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ADMINISTRATIVE PROCEEDINGS

OFFER OF SETTLEMENT ACCEPTED FROM JOSEPH WILLIAMS

In administrative proceedings ordered under Sections 15(b) and 19(h) of the Securities Exchange Act of 1934, Joseph Williams, formerly associated with Underhill Associates, Inc. (Registrant) as a registered representative and officer manager, submitted an Offer of Settlement which the Commission accepted. Williams, without admitting or denying the allegations, consented to an Order Making Findings and Imposing Remedial Sanctions which finds that he wilfully violated Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rules 10b-5, 10b-6, and 10b-9; and wilfully aided and abetted Registrant's violations of Section 15(c) of the Exchange Act and Rules 15c1-2 and 15c2-4. Pursuant to the Order, Williams will be (1) suspended from association with any regulated entity for a 30-day period; (2) barred from association in any proprietary and supervisory capacity with any regulated entity; and (3) barred from participating in any underwriting of any equity security which is the subject of an initial public offering. (Rel. 34-25214)

CIVIL PROCEEDINGS

MICHAEL K. THOMAS AND RICHARD L. SAWYER ENJOINED

The Denver Regional Office announced that Judge John Kane, Jr., U.S. District Court for the District of Colorado, entered a permanent injunction on November 24 against Richard L. Sawyer and on December 9 against Michael K. Thomas, each of whom consented to the injunction without admitting or denying the allegations in the Complaint.

The Complaint alleges that defendants sold unregistered securities in the form of limited partnerships through an unregistered broker-dealer, and made material misrepresentations and omissions regarding, among other things, the use and diversion of proceeds.

Both Sawyer and Thomas are enjoined from future violations of the registration and antifraud provisions of the securities laws, and Thomas is also enjoined from aiding and abetting violations of the broker-dealer registration provisions. The matter is still pending against Roger J. Houdek who was also named as a defendant. A trial date will be set at a later time. (SEC v. Michael K. Thomas, et al., Civil Action No. 87-K-1434, USDC CO). (LR-11629)

MALI-AMERICAN MINES, LTD. AND OLIVER C. REESE ENJOINED

The Denver Regional Office announced that on December 3 Judge Richard P. Matsch, U.S. District Court for the District of Colorado, permanently enjoined Oliver C. Reese and Mali-American Mines, Ltd. from further violations of the registration and antifraud provisions of the Securities Act of 1933 and the antifraud provisions of the Securities Exchange Act of 1934. Judge Matsch also ordered that the defendants account within 90 days of the order for proceeds from the sale of the securities of Mali from January 1, 1983 to date, the use to which proceeds were put, and the present location of proceeds. The injunction and order were entered pursuant to the defendants' consent, without admitting or denying the allegations of the Complaint.

The September 30 Complaint alleged that Mali, a Colorado corporation headquartered in Albuquerque; Reese, an Albuquerque resident; and Charles Richards, a Colorado resident already enjoined in this action, raised over \$950,000 from the sale of unregistered Mali common stock and corporate notes, and that, in connection with such sale, Reese and Mali made false claims pertaining to gold reserves, use of proceeds, and the production of gold. With regard to Richards, the Complaint alleged only that he had violated the registration provisions. (SEC v. Oliver C. Reese, et al., USDC CO, Civil Action No. 87-M-1470). (LR-11630)

INVESTMENT COMPANY ACT RELEASES

DREYFUS VARIABLE LIFE INVESTMENT FUND

An order has been issued exempting Dreyfus Variable Life Investment Fund and certain life insurance companies and variable life insurance separate accounts from Sections 9(a), 13(a), 15(a), and 15(b) of the Investment Company Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) to permit mixed and shared funding. (Rel. IC-16188 - Dec. 23)

CROWN AMERICA LIFE INSURANCE COMPANY

An order has been issued exempting Crown America Life Insurance Company, Crown America Variable Annuity Separate Account (VA Separate Account), and Crown America Variable Life Separate Account (VLI Separate Account) from the provisions of 9(a), 13(a), 15(a), 15(b), 26(a)(2), and 26(c)(2) of the Investment Company Act and Rule 6e-2(b)(15). The exemption will permit single premium variable life insurance policies currently being issued through the VLI Separate Account, and any other single or scheduled premium variable life insurance policies which may be issued through other separate accounts to be established in the future by Crown America and its affiliates, to purchase securities from a fund offering its shares to both variable annuity and variable life separate accounts, and to permit the VA Separate Account to impose a 1.25% charge for mortality and expense risks. (Rel. IC-16189 - Dec. 23)

KEMPER INVESTORS LIFE INSURANCE COMPANY VARIABLE ANNUITY ACCOUNT B

A notice has been issued giving interested persons until January 18, 1988 to request a hearing on an application by Kemper Investors Life Insurance Company Variable Annuity Account B for an order declaring that it has ceased to be an investment company. (Rel. IC-16190 - Dec. 23)

HOLDING COMPANY ACT RELEASES

AP PROPANE, INC.

An order has been issued declaring that AP Propane, Inc., a marketer of liquefied petroleum gas, is not a gas utility company pursuant to Section 2(a)(4) of the Public Utility Holding Company Act of 1935. AP Propane, Inc., recently merged with its subsidiary, Cal Gas Corporation. (Rel. 35-24537 - Dec. 23)

EASTERN EDISON COMPANY

An order has been issued authorizing a proposal by Eastern Edison Company, Montaup Electric Company, Blackstone Valley Electric Company, and EUA Service Corporation, subsidiaries of Eastern Utilities Associates, whereby the subsidiaries will each issue and sell short-term notes in respective aggregate principal amounts outstanding at any one time of up to \$50 million, \$32 million, \$12 million, and \$3 million. (Rel. 35-24539 - Dec. 23)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until January 15, 1988 to comment on the application of HARLEY-DAVIDSON, INC. to withdraw the common stock, \$.01 par value, from listing and registration on the American Stock Exchange. (Rel. 34-25221)

UNLISTED TRADING GRANTED

Orders have been issued granting the application of the following stock exchanges for unlisted trading privileges in the common stock of the specified number of issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system: Midwest Stock Exchange - four issues. (Rel. 34-25222); and the Philadelphia Stock Exchange - four and five issues (two separate applications). (Rel. 34-25223; 34-25224)

