

sec news digest

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Issue 80-15

January 22, 1980

ADMINISTRATIVE PROCEEDINGS

JAN 22 1980

DARREL L. NIELSEN SUSPENDED FROM PRACTICE
BEFORE THE COMMISSION

U.S. SECURITIES AND EXCHANGE COMMISSION

The Commission has announced the permanent suspension of Darrel L. Nielsen, an accountant, from appearing or practicing before it, pursuant to Rule 2(e)(3) of the Commission's Rules of Practice. On September 5, 1979, the Commission entered an order of temporary suspension against Mr. Nielsen from appearing or practicing before it. No petition to lift the suspension was filed by Mr. Nielsen, and the suspension became permanent in accordance with the Commission's order of September 5, 1979, and Rule 2(e)(3)(ii) of the Commission Rules of Practice.

The Rule 2(e) proceeding was based on a permanent injunction entered against Mr. Nielsen in SEC v. Richard L. Chatham, et al. On June 7, 1979, the U.S. District Court for the District of Utah, following a trial on the merits, found that Mr. Nielsen had aided and abetted violations of the antifraud provisions of the federal securities laws. Specifically, the court found that Mr. Nielsen had knowingly furthered, aided and abetted a conspiracy to defraud public investors by certifying financial statements that he knew were fraudulent. The court permanently enjoined Mr. Nielsen from further violations of the antifraud provisions of the federal securities laws. Mr. Nielsen took no appeal from the court's order.

Commissioner Karmel dissented for the reasons set forth in her opinion accompanying the Order of Temporary Suspension. (Rel. 34-16479)

YASIN JAFFER CITED

The Commission announced the institution of public administrative proceedings pursuant to the Securities Exchange Act of 1934 against Yasin Jaffer (Jaffer), a registered broker-dealer located in Chicago, Illinois. The Order alleges that Jaffer willfully violated the antifraud provisions of the securities laws in that he made misrepresentations and omitted to state material facts to customers, converted customer funds, and forged checks; that he willfully violated the recordkeeping and reporting requirements of the Exchange Act; and that he failed to send confirmations of securities transactions to customers. A hearing will be scheduled to take evidence on the staff's allegations and to afford Jaffer an opportunity to offer any defenses, and for the purpose of determining whether any remedial action should be offered by the Commission. (Rel. 34-16480)

* * *

TRIBUTE TO JUSTICE DOUGLAS

On behalf of the staff and Members of the Commission, Chairman Harold M. Williams today expressed deep sorrow upon the death of William O. Douglas.

Justice Douglas joined the staff of the Commission in 1934, the year the agency was established, was appointed a Commissioner in 1936 and in September 1937, became the Commission's third Chairman. He served as Chairman until April 1939, when he was appointed to the Supreme Court.

"It has been a source of great pride and inspiration to those of us privileged to follow in Justice Douglas' footsteps at the SEC that this great leader was one of the molders of the traditions which we have inherited," Chairman Williams said.

"The Commission benefited from Justice Douglas' wisdom and strength during its crucial, formative years, and the standards he set then remain as the standards to which we aspire today.

"I know that my fellow Commissioners and the members of the Commission's staff share in my deep sorrow and great sense of loss, and join me in expressing our heartfelt condolences to Justice Douglas' family."

CIVIL PROCEEDINGS

LA POINTE INDUSTRIES, INC. ENJOINED

The Commission announced that on January 18 the U.S. District Court for the District of Columbia enjoined La Pointe Industries, Inc. of Rockville, Connecticut, from failing timely to file periodic reports with the Commission and ordered it to comply with certain undertakings. The Commission's complaint, filed on October 25, 1979, alleged that La Pointe failed timely to file certain annual and quarterly reports as part of a continuing course of conduct extending over several years. La Pointe, in consenting to the entry of judgment against it, admitted failure to file reports on a timely basis on 7 separate occasions. (SEC v. La Pointe Industries, Inc., U.S.D.C. D.C., Civil Action No. 79-2879). (LR-8977)

CRIMINAL PROCEEDINGS

CHARLES D. STILWELL, STEPHEN C. COKER CONVICTED

The Atlanta Regional Office announced that on January 10, Charles D. Stilwell and Stephen C. Coker, both of Charleston, South Carolina, each pled guilty to two counts of securities fraud of a criminal information before the Honorable Sol Blatt, Jr., U.S. District Judge, District Court of South Carolina. The information was filed by Thomas E. Lydon, Jr., the U.S. Attorney for the District of South Carolina, on the same date. The criminal charges arose in connection with the defendants' activities while officers and directors of Stilwell, Coker & Co., Inc., a now defunct broker-dealer whose registration was revoked by the Commission on July 19, 1978. No date has been set for the sentencing of the defendants. (U.S. v. Charles D. Stilwell, et al., Criminal Action No. 80-1, D.S.C.). (LR-8974)

BERNARD MAGDOVITZ SENTENCED

The Chicago Regional Office announced that on January 7, the Honorable John Powers Crowley sentenced Bernard Magdovitz to five years probation and fined him \$11,000. The sanction was imposed following Magdovitz's plea of guilty to conspiracy and mail fraud charges arising from his involvement in a \$25 million inventory and profit inflation scheme while employed at Cenco Incorporated, a Chicago based corporation. Magdovitz had served as Treasurer of Cenco and President of Cenco Medical Health, a Cenco subsidiary. The earlier civil injunctive action filed by the Commission against Magdovitz and other former Cenco employees is still pending. (U.S. v. Ralph Read, et al., N.D. Ill., 79 CR 277). (LR-8975)

INVESTMENT COMPANY ACT RELEASES

VANCE, SANDERS MUNICIPAL BOND FUND, LTD.

An order has been issued, pursuant to Section 6(c) of the Act, on an application of Vance, Sanders Municipal Bond Fund, Ltd. (Bond Fund), registered under the Act as a diversified, open-end, management investment company, Eaton & Howard, Vance Sanders Inc. (EHVS), currently Bond Fund's investment adviser and principal underwriter, and Eaton & Howard, Vance Sanders Distributors Inc. (Distributors), a newly formed subsidiary of EHVS which will assume all of EHVS's activities as principal underwriter for Bond Fund, amending a prior order of the Commission so that William M. Griffin shall not be deemed to be an "interested persons" of Bond Fund, EHVS or Distributors within the meaning of Section 2(a)(19) of the Act by reason of his association with Hartford Fire Insurance Company and certain of its subsidiaries. (Rel. IC-11026 - Jan. 21)

HOLDING COMPANY ACT RELEASES

MIDDLE SOUTH UTILITIES, INC.

A notice has been issued giving interested persons until February 11 to request a hearing on a proposal by Middle South Utilities, Inc. and its wholly-owned subsidiary, Middle South Energy, Inc., whereby the subsidiary will issue and sell to the parent up to 50,000 shares of its common stock from time to time through December 31, 1980 at a price of \$1,000 per share. The proceeds of the sale will be used by the subsidiary to finance construction at the Grand Gulf electric generating facility. (Rel. 35-21400 - Jan. 18)

KINGSPORT POWER COMPANY

An order has been issued approving the issuance and sale by Kingsport Power Company, a subsidiary of American Electric Power Company, Inc., of unsecured notes maturing December 31, 1987, to banks in an amount not to exceed \$15 million. (Rel. 35-21401 - Jan. 21)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EFFECTIVENESS OF A PROPOSED RULE CHANGE

A rule change filed by the National Securities Clearing Corporation (NSCC) pursuant to Rule 19b-4 (SR-NSCC-79-18) has become effective in accordance with Section 19(b) (3) (A) of the Securities Exchange Act of 1934. NSCC has amended and automated its procedures for borrowing securities to satisfy NSCC system needs. Publication of the proposal is expected to be made in the Federal Register during the week of January 21. (Rel. 34-16514)

NOTICE OF PROPOSED RULE CHANGE

The New York Stock Exchange, Inc. has filed a proposed rule change under Rule 19b-4 (SR-NYSE-79-51) to eliminate the NYSE reporting requirement for members' unsecured non-capital borrowings. Publication of the proposal is expected to be made in the Federal Register during the week of January 28. (Rel. 34-16517)

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-18) RADIOGRAPHIC DEVELOPMENT CORPORATION, 1929 Southeast Main St., Suite 106, Irvine, Cal. 92715 - 250,000 shares of common stock. Underwriter: Rooney, Pace Inc. The company assembles and markets diagnostic X-ray systems and components. (File 2-66431 - Jan. 14)
- (S-18) KEYSTONE ACCELERATION CORPORATION, 209 Senate Ave., Capitol City Center, Camp Hill, Pa. 17011 - 113,000 units consisting of two shares of Class A and one share of Class B common stock. The company is engaged in the sale and underwriting of credit life and credit disability insurance. (File 2-66436 - Jan. 16)
- (S-7) APPALACHIAN POWER COMPANY, 40 Franklin Rd., Roanoke, Va. 24009 (703) 344-1411 - \$40 million of first mortgage bonds. (File 2-66457 - Jan. 18)
- (S-8) BANGOR PUNTA CORPORATION, One Greenwich Plaza, Greenwich, Conn. 06830 (203) 622-8100 - 300,000 shares of common stock. (File 2-66458 - Jan. 18)
- (S-11) CENTURY PROPERTIES FUND XV, 2755 Campus Dr., Suite 300, San Mateo, Cal. 94403 - 90,000 limited partnership units. (File 2-66459 - Jan. 21)
- (S-1) VANDERBILT ENERGY CORPORATION, 1730 Colorado National Bldg., Denver, Colo. 80202 (303) 573-9993 - 440,000 shares of common stock. Underwriter: Dain Bosworth Inc. The company is engaged in oil and gas exploration, development and production. (File 2-66460 - Jan. 21)
- (N-1) TRANSAMERICA CASH RESERVE, INC., 80 South Lake Ave., Pasadena, Cal. 91101 (213) 742-4141 - an indefinite number of shares of common stock. (File 2-66461 - Jan. 21)
- (S-7) MARSH & MCLENNAN COMPANIES, INC., 1221 Avenue of the Americas, New York, N.Y. 10020 (212) 997-2000 - 4,100,000 shares of common stock. The company is in the business of providing professional advice and related services. (File 2-66462 - Jan. 21)

- (S-14) MONVEN, INC., MONSANTO COMPANY, 800 North Lindbergh Blvd., St. Louis, Mo. 63166 (314) 694-1000 - \$15 million of 10% guaranteed restricted notes, due 1981, 1982 and 1984. (File 2-66463 - Jan. 21)
- (S-6) NUVEEN TAX-EXEMPT BOND FUND - MULTI-STATE SERIES 8, 209 South La Salle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: John Nuveen & Co. Inc. (File 2-66466 - Jan. 21)
- (S-14) WALGREEN CO., 200 Wilmot Rd., Deerfield, Ill. 60015 (312) 948-5000 - 244,668 shares of common stock. (File 2-66467 - Jan. 21)
- (S-1) INVESTORS SYNDICATE OF AMERICA, INC., IDS Tower, Minneapolis, Minn. 55402 - an indefinite number of single payment certificates - Series R-80. (File 2-66468 - Jan. 21)
- (S-8) POPE & TALBOT, INC., 1700 S.W. 4th Ave., Portland, Ore. 97201 (503) 228-9161 - 150,000 shares of common stock. (File 2-66469 - Jan. 21)
- (S-8) RAYTHEON COMPANY, 141 Spring St., Lexington, Mass. 02173 (617) 862-6600 - 458,000 shares of common stock. (File 2-66470 - Jan. 21)

REGISTRATIONS EFFECTIVE

Jan. 7: MCA Corp., 2-66255.
 Jan. 17: Associates Corp. of North America, 2-66250; First Builders Bancorp, 2-65768; First Virginia Banks, Inc., 2-66168; Malone & Hyde, Inc., 2-66387; Massachusetts Tax Exempt Unit Trust, Series 13, 2-66298; Power Resources Corp., 2-66081; SFM Companies, Inc., 2-66430; Winn Dixie Stores, Inc., 2-66231.
 Jan. 18: Citizens Bancorp., 2-63380; Encore Industries, Inc., 2-65756; Sanders Associates, Inc., 2-66393; Short Term Income Fund, Inc., 2-65315; USA Freedom Energy Corp., 2-62026.

REGISTRATIONS WITHDRAWN

Jan. 17: Delco Corp., 2-58098; Underground Surveys Corp., 2-62284; Wisconsin Public Service Corp., 2-65710.

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEMS NO.	DATE
COMMERCIAL INTERNATIONAL CORP	5	12/01/79
COMPUTER MERCHANTS INC	5,7	12/01/79
COMPUTERVISION CORP/DE/	5	12/31/79
COMSHARE INC	2,7	01/02/80
CONTINENTAL MORTGAGE INVESTORS	5	01/16/80
CONTINUUM COMPANY INC	5	12/05/79
CURTICE BURNS INC	2,7	01/14/80
DEPOSIT GUARANTY CORP	4	01/01/80
DOMINION MORTGAGE & REALTY TRUST	3,5,6	01/15/80
DUN & BRADSTREET CORP	5	01/08/80
EMC ENERGIES INC	2	01/11/80

RECENT 8K FILINGS CONT.

FIRST CAPITAL INCOME PROPERTIES LTD SERT	2,7	01/09/80	
FIRST FEDERAL SAVINGS & LOAN ASSOCIATION	5,6	10/01/79	
FIRST HOLDING CO INC	5	01/02/80	
FIRST LIBERTY CORP	2,5,7	11/30/79	
FRANKLIN RESOURCES INC	5	12/17/79	
FRIEHAUF FINANCE CO	5	12/21/79	
GENERAL AIRCRAFT CORP	5	12/01/79	
GENERAL PUBLIC UTILITIES CORP /PA/	7	12/01/79	AMEND
GENERAL TERMINAL CORP	2,7	12/31/79	
GEO RESOURCES DRILLING FUND - 1971 PROGR	1	12/27/79	
GEO RESOURCES DRILLING FUND 1972 ANNUAL	1	12/27/79	
GEO RESOURCES DRILLING FUND 1972 YEAR EN	1	12/27/79	
GRANITEVILLE CO	6,7	10/01/79	
GREAT AMERICAN CORP	5	12/01/79	
GREATER OHIO CORP	5,7	12/31/79	
GREATER OHIO REALTY INVESTMENTS	2,7	12/31/79	
HAJUCA CORP	2,7	12/31/79	
HEALTH CARE FUND	5	12/15/79	
HERITAGE COMMUNICATIONS INC	2,7	01/01/80	
HOFMANN INDUSTRIES INC	5	12/14/79	
HOLLY RESOURCES CORP	5	01/07/80	
HORN & HARDART CO	2,7	01/02/80	
HOVERMARINE CORP	2,7	12/31/79	
IC INDUSTRIES INC	5	12/24/79	
INDUSTRONICS INC	5	12/28/79	
INFRARED INDUSTRIES INC	6	12/01/79	
INPROJET CORP	2	12/28/79	
INTERISLAND RESORTS LTD	5,6	12/01/79	
INTERNATIONAL HARVESTER CO /DE/	5	01/11/80	
INTERNATIONAL LIFE HOLDING CORP	5	12/01/79	
INTERNATIONAL MINERALS & CHEMICAL CORP	5	01/14/80	
INTERNATIONAL SYSTEMS & CONTROLS CORP	5	01/01/80	
JERSEY CENTRAL POWER & LIGHT CO	7	12/01/79	AMEND
KEMPER CORP	5	12/04/79	
KEY INTERNATIONAL MANUFACTURING INC/NY/	1,3,7	12/27/79	
KEYSTONE CONSOLIDATED INDUSTRIES INC	2	01/10/80	
KOLLMORGEN CORP	5	12/01/79	
LAS VEGAS INVESTORS LTD	5	12/31/79	
LIFESTYLE COMPANIES INC	5	12/28/79	
LOUISIANA PACIFIC RESOURCES INC	13	12/01/79	
LR CO	5	12/19/79	
MACRODYNE INDUSTRIES INC	5	12/01/79	
MCNEIL REAL ESTATE FUND IX LTD	2,7	07/03/79	AMEND
MCNEIL REAL ESTATE FUND IX LTD	7	09/21/79	AMEND
MEDSERCO INC	5,7	12/31/79	
MEI CORP	2,7	01/14/80	
METRO GOLDWYN MAYER INC	5	12/01/79	
METRO TEL CORP	2,7	01/02/80	
METROPOLITAN EDISON CO	7	12/01/79	AMEND
MID STATES HOLDING CO	4	01/09/80	
MIDLAND RESOURCES INC	5	01/10/80	
MILWAUKEE PROFESSIONAL SPORTS & SERVICES	1	12/28/79	
MOHAWK VALLEY COMMUNITY CORP	5,7	12/27/79	
MONUMENT ENERGY CORP	4,6	01/09/80	
MOUNTAIN FUEL SUPPLY CO	5	01/07/80	
MOWEN WILLIAM DON	2,7	12/31/79	
NALCO CHEMICAL CO	5,6	01/01/80	
NATIONAL ANN ARBOR CORP	2,7	12/31/79	
NATIONAL CONVENIENCE STORES INC	5,7	12/31/79	
NATIONAL PROPERTY INVESTORS II	7	12/11/79	AMEND
NATMAR INC	1,2,7	12/31/79	
NLT CORP	5	12/31/79	
NOONEY REAL PROPERTY INVESTORS	2,7	01/02/80	
NORTH ATLANTIC INDUSTRIES INC	6	01/07/80	
NUCLEAR PHARMACY INC	2	01/10/80	
OHIO POWER CO	5,6	12/31/79	
OIL INTERNATIONAL LTD	5	12/01/79	
PACIFIC SCIENTIFIC CO	2,7	12/28/79	
PACKAGE MACHINERY CO	4	12/26/79	
PAINE WEBBER INC	2,7	12/31/79	
PAN AMERICAN BANCSHARES INC	2,7	01/04/80	
PANELRAMA CORP	2,5,7	01/15/80	

RECENT 8K FILINGS CONT.

PAY LESS DRUG STORES NORTHWEST INC	5	11/27/79	
PENN CENTRAL CORP	7	12/14/79	
PENNSYLVANIA ELECTRIC CO	7	12/01/79	AMEND
PEOPLES GAS CO	5	12/27/79	
PEOPLES GAS LIGHT & COKE CO	5	12/27/79	
PETROMINERALS CORP	5	01/04/80	
PETX PETROLEUM CORP	5	12/01/79	
PLACER DEVELOPMENT LTD /NEW/	5	11/16/79	
PMI MORTGAGE CORP MORTGAGE CERTIFICATES	7	12/26/79	
PORTA PRO INC	5	12/20/79	
POSTAL FINANCE CO	2	12/31/79	
PRESLEY COMPANIES	5	01/07/80	
PRO FAC COOPERATIVE INC	2,7	01/14/80	
PROVINCIAL HOUSE INC	1	12/27/79	AMEND
RANCHERS EXPLORATION & DEVELOPMENT CORP	5	01/16/80	
REAL ESTATE INVESTMENT TRUST OF CALIFORN	5	01/08/80	
RED FOOD STORES INC	5	12/01/79	
RELIABLE INVESTORS CORP	5	01/04/80	
RYNCO SCIENTIFIC CORP	5,7	01/11/80	
SB PARTNERS	7	06/14/79	AMEND
SCHAEVITZ ENGINEERING	2	12/21/79	
SCHERER R P CORP	1,2,6,7	12/28/79	
SCOTTISH INNS OF AMERICA INC	5	01/04/80	
SECURITY LAND & DEVELOPMENT CORP	5	01/02/80	
SEOCO INC	2	12/31/79	
SNELLING & SNELLING INC	5	01/16/80	
SONOMA INTERNATIONAL	2,7	10/15/79	AMEND
STSC INC	2,5	12/07/79	
SUN CO INC	5	01/03/80	
SUN CO INC	5	01/03/80	
SUN HEET INC	5	12/28/79	
SUSQUEHANNA CORP	1,6	12/24/79	
TECHNICAL EQUIPMENT LEASING CORP	5,7	12/27/79	
TEXAS POWER & LIGHT CO	5	01/04/80	
TOBIAS KOTZIN CO	5	01/10/80	
TYSON FOODS INC	5,7	01/11/80	
UNITED DIVERSIFIED CORP	5	12/27/79	
UNITED STATES RUBBER RECLAIMING CO INC	1	01/10/80	
UNIVERSAL INTERNATIONAL INC	5	12/31/79	
UNIVERSITY REAL ESTATE FUND LTD	2,5	01/09/80	
UNIVERSITY REAL ESTATE PARTNERSHIP V	5	01/09/80	
UNIVERSITY REAL ESTATE TRUST	2,5	12/28/79	
USLIFE CORP	5	12/03/79	
VALERO ENERGY CORP	1,2,6,7	12/31/79	
VINDALE CORP	2	12/28/79	
WALDBAUM INC	5	12/01/79	
WEBB DEL E CORP	5	12/01/79	
WELLMAN INDUSTRIES INC	2,7	12/05/79	
WESTERN MANAGEMENT CORP	12	12/01/79	
WESTERN MICROWAVE LABORATORIES INC	4	01/01/80	
WESTERN NATURAL GAS CO/DE/	1,2,3,6,7	01/04/80	
WESTERN UNION TELEGRAPH CO /NY/	5	12/21/79	
WICHITA INDUSTRIES INC	2,7	12/20/79	
WINNS STORES INC	1,5,6,7	12/27/79	
WISCONSIN CENTRIFUGAL INC	2,7	12/30/79	

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