

sec news digest

LIBRARY
DEC 18 1978

Issue 78-242

December 15, 1978

CIVIL PROCEEDINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

COMPUTER INVESTORS GROUP, INC. ENJOINED

The U.S. District Court for the District of Columbia enjoined Computer Investors Group, Inc. of Stamford, Connecticut, from failing to timely file periodic reports with the Commission and ordered it to comply with certain undertakings. Computer Investors undertook to maintain an audit committee with specific duties and responsibilities and to adopt, implement and maintain procedures designed to assure that it will make all required annual and other periodic filings with the Commission in a proper and timely manner. The Commission's complaint, filed on September 8, 1978, alleged that Computer Investors failed to timely file certain annual and quarterly reports as part of a continuing course of conduct extending over several years. Computer Investors, in consenting to entry of judgment against it, admitted failure to file reports on a timely basis on ten separate occasions, but did not admit or deny the other allegations in the complaint. (SEC v. Computer Investors Group, Inc., U.S.D.C. D.C., Civil Action No. 78-1694). (LR-8618)

COMPLAINT AND ENTRY OF JUDGMENT OF PERMANENT INJUNCTION ENTERED AGAINST FIRST COOLIDGE CORPORATION

The SEC announced the filing of a civil injunctive action on December 14 in the U.S. District Court for the District of Columbia against First Coolidge Corporation, a Massachusetts bank holding company with its headquarters in Watertown, Massachusetts, alleging violations of the securities laws. The Commission's complaint alleged violations of the securities in connection with Coolidge's failure to disclose that its subsidiary had not established or maintained an adequate loan loss reserve, resulting in the issuance of materially false and misleading financial statements, and its failure to disclose certain other material matters as alleged in the Commission's complaint. The Commission also announced that the Court simultaneously entered a Final Judgment of Permanent Injunction restraining and enjoining Coolidge from further violations of the antifraud, proxy and reporting provisions of the securities laws. In addition to the entry of the Final Judgment of Permanent Injunction against Coolidge, the Court ordered Coolidge to maintain an Audit Committee and to retain a Special Auditor to undertake an examination of certain, specified financial matters, raised in the Commission's complaint, and to issue an report with respect thereto. Coolidge consented to the entry of the Court's Judgment and Order without admitting or denying the allegations in the Commission's complaint. (SEC v. First Coolidge Corporation, U.S.D.C. D.C., Civil Action No. 78-2348). (LR-8619)

INVESTMENT COMPANY ACT RELEASES

PRESIDENTIAL LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until January 8, 1979, to request a hearing on an application of Presidential Life Insurance Company and Presidential Variable Annuity Funds A, B and D (Applicants), pursuant to Section 11 of the Investment Company Act of 1940, for an order approving certain offers of exchange, and pursuant to Section 6(c) of the Act exempting Applicants from Sections 26(a) and 27(c)(2) of the Act. (Rel. IC-10520 - Dec. 12)

FIDELITY MONEY MARKET TRUST

A notice has been issued giving interested persons until January 2, 1979, to request a hearing on an application of Fidelity Money Market Trust, registered under the Investment Company Act of 1940 as an open-end, diversified management investment company, requesting an order pursuant to Section 6(c) of the Act, exempting Fidelity from the provisions of Rules 2a-4 and 22c-1 under the Act to the extent necessary to permit Fidelity to compute its net asset value per share, for the purposes of effecting

sales, redemptions and repurchases of its shares, to the nearest one cent on a share value of one dollar using a time other than the close of trading on each day on which the New York Stock Exchange is open for trading. (Rel. IC-10521 - Dec. 12)

PEMBROKE CAPITAL COMPANY INC.

An order has been issued on an application of Pembroke Capital Company Inc. exempting it from all provisions of the Act. (Rel. IC-10522 - Dec. 13)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM

A supplemental order has been issued authorizing the Columbia Gas System, a registered holding company, and certain of its subsidiaries, to increase open-account advances by Columbia to Columbia Gas of West Virginia, Inc., from \$24 million to \$31 million. (Rel. 35-20828 - Dec. 12)

ARKANSAS POWER & LIGHT COMPANY

A notice has been issued giving interested persons until January 12, 1979, to request a hearing on a proposal of Arkansas Power & Light Company, subsidiary of Middle South Utilities, Inc., to issue and sell \$60 million of first mortgage bonds and 600,000 shares of a new series of its preferred stock, par value \$25 per share, at competitive bidding. (Rel. 35-20829 - Dec. 13)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application submitted by Spencer Foods, Inc. to strike from listing and registration the common stock (par value \$1) on the American Stock Exchange, Inc. (Rel. 34-15395)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The National Association of Securities Dealers, Inc. has filed a proposed rule change under Rule 19b-4 (SR-NASD-78-17) to revise its Fidelity bonding requirements so as to change for members entering into their second year of business the formula for recomputing the amount of coverage required and to give all members more time in making any required adjustments in their coverage. Publication of the proposal is expected to be made in the Federal Register during the week of December 18. (Rel. 34-15396)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved proposed rule changes filed by the following: The New York Stock Exchange, Inc. (SR-NYSE-78-21) rescinding NYSE Article XIV and Rule 345(c), adds a new Article XIV and Rules 476 and 477 and amends Articles III, X and XI concerning the NYSE's disciplinary procedures. (Rel. 34-15410); and The Municipal Securities Rulemaking Board (SR-MSRB-78-8) establishing a comprehensive arbitration code for the municipal securities industry, including special procedures for the arbitration of customer small claims. (Rel. 34-15411)

MISCELLANEOUS

THE FELSWAY CORPORATION

A notice has been issued giving interested persons until January 2, 1979 to request a hearing on an application of The Felsway Corporation, pursuant to Section 12(h) of the Securities Exchange Act of 1934, for an order exempting Felsway from the reporting requirements of Sections 13 and 15(d) of that Act. Felsway became a wholly-owned subsidiary of Heck's, Inc. as the result of a merger. (Rel. 34-15397)

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-11) WINTHROP PARTNERS 79, 225 Franklin St., Boston, Mass. 02110 - 10,000 units of limited partnership interest. (File 2-63216 - Dec. 14)
- (S-8) SYSTRON-DONNER CORPORATION, One Systron Dr., Concord, Cal. 94518 - 75,000 shares of capital stock. (File 2-63217 - Dec. 14)
- (S-6) INVESTORS' MUNICIPAL -YIELD TRUST, SERIES 2, 208 South LaSalle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: Van Kampen Sauerma Inc. (File 2-63218 - Dec. 14)
- (S-6) INSURED MUNICIPALS - INCOME TRUST, SERIES 27, 208 South LaSalle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: Van Kampen Sauerma Inc. (File 2-63219 - Dec. 14)
- (S-8) THE GOODYEAR TIRE & RUBBER COMPANY, 1144 East Market St., Akron, Ohio 44316 (216) 794-2121 - 100,000 shares of common stock. (File 2-63220 - Dec. 14)
- (S-1) MISSION OIL AND GAS PROGRAM-1979, Union Bank Bldg., 460 Hegenberger Rd., Oakland, Cal. 94621 (415) 638-1800 - 10,000 units of preformation limited partnership interest. (File 2-63221 - Dec. 14)
- (S-14) BORDEN, INC., 277 Park Ave., New York, N.Y. 10017 - 1,172,414 shares of common stock. (File 2-63223 - Dec. 14)

REGISTRATIONS EFFECTIVE

Dec. 12: Arizona Public Service Co., 2-63067; California Water Service Co., 2-62996; Casco-Northern Corp., 2-62985; Colonial Gas Energy System, 2-62912; Consolidated Foods Corp., 2-63074; Del-Val Financial Corp., 2-59803; The First Trust of Insured Municipal Bonds, Series 39, 2-63060; Ford Motor Credit Co., 2-63133; The Mountain States Telephone and Telegraph Co., 2-63062; The Oilgear Co., 2-62775; Philadelphia Electric Co., 2-63047; Redken Laboratories, Inc., 2-63097; St. Jude Medical, Inc., 2-62980; South Carolina Electric & Gas Co., 2-63036; Tandem Computers Inc., 2-63019; The Travelers Corp., 2-62969; Virginia Electric and Power Co., 2-63063.



U. S. SECURITIES AND EXCHANGE COMMISSION
POSTAGE AND FEES PAID

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549
FIRST CLASS MAIL

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 or request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail; \$54.65 elsewhere.

SEC STATISTICAL BULLETIN is published monthly. Subscription rates: \$15.00/yr in U.S. first class mail; \$18.75 elsewhere.

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