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Editorial Section

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EDITOR'S NOTE

The problems of corporate financing are myriad. Not the least of these problems to the corporate attorney is that of piloting the corporation through the intricacies of federal securities law in order to accomplish one or more legally successful issuances of securities. This task is generally simplified if the corporation can avoid having to comply with the requirement of section 5 of the Securities Act of 1933 that a security be registered with the Securities and Exchange Commission prior to issuance. Such avoidance is made possible by several exemptions to the registration requirement.

The availability of an exemption is often a tenuous proposition. This is particularly the case when the issue for which the exemption is claimed is followed by another issue for which that particular exemption is not available. It is always possible that the SEC will consider what the corporation asserts to be a series of separate issues to be in fact but parts of a single issue. Since it is generally the case that an exemption will not be available for only *part* of an issue, the integration of allegedly separate issues into one recognized issue will have the effect of denying the availability of a claimed exemption to a previously distinct issue after its integration. At this point the un-

availability of an exemption will mean that the registration provisions of the Act already have been violated.

To alert the securities lawyer to the circumstances which produce the integration phenomenon, and to suggest some reforms of present securities law which should eliminate integration's most blatent inequities, Ronald M. Shapiro and Alan R. Sachs, of the Maryland bar, have co-authored for this issue of the *Review* "Integration Under the Securities Act: Once an Exemption, Not Always . . . ." This article explores the effects of integration upon the most widely used exemptions and suggests several approaches which the corporate attorney can take in order to avoid integration pitfalls.

Prison reform is a timely subject, particularly in Maryland where recent litigation by state prisoners seeking protection of their rights has revealed the prevalence of conditions and practices in the Maryland penal system which would disgust a zookeeper. Michael A. Millemann, an attorney who has participated quite actively in the prosecution of this litigation, has written for this issue a lengthy article entitled "Prison Disciplinary Hearings and Procedural Due Process — The Requirement of a Full Administrative Hearing." Although, as its title indicates, the discussion is confined to an examination of the *procedural* inequities which have heretofore been rampant in prison life in general, it suggests that our traditional use of prisons as mere repositories of criminal bodies does not accomplish the rehabilitation and prevention of recidivism which we desire from our penal systems. While this suggestion is hardly novel, it is not meant to be; it should be considered nothing more than a reminder that a program which purports to ready human beings for life in a civilized society can never even pretend to be effective until it is itself reflective of civilizing influences.

The editors welcome the inclusion in this issue of a lengthy student comment on the measure of damages for a violation of the Robinson-Patman Act. A casenote dealing with Rule 41(b) of the Federal Rules of Civil Procedure concludes the issue.