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COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND EXCHANGE COMMISSION

CHAIRMAN WILLIAMS SPEAKS TO THE AICPAS

Chairman Harold M. Williams spoke before the AICPA Fifth National Conference on Current SEC Developments, in Washington, D.C. on Wednesday, January 4, 1978. The title of his address was "Professional Self-Governance: An Interim Report."

ADMINISTRATIVE PROCEEDINGS

COLONIAL SECURITIES, INC. AND PAT CATIZONE SANCTIONED

The SEC announced that offers of settlement submitted by Colonial Securities, Inc., a New Jersey broker-dealer and Pat Catizone of Morristown, New Jersey, have been accepted. Pursuant to the offers, submitted without admitting or denying the allegations contained in the order for proceedings, the Commission has ordered that: (1) Colonial be suspended for a period of five days from entering any quotations in any inter-dealer market and making or causing to be made a market in any security; and (2) Catizone be barred from association with any broker, dealer or investment company, provided that after three years he may apply to become reassociated in a non-supervisory and non-proprietary capacity upon a showing that he will be adequately supervised. In addition, Catizone was further ordered to divest himself of his ownership interest in Colonial or its successor, within thirty days from the effective date of this sanction, by a sale to a bona fide purchaser, without retaining any equitable, beneficial, direct or indirect interest in Colonial.

The sanctions were based on findings that respondents Colonial and Catizone were permanently enjoined from violating and wilfully violated and aided and abetted violations of the registration and antifraud provisions of the securities laws. (Rel. 34-14287)

FAI INVESTMENT ANALYSTS, INC., OTHERS SUSPENDED

The Commission suspended the registration of FAI Investment Analysts, Inc., a Marietta, Georgia, broker-dealer, for one year. It also suspended FAI's parent, Financial Analysts, Inc., and Richard F. Bridges, president of FAI and Financial, from association with any broker-dealer for one year. The suspensions begin January 16.

The Commission found that, contrary to the Commission's requirements and FAI's representations, FAI failed to keep the proceeds of certain offerings of securities in escrow or trust accounts and to refund them to investors when the requisite amounts were not sold and paid for by the specified dates. It also found that FAI failed to comply with net capital and recordkeeping requirements. Financial and Bridges were found responsible for FAI's violations. (Rel. 34-14288)

PAUL STEVENS

The Commission instituted public administrative proceedings against Paul Stevens of Miami, Florida, formerly the president and a registered principal of Executive Growth Securities, Inc. With the institution of the present proceedings, the Commission accepted the respondent's offer of settlement, in which he, without admitting or denying the allegations against him, consented to certain findings and sanctions.

The Commission found that Stevens wilfully violated the registration and antifraud provisions of the securities laws. Such violations stem from transactions in the over-the-counter security, Rotex International, Inc. It was further found by the Commission that based upon these violations, the respondent consented to be permanently enjoined from violating the above provisions of the securities laws by the U.S. District Court for the District of New Jersey.

The Commission's order provides that Stevens be barred from association with a broker-dealer, investment adviser, or investment company. (Rel. 34-14292)

TRADING SUSPENSIONS

TRADING SUSPENDED IN STARR BROADCASTING GROUP, INC. AND TENNESSEE FORGING STEEL CORPORATION

The SEC announced the single ten-day suspension of exchange and over-the-counter trading in all securities of Starr Broadcasting Group, Inc. (SBG) and Tennessee Forging Steel Corporation (TFSC), a Virginia corporation located in Harriman, Tennessee, for the periods beginning on January 4 and terminating at midnight (EST) on January 13, 1978.

The Commission initiated the suspension in SBG's securities at the request of the company because of the lack of adequate and accurate public information about discussions concerning the potential sale of a controlling interest in SBG. (Rel. 34-14336)

The Commission initiated the suspension in TFSC's securities at the request of the company because of the lack of adequate and accurate public information about the company's operations and financial condition arising from TFSC's failure to file with the Commission at least its annual report on Form 10-K for the fiscal year ended June 30, 1977 and its quarterly report on Form 10-Q for the quarter ended September 30, 1977. (Rel. 34-14340)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES RANCHERS PACKING CORPORATION, OTHERS

The New York Regional Office announced that on December 22 a complaint was filed in the U.S. District Court for the Eastern District of New York seeking to enjoin Ranchers Packing Corporation, a Delaware corporation with its principal place of business in Flushing, New York, Robert Boyer of Hempstead, New York, Peter Castellana of Westbury, New York, and Anthony Mattone of Bayside, New York, from violating and aiding and abetting violations of the reporting provisions of the securities laws.

The Commission's complaint alleged that Ranchers, while under the management and control of Boyer, Mattone and Castellana, filed with the Commission an annual report on Form 10-K for the period ended December 31, 1975 which was false and misleading and contained several omissions and misstatements of material facts. In addition, the complaint alleged that during the period from January 1, 1976 to the present, Ranchers failed to file with the Commission an annual report on Form 10-K, quarterly reports on Form 10-Q, and certain current reports on Form 8-K.

Simultaneously with the filing of the complaint, Ranchers, Castellana and Mattone consented to the entry of final judgments of permanent injunction enjoining them from further violations of the reporting provisions of the securities laws. The defendants consented to the entry of the injunctions without admitting or denying the allegations contained in the Commission's complaint. (SEC v. Ranchers Packing Corporation, et al., 77 Civil 2521, E.D.N.Y.). (LR-8240)

INVESTMENT COMPANY ACT RELEASES

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

An order has been issued on an application of The Prudential Insurance Company of America (Prudential), a New Jersey mutual life insurance company, and Prudential's Annuity Plan Account-2, a separate account of Prudential registered under the Investment Company Act of 1940 as a unit investment trust (hereinafter collectively referred to as Applicants), pursuant to Section 6(c) of the Act granting exemption from Sections 22(e), 27(c)(1) and 27(d) to the extent necessary to permit compliance by Applicants with certain provisions of the Education Code of the State of Texas as it would apply to variable annuity contracts issued subsequent to the date of the order and pursuant to Section 11 of the Act approving an offer of exchange. (Rel. IC-10078 - Jan. 3)

INSURED MUNICIPALS - INCOME TRUST

A notice has been issued giving interested persons until January 30 to request a hearing on an application of Insured Municipals - Income Trust and Investors' Corporate - Income Trust, two unit investment trusts, and their sponsor or co-sponsors, as the case may be, Van Kampen Sauerman, Inc. and Dain, Kalman & Quail, Inc., for an order per-

mitting an exchange offer by the two unit investment trusts on a basis other than their respective net asset value per unit at the time of exchange pursuant to Section 11(a) of the Investment Company Act of 1940, and exempting the above exchange offer from the provisions of Section 22(d) of the Act pursuant to Section 6(c) of the Act. (Rel. IC-10079 - Jan. 3)

REDMOND GROWTH FUND

A notice has been issued giving interested persons until January 30 to request a hearing on an application of Redmond Growth Fund, Inc., an open-end, non-diversified investment company, for an order declaring that it has ceased to be an investment company. (Rel. IC-10080 - Jan. 3)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Depository Trust Company (DTC) has filed a proposed rule change pursuant to Rule 19b-4 (SR-DTC-77-13) to authorize its Board of Director to set the date for DTC's annual meeting sometime within the first three months of the calendar year. Currently, DTC's annual meeting is held on the fourth Wednesday in March. Publication of the proposal is expected to be made in the Federal Register during the week of January 9. (Rel. 34-14335)

TRUST INDENTURE ACT RELEASES

AMERICAN AIRLINES, INC.

An order has been issued under the Trust Indenture Act of 1934 on an application of American Airlines, Inc. that the trusteeship of Bankers Trust Company of New York under an indenture and an equipment trust agreement is not so likely to involve a material conflict of interest as to make it necessary to disqualify Bankers Trust Company from acting as trustee. (Rel. TI-499)

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-8) PLAYBOY ENTERPRISES, INC., 919 North Michigan Ave., Chicago, Ill. 60611 - 1,400,000 shares of common stock. The company was organized to publish a monthly magazine. (File 2-60588 - Dec. 30)
- (S-8) PARKER DRILLING COMPANY, Parker Bldg., 8 East Third, Tulsa, Okla. 74103 - 250,000 shares of common stock. The company's principal business is contract drilling for the oil and gas industry. (File 2-60593 - Jan. 4)
- (S-16) RLC CORP., One Rollins Plaza, Wilmington, Del. 19899 (302) 658-8541 - 15,000 shares of common stock. (File 2-60594 - Jan. 3)
- (S-16) DORR-OLIVER INCORPORATED, 77 Havemeyer Lane, Stamford, Conn. 06904 (203) 348-5871 - 24,286 shares of common stock. (File 2-60595 - Jan. 3)
- (S-8) TEXAS AMERICAN BANCSHARES INC., 500 Throckmorton, Fort Worth, Tex. 76102 - 200,000 shares of common stock. The company is engaged in a general commercial banking business and provides consumer banking and trust services. (File 2-60596 - Jan. 3)
- (S-8) ENERGY RESOURCES CORPORATION, 2735 Villa Creek Dr., Suite 165, Dallas, Tex. 75234 - 113,375 shares of common stock. The company is engaged, among other things, in the production of oil and natural gas. (File 2-60597 - Jan. 3)
- (S-6) THE CORPORATE INCOME FUND, TWELFTH PREFERRED STOCK SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10006 - 25,000 units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10006, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-60599 - Jan. 4)

REGISTRATIONS EFFECTIVE

Dec. 28: Iowa Southern Utilities Co., 2-60276.

Dec. 29: Scientific-Atlanta, Inc., 2-60394.

Jan. 3: The Colwell Co., 2-58145; Herman Miller, Inc., 2-60294; Microwave Associates, Inc., 2-60591; Raychem Corp., 2-60493; Scientific-Atlanta, Inc., 2-60420; The Stone Oil Corp. 1978 Program-I Ltd., 2-60119 (Feb. 28, 1978).

Jan. 4: Argo Petroleum Corp., 2-57032; Signal Finance Corp., 2-60324.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

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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