

sec news digest

a daily summary from the securities and exchange commission

Issue 73-246

(SEC Docket, Vol. 3, No. 7 - Jan 2)*

December 21, 1973

DECISIONS IN ADMINISTRATIVE PROCEEDING

WALTER TEPPER BARRED. An order has been issued barring Walter Tepper, of Matawan, New Jersey, from association with any broker-dealer, investment adviser or investment company.

The sanction was based upon findings that, about October 1, 1969 to May 14, 1970, Tepper participated in a manipulative scheme involving the common stock of Belmont Franchising Corp. pursuant to that scheme, a market for Belmont stock was initiated at an artificial level and controlled and manipulated thereafter; fictitious prices for the stock were quoted in the "pink sheets" published by the National Quotation Bureau, Inc. and otherwise; and secret arrangements were made to trade Belmont stock and quote it in the pink sheets in return for protection against loss, and to engage in transactions in the stock at the direction of others.

Without admitting or denying the charges against him, Tepper consented to the findings and the indicated sanction. (Rel. 34-10548)

DECISION PERMANENTLY SUSPENDING REGULATION A EXEMPTION OF COMTECH VENTURE FUND, INC. FINAL. The SEC has made final an administrative law judge's initial decision permanently suspending the Regulation A exemption from registration of a public offering of stock of Comtech Venture Fund, Inc.

According to the decision, Comtech's use of the Regulation A exemption was precluded because a Comtech officer and a company affiliated with Comtech had been enjoined from further violations of the Maryland Securities Act. The use of the Regulation A exemption was also precluded because Comtech's affiliated company had sold unregistered securities during the previous year which, together with Comtech's proposed offering, exceeded \$500,000. (Rel. 34-5446)

COMMISSION ANNOUNCEMENTS

TRIX SUSPENSION TO TERMINATE. Over-the-counter trading in the common stock of Triex International Corporation, a Delaware corporation with offices located in Miami, Fla., will terminate at midnight (EST) on December 23, 1973.

The Commission initiated the trading suspension on December 15, 1972 because of the unavailability of current adequate and accurate information concerning the company, its operations and financial condition, and because of the unusual market activity in Triex's securities and the lack of information to account for this activity.

Triex has informed the Commission that it is without funds to retain professional accounting personnel to prepare financial statements and, therefore, there is still no current, adequate and accurate information available concerning Triex. Triex also has been unable to obtain the services of a stock transfer agent. In addition, the Triex's stock transfer records are inaccurate and out of date.

The Commission reminds broker-dealers of their responsibilities under the securities laws in view of the absence at the present time of any transfer agent for Triex securities. In this regard, the Commission stated in Release 33-8363, July 29, 1968, that "it would be inconsistent with applicable requirements for a broker-dealer to sell a security as principal for his own account or to purchase it as broker for any other person, if the broker-dealer knows, or has reason to believe that it is difficult to obtain delivery with respect to a particular security because of delays in transfer..." (Rel. 34-10571)

COURT ENFORCEMENT ACTIONS

MIDLAND EQUITY CORPORATION ENJOINED. The SEC New York Regional Office announced that on December 4 the Federal court in New York issued a decision which held that Midland Equity Corporation, a New York broker-dealer, and James Joseph Hammarth, its president, were in violation of the Commission's visitation, inspection and preservation provisions. Further, the Court granted the Commission's motion for a preliminary injunction.

The complaint in this action was filed on June 12, 1973 and the hearing was held on June 21, 1973. (LR-6177)

*(The Docket reference cited on issues 73-243 and 73-244 should have been Vol. 3, No. 7 - Jan. 2, not Vol. 3, No. 6 - Dec. 26.)

INVESTMENT COMPANY ACT RELEASES

FUNDAMATIC INVESTORS. An order has been issued continuing until December 31, 1973 a prior order of the Commission permitting Fundamatic Investors, Inc., an open-end investment company which is presently being liquidated under court order, to suspend redemption of its outstanding redeemable securities and to postpone payment for shares submitted for redemption but for which payment has not been made. (Rel. IC-8143)

SOURCE CAPITAL. An order has been issued on an application of Source Capital, Inc. (SCI), a closed-end management company, and Wilfred O. Dunkel, an affiliated person of an affiliated person of SCI, permitting the sale by SCI to Dunkel of shares of common stock of Henry Engineering Company (Henry) and the sale of Henry common stock to Dunkel by certain other Henry shareholders. (Rel. IC-8144)

HOLDING COMPANY ACT RELEASES

EASTERN UTILITIES ASSOCIATES. A supplemental order has been issued authorizing Eastern Utilities Associates (EUA), a registered holding company, to increase the amount of open account advances from EUA to Blackstone Valley Electric Company, a subsidiary. (Rel. 35-18224)

SECURITIES ACT REGISTRATIONS FILED

(S-6) AMERICAN GENERAL LIFE INSURANCE COMPANY OF DELAWARE, 2727 Allen Parkway, Houston, Tex. 77019, as depositor, has filed a registration statement for American General Life Insurance Company of Delaware Separate Account D, a unit investment trust, for \$2,500,000 of deferred and immediate individual variable annuity contracts. (File 2-49805 - Dec. 6)

(S-7) PACIFIC POWER & LIGHT COMPANY, 920 S. W. 6th Ave., Portland, Or. 97204 - \$60 million of first mortgage bonds, due 2004 to be offered at competitive bidding. The Company is engaged primarily in generating, purchasing, transmitting and distributing electricity. (File 2-49808 - Dec. 6)

(S-1) PUBLIC SERVICE COMPANY OF OKLAHOMA, 600 South Main St., Tulsa, Okla. 74119 - \$35 million first mortgage bonds due January 1, 2004, and 250,000 shares of preferred stock (\$100 par), to be offered through underwriters at competitive bidding. The company is an electric utility serving portions of eastern and southwestern Oklahoma. (File 2-49809 - Dec. 7)

(S-7) SAN DIEGO GAS & ELECTRIC COMPANY, 101 Ash St., San Diego, Cal. 92101 - \$75 million first mortgage bonds, Series M due 2004, to be offered for sale at competitive bidding. San Diego Gas & Electric Company is an operating public utility company. (File 2-49810 - Dec. 7)

(S-16) READING & BATES OFFSHORE DRILLING COMPANY, 3800 First Place, Tulsa, Okla. 74103 - 104,102 shares of common stock issuable upon exercise of a warrant, to be offered for sale by a selling securityholder through underwriters headed by Shields Securities Corporation, 44 Wall St., New York, N.Y. 10005 and Hulme, Applegate & Humphrey, Inc., 586 Union Trust Bldg., Pittsburgh, Pa. 15219. The Company is engaged primarily in contract drilling of oil and gas wells, in the construction of oil and gas pipelines and in exploration for and production of oil and gas. (File 2-49813 - Dec. 7)

(S-1) CORDIS CORPORATION, 125 N. E. 40th St., Miami, Fla. 33137 - warrants to purchase common stock and 42,950 shares of common stock, of which 24,000 shares are issuable upon exercise of the warrants, which may be offered for sale from time to time by certain security holders. The Company designs, manufactures and sells cardiac pacers, angiocardigraphic equipment used for the diagnosis of cardiovascular diseases, and other specialized medical products. (File 2-49816 - Dec. 7)

(S-16) CROWN ZELLERBACH CORPORATION, One Bush St., San Francisco, Cal. 94119 - 288,333 shares of common stock, which may be offered from time to time by certain shareholders at prices prevailing at the time of sale. These shares were issued by Crown Zellerbach in the acquisition of the business and assets of Rainier Manufacturing Co. Crown Zellerbach primarily manufactures and distributes a broad range of paper products. (File 2-49817 - Dec. 10)

8K REPORTS CONT.

| | | |
|--------------------------------------|-----------|-------|
| SOUTHEAST BANKING CORP | 7,8 | 11/73 |
| SOUTHERN RAILWAY CO | 3,14 | 11/73 |
| SOUTHERN SECURITIES CORP | 1,2,13 | 11/73 |
| SOUTHLAND LOYALTY CO | 13 | 11/73 |
| SOUTHWESTERN BELL TELEPHONE CO | 11,14 | 11/73 |
| SPACE & LEISURE TIME LTD | 8,13,14 | 11/73 |
| SPARTAN FOOD SYSTEMS INC | 11,14 | 11/73 |
| SPOTTS FLOKAFAX CORP | 3 | 10/73 |
| STA RITE INDUSTRIES INC | 13 | 11/73 |
| STEEL VALLEY INC | 1 | 05/73 |
| STORAGE TECHNOLOGY CORP | 7,14 | 10/73 |
| STURY CHEMICAL CORP | 4,6,14 | 11/73 |
| SUBURBAN BANKCORPORATION | 3 | 11/73 |
| SUPERIOR ELECTRIC CO | 4,7,8,14 | 11/73 |
| SYCOR INC | 13 | 11/73 |
| TANDY CORP | 11 | 11/73 |
| TANNETICS INC | 3,9 | 11/73 |
| TAYLOR RENTAL CORP | 7,14 | 11/73 |
| TECHNOLOGY INC | 11,14 | 11/73 |
| TELEPRO INDUSTRIES INC | 7 | 11/73 |
| TERRAMAR CORP | 7,8,11 | 11/73 |
| TEXAS FIRST MORTGAGE REIT | 13 | 11/73 |
| TEXAS OIL & GAS CORP | 7,8,14 | 11/73 |
| THEFCORP CORP | 2,3,14 | 11/73 |
| TIBURON VINTNERS INC | 13,14 | 12/73 |
| TIME HOLDINGS INC | 7 | 11/73 |
| TRANS WORLD AIRLINES INC | 7,13 | 11/73 |
| TRANSCON BUILDERS INC | 3,13 | 11/73 |
| TUCKER LAND CO | 14 | 11/73 |
| TWENTIETH CENTURY FOX FILM CORP | 10,14 | 10/73 |
| ULTRA DYNAMICS CORP | 11 | 11/73 |
| UNI SHIELD INTERNATIONAL CORP | 2,12,14 | 10/73 |
| UNION CORP | 11,14 | 11/73 |
| UNITED JERSEY BANKS | 13 | 11/73 |
| UNITED MERCHANTS & MANUFACTURERS INC | 7,14 | 11/73 |
| UNITED STATES ENERGY CORP | 1 | 11/73 |
| UNITED STATES ENVELOPE CO | 10 | 11/73 |
| UNITED STATES REDUCTION CO | 3 | 09/73 |
| UNIVERSAL CONTAINER CORP | 4,7,13,14 | 10/73 |
| VALMAC INDUSTRIES INC | 3,14 | 10/73 |
| VANCE SANDERS & CO INC | 9,11,14 | 11/73 |
| VERIT INDUSTRIES | 3,8 | 11/73 |
| VETCO OFFSHORE INDUSTRIES INC | 7 | 11/73 |
| VICTORIA STATION INC | 7 | 11/73 |
| VIRGINIA SAVSHARES INC | 13,14 | 11/73 |
| VOLUNTEER NATURAL GAS CO | 11 | 11/73 |
| WALTER JIM CORP | 3 | 11/73 |
| WARWALU INC | 7,8,13,14 | 11/73 |
| WATERS ASSOCIATES INC | 9 | 11/73 |
| WAYNES PHOTO FINISHING INC | 2 | 10/73 |
| WEINGARTEN MARKETS REALTY CO | 7,14 | 11/73 |
| WELLCO ENTERPRISES INC | 11,13 | 11/73 |
| WEST CHEMICAL PRODUCTS INC | 13,14 | 11/73 |
| WESTERN CRBIS CO | 11 | 11/73 |
| WESTERN RESEARCH & DEVELOPMENT INC | 13 | 09/73 |
| WESTINGHOUSE CREDIT CORP | 11 | 04/73 |
| WHITE SHIELD CORP | 2,14 | 11/73 |

Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail, \$8.25 additional for foreign mailing, \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail, \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.