Inc., a Delaware corporation located in Winston-Salem, North Carolina, with violations of the reporting and proxy provisions of the Securities Exchange Act of 1934. The Commission's complaint, which seeks a final judgment of permanent injunction and ancillary relief, alleges that Reynolds, directly and indirectly, made illegal domestic political contributions, paid rebates to customers of its subsidiary, Sea-land Service, Inc., in violation of the Shipping Act of 1916 and made questionable or illegal payments to foreign government officials and employees in connection with foreign tobacco sales. The Commission also charges that Reynolds failed to file required reports with the Commission and filed false and misleading annual reports and proxy solicitation material with the Commission relating to the aforementioned matters.

Simultaneously with the filing of the complaint, Reynolds consented, without admitting or denying the substantive allegations contained in the complaint, to the entry of a judgment of permanent injunction prohibiting it from further violations of the reporting and proxy provisions of the Exchange Act. In addition to an injunction, the consent judgment provides for certain ancillary relief including a review person to review Reynolds' investigation of improper practices alleged in the Commission's complaint and disclosure made as a result thereof. (SEC v. R. J. Reynolds Industries, Inc., Civil Action No. 78-1015, U.S.D.C. D.C.). (LR-8428)

INVESTMENT COMPANY ACT RELEASES

INTEGON GROWTH FUND CORPORATION

An order has been issued on an application of Integon Growth Fund Corporation, an open-end, diversified management investment company, declaring that it has ceased to be an investment company. (Rel. IC-10268 - June 6)

WEEDEN CORPORATE BOND TRUST

An order has been issued on an application of Weeden Corporate Bond Trust and Weeden Tax Exempt Bond Trust (Trusts), unit investment trusts registered under the Investment Company Act of 1940, exempting from the provisions of Section 22(d) of the Act the proposed investment pursuant to an automatic reinvestment option of income and principal distributions made to certificateholders of predecessor series of the Trusts into units of a subsequent or previously formed series of the Trusts at a reduced sales charge. (Rel. IC-10269 - June 6)

NATIONAL GOVERNMENT SECURITIES TRUST, FIRST GNMA SERIES

A notice has been issued giving interested persons until June 28 to request a hearing on an application of National Government Securities Trust, First GNMA Series and Similar and Subsequent Series, for an order exempting it from the initial net worth requirements of Section 14(a) and from the limitations on the distributions of capital gains contained in Rule 19b-1, and exempting from Rule 22c-1 the proposed secondary market operations of its sponsors. (Rel. IC-10270 - June 6)

HOLDING COMPANY ACT RELEASES

CENTRAL AND SOUTH WEST CORPORATION

A notice has been issued giving interested persons until June 29 to request a hearing on a proposal of Central and South West Corporation, a registered holding company and its five subsidiaries, Central Power and Light Company, Southwestern Electric Power Company, Public Service Company of Oklahoma, West Texas Utilities Company and Central and South West Services, Inc., to extend through December 31, 1979 their authorized system money pool arrangement subject to new and increased short-term borrowing limitations. (Rel. 35-20579 - June 6)

LOUISIANA POWER AND LIGHT COMPANY

A notice has been issued giving interested persons until June 30 to request a hearing on a proposal of Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., to issue and sell at competitive bidding up to \$60 million of its first mortgage bonds. (Rel. 35-20580 - June 6)

GEORGIA POWER COMPANY

An order has been issued authorizing a proposal of Georgia Power Company, subsidiary of The Southern Company, to acquire the electrical distribution system at the former U.S. naval air station located in Glynn County, Georgia. (Rel. 35-20581 - June 6)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Boston Stock Exchange, Inc. has filed proposed rule changes pursuant to Rule 19b-4 (SR-BSE-78-4) to conform those rules to sections of the Securities Acts Amendments of 1975 relating to the comparison, clearance and settlement of exchange transactions. Publication of the proposal is expected to be made in the Federal Register during the week of June 12. (Rel. 34-14832)

MISCELLANEOUS

CORRECTION RE ADVISORY INVESTMENT SERVICES

In the News Digest of June 1, the Litigation Release number of Advisory Investment Services was erroneously stated. The correct Litigation Release number should have been LR-8422.

CORRECTION RE WOODS COMMUNICATION CORP.

In the News Digest of May 19 under Recent 8K Filings, it was erroneously reported that Woods Communication Corp. filed an amendment to Form 8K which listed items 3,5. Actually, the company filed an 8K Report (not an amendment) on February 1, 1978 which listed items 2,6.

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-1) HEALTH EXTENSION SERVICES, INC., 207 East 45th St., New York, N.Y. 10017 - 25,000 shares of common stock and 25,000 warrants to purchase shares of common stock. Underwriter: Bond, Richman & Co., Inc. The company provides home health care service. (File 2-61804 - June 5)
- (S-7) BALTIMORE GAS AND ELECTRIC COMPANY, Gas and Electric Bldg., Charles Center, Baltimore, Md. 21201 (301) 234-5811 - \$75 million of first refunding mortgage bonds, due July 1, 2008. The company is engaged in the business of producing, purchasing and selling electricity, and purchasing and selling natural gas. (File 2-61808 - June 6)
- (S-8) PRIME COMPUTER, INC., 40 Walnut St., Wellesley Hills, Mass. 02181 (617) 742-9100 - 800,000 shares of common stock. The company designs, manufactures, sells and services small and medium-size general purpose digital computers and computer systems. (File 2-61816 - June 6)
- (S-8) BRUNSWICK CORPORATION, One Brunswick Plaza, Skokie, Ill. 60077 - 700,000 shares of common stock. (File 2-61818 - June 6)
- (S-6) NUVEEN TAX-EXEMPT BOND FUND, SERIES 109, 209 South LaSalle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: John Nuveen & Co. Inc. (File 2-61819 - June 5)
- (S-8) PHYSIO-CONTROL CORPORATION, 11811 Willows Rd., Redmond, Wash. 98052 - 70,000 shares of common stock. (File 2-61820 - June 6)
- (S-8) GENERAL EXPLORATION COMPANY, 4219 Sigma Rd., Dallas, Tex. 75240 (214) 233-2911 - 300,000 shares of common stock. (File 2-61821 - June 7)
- (S-7) ITT FINANCIAL CORPORATION, 700 Community Federal Center, St. Louis, Mo. 63131 (314) 821-6060 - \$125 million of senior debentures, due June 15, 2003. Underwriters: Lehman Brothers Kuhn Loeb Inc. and Lazard Freres & Co. The company is engaged in the finance business. (File 2-61822 - June 7)
- (S-6) PURITAN INVESTORS TRUST, 82 Devonshire St., Boston, Mass. 02109 - an undetermined amount of interests. Depositor: Fidelity Distributors Corporation. (File 2-61826 - June 6)
- (S-16) TEXAS EASTERN CORPORATION, Southern National Bank Bldg., Houston, Tex. 77002 (713) 651-0161 - 250,000 shares of common stock. (File 2-61779 - June 2)

REGISTRATIONS EFFECTIVE

May 19: New Orleans Bancshares, Inc., 2-61032.

May 23: United Guaranty Corp., 2-61451.

May 25: Applied Digital Data Systems, Inc., 2-61541; The Coca-Cola Bottling Co. of New York, Inc., 2-61466; Energy Management Corp., 2-61207 (90 days); Great Northern Nekoosa, 2-61260; Greenwood Resources Ltd., 2-60726 (90 days); Interlake, Inc., 2-61651

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 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

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