

# sec news digest

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### COMMISSION ANNOUNCEMENTS

RESPONSE TO NYSE AND NASD MEMORANDUM OF UNDERSTANDING PROVIDING FOR ESTABLISHMENT OF A COMMITTEE TO DEVELOP SINGLE NATIONAL CLEARING FACILITY PLAN. The Commission today made public its response to the submission by the New York Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. of a memorandum of understanding (Memorandum) among the NASD, the NYSE and such other registered national securities exchanges as may elect to become parties providing for the formation of a committee to develop and recommend to the parties to the Memorandum a plan providing for the establishment and implementation of a single securities clearance and settlement organization. The Commission's response, contained in identical letters to the NYSE and the NASD, recognizes that the proposals made in the Memorandum represent a significant step toward the establishment of a nationwide clearing and settlement system. In the letters the Commission indicates the characteristics which it believes should be fundamental to a nationwide clearing and settlement system and recommends that in developing a plan for the establishment of a nationwide system the committee both explore possible alternatives to a single clearance and settlement facility and consider a number of factors in addition to those contained in the Memorandum. (Rel. 34-10631)

DISCLOSURE OF EXTRACTIVE RESERVES AND NATURAL GAS SUPPLIES PROPOSED. The Commission has announced its proposal to amend Guide 28, "extractive Reserves," of the Guides for Preparation and Filing of Registration Statements (Rel. 33-4936, as amended) under the Securities Act of 1933. In addition, the Commission is considering the adoption of the substance of Guide 28, as amended, as Guide 2 of proposed Guides for Preparation and Filing of Reports and Registration Statements under the Securities Exchange Act of 1934.

The proposed amendment to Guide 28 would require registrants engaged in the gathering, transmission, or distribution of natural gas to disclose adequate and appropriate information, based upon the facts and circumstances of their particular situation, with respect to the current availability (deliverability) of gas supplies. The Guide would set forth certain factors that firms in the gas industry should consider in making disclosure of their capacity to respond to users' needs for natural gas. Proposed Guide 2 would relate to similar descriptions of business and property required by Items 1(b) (Business) and 3 (Properties) of Forms 10 and 10-K under the Exchange Act, but would not require disclosure of extractive reserves in Form 10-K.

Interested persons are invited to submit their comments in writing to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, Washington, D. C. 20549, prior to March 29, 1974. All such communications will be placed in the public files of the Commission and should refer to File No. S7-511. (Rel. 33-5454)

REPUBLIC NATIONAL LIFE TRADING SUSPENDED. Over-the-counter trading has been suspended in the securities of Republic National Life Insurance Company, of Dallas, Texas, for a ten-day period beginning at 10:00 a.m. (EDT), February 7 and continuing through February 16, 1974.

The Commission initiated the suspension because of the lack of accurate and adequate information available to the public concerning the Company's operations and current and past financial statements of the Company. (Rel. 34-10633)

REG. A EXEMPTION OF LOCATING DEVICES, INC. TEMPORARILY SUSPENDED. An order has been issued temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933 of a public offering of securities of Locating Devices, Inc., Hauppauge, New York. Executive Park Securities of Elmsford, New York, was named the underwriter for the offering, which commenced on June 28, 1971, and was completed on July 30, 1971.

Under a notification filed on April 19, 1970, Locating offered 55,000 units (consisting of 55,000 shares of common stock and warrants to purchase 55,000 shares) at \$3 per unit for an aggregate of \$165,000. According to the order, the Commission has reason to believe

that: (a) the offering circular contained untrue statements of material facts and omitted to state material facts necessary to make the statements made not misleading, particularly about, among other things, the use of proceeds of the offering and the failure to disclose significant financial losses of the company; and (b) the offering was made in violation of the securities laws which prohibit fraudulent interstate transactions. (Rel. 33-5445)

#### DECISIONS IN ADMINISTRATIVE PROCEEDING

GEORGE RESCH BARRED. The SEC has barred George Resch, of New York City, from association with any broker-dealer. He may apply for permission to re-enter the securities business in a non-supervisory capacity after one year upon a showing of adequate supervision, and following a reasonable period of such association, he may apply for permission to become so associated in an unsupervised capacity.

According to the decision, Resch was involved in the manipulation of the market for the stock of Africa U.S.A., Inc., published bids for and purchased it at successively higher prices to create an apparent market in the stock and to raise its price, and made misstatements. In addition, Resch aided and abetted violations of the net capital and recordkeeping provisions of the securities laws.

The Commission's order was based upon an offer of settlement in which Resch, without admitting or denying any violations, consented to the indicated findings and sanction. (Rel. 34-10618)

GEORGE C. BERGLEITNER BARRED FROM ASSOCIATION WITH BROKER-DEALER. An order has been issued barring George C. Bergleitner, of Hobart, New York, a registered representative with a securities firm, from association with any broker or dealer. The order was based on findings that during 1972 and 1973, Bergleitner violated the antifraud provisions of the securities laws in the offer and sale of the common stock of Macron Electronics Corp., when that company was no longer in business, and in the publication of fictitious quotation prices for its stock. (Rel. 34-10621)

NASD ACTION AGAINST REMMELE & CO. AND PRESIDENT SUSTAINED. The SEC has sustained NASD disciplinary action against Remmele & Co., Granville, Ohio, and its president, James W. Remmele. The NASD had suspended respondents for 30 days and fined them \$2,000. The action was based on findings that during 1969-1970 Remmele & Co. and Remmele had failed to maintain adequate net capital and to prepare timely computations of net capital and aggregate indebtedness. (Rel. 34-10624)

#### HOLDING COMPANY ACT RELEASES

LOUISIANA POWER & LIGHT COMPANY. A notice has been issued giving interested persons until March 1 to request a hearing on proposals by Louisiana Power & Light Company, subsidiary of Middle South Utilities, Inc., to sell \$45 million of first mortgage bonds and 100,000 shares of cumulative preferred stock (\$100 par) at competitive bidding. (Rel. 35-18277)

#### SECURITIES ACT REGISTRATIONS FILED

(S-1) D. H. BALDWIN COMPANY, 1801 Gilbert Ave., Cincinnati, Ohio 45202 - 3,380,983 shares of common stock; 182,160 Class C 4% cumulative convertible preferred shares (\$100 par), Series 2; 77,588 Class C 4% cumulative convertible preferred shares (\$100 par), Series 3; 100,000 Class C cumulative convertible preferred shares (\$100 par); and 359,748 Class D 8% cumulative preferred shares (\$100 par). It is proposed to offer the common and 359,748 Class C preferred shares from time to time in the acquisitions of the stock or assets of banks and other corporations which may be acquired by a bank holding company. Part of the common and all of the Class D preferred shares are to be reserved for issuance upon conversion of the Class C shares. The company is a diversified financial services company which controls two banks, a savings and loan association and three insurance companies; in addition, the company manufactures and sells musical instruments, principally pianos and organs. (File 2-50102 - Jan. 25)

**(S-1) TELECOM EQUIPMENT CORP.**, 34-21 Review Ave., Long Island City, N. Y. 11101 - 100,000 units, each consisting of two shares of common stock and a 30 month warrant to purchase an additional share, to be offered for sale through underwriters headed by Executive Securities Corp., 1350 N.E. 125th St., Miami, Fla. 33161. The company sells, installs and services telephone equipment systems which are interconnected to regulated telephone company lines in lieu of equipment obtainable from regulated telephone companies only on a rental basis. (File 2-50161 - Feb. 5)

**SECURITIES ACT REGISTRATIONS. Effective February 6:** Black Giant Oil Co., 2-49190 (90 days); Hyland Manufacturing, Inc., 2-47477 (90 days); Sav-A-Stop Inc., 2-49769; Systron-Donner Corp., 2-49715; Warnaco Inc., 2-49928.

**NOTE TO DEALERS:** The period of time dealers are required to use the prospectus in trading transactions is shown in parentheses after the name of the issuer.

#### MISCELLANEOUS

**TRADING SUSPENSIONS.** The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Canadian Javelin, Ltd., and over-the-counter trading in the securities of Royal Properties, Inc. for the further ten-day period February 7-16, inclusive.

#### RECENT FORM 8-K FILINGS

Form 8K is a report which must be filed with the SEC by the 10th of the month after any of the following important events or changes: changes in control of the registrant; acquisition or disposition of assets; legal proceedings; changes in securities (*i.e.*, collateral for registered securities); defaults upon senior securities; increase or decrease in the amount of securities outstanding; options to purchase securities; revaluation of assets; submission of matters to a vote of security holders.

The companies listed below have filed Form 8-K reports for the month indicated, responding to the item of the form specified. Photocopies may be purchased from the Commission's Public Reference Section (*in ordering, please give month and year of report*). An index of the captions of the items of the form was included in Monday's News Digest.

COMPANY	ITEM NO.	MONTH
AMENDMENTS TO REPORTS ON FORM 8-K		
ALLIED SUPERMARKETS INC	10	06/73
INTERNATIONAL TELEPHONE & TELEGRAPH CORP	10	08/73
KMS INDUSTRIES INC	14	10/73
P&F INDUSTRIES INC	10	09/73
REAL LIGHT CO INC	12 -	10/73
SUNDERLING BROADCASTING CORP	10,14	10/73
VIKING GENERAL CORP	2	10/73
WISCONSIN TELEPHONE CO	3	05/73
POSTAL INSTANT PRESS	14	04/73
KEDFERN FOODS CORP	14	09/73
AMERICAN NUCLEONICS CORP	1	10/73
ATLAN TOL INDUSTRIES INC	14	07/73
DOUGHTIES FOODS INC	14	09/72
HAMILTON BROTHERS EXPLORATION CO	7	07/73
OUTLET CO	3	10/73
PAGE PETROLEUM LTD	7	09/73
WINTER JACK INC	14	09/73
CHARTER CO	10	10/73
PARA MEDICAL ENTERPRISES INC	14	08/73
CANADIAN HYDROCARBONS LTD	7	11/73
COMPUTER COMMUNICATIONS INC	14	10/73
MED HOLDINGS INC	13	10/73
MOTION INDUSTRIES INC	14	03/73
SIGNAL COMPANIES INC	7,14	10/73
BROOKS INTERNATIONAL INC	10	05/73
CI REALTY INVESTORS	14	01/73
CYBERMATICS INC	14	06/73

## 8K AMENDMENTS CONT.

LEADER INTERNATIONAL INDUSTRIES INC	12,14	09/73
MISSISSIPPI RIVER CORP	10,14	10/73
STANDARD MICROSYSTEMS CORP	7	09/73
AMERICAN DIVERSIFIED INDUSTRIES CORP	3	09/73
AMERICAN HEALTH SERVICES INC	14	09/73
AMERICAN TELEPHONE & TELEGRAPH CO	14	06/73
BALTEK CORP	7	07/73
CANDLER CO	7	10/73
FIRST INTERNATIONAL BANCSHARES INC	14	10/73
FIRSTMARK CORP	3	10/73
INTEGRITY ENTERTAINMENT CORP	13	08/73
MERIDIAN INVESTING & DEVELOPMENT CORP	3,13,14	09/73
PENN TECH CORP	2	12/72
SECURITY CAPITAL CORP	8	10/73
SHAPELL INDUSTRIES INC	14	08/73
STELLAR INDUSTRIES INC	1,7,13,14	10/72
STELLAR INDUSTRIES INC	1,13	01/73
STELLAR INDUSTRIES INC	1,6,13	02/73
STELLAR INDUSTRIES INC	0,7	05/73
STELLAR INDUSTRIES INC	1,6,13,14	06/73
STELLAR INDUSTRIES INC	6,8,13,14	09/73
TECH SYM CORP	7,14	05/73
TEXAS OIL & GAS CORP	2,14	08/73
USP REAL ESTATE INVESTMENT TRUST	14	03/73
VENTURA RESOURCES INC	2	10/73
CONTINENTAL AIR LINES INC	14	05/73
WORLD AIRWAYS INC	2	07/73

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 (\$35.45 a year, first class mail; \$8.90 additional for foreign mailing) and the SEC Docket (\$21.35 a year, first class mail; \$5.35 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.