

# sec news digest

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U.S. SECURITIES & EXCHANGE COMMISSION

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### COMMISSION ANNOUNCEMENTS

#### COMMISSION REQUESTS PUBLIC COMMENT ON FOREIGN ACCESS TO U.S. SECURITIES MARKETS.

The Commission announced that it was requesting public comment on issues concerning foreign access to the United States securities markets. The request is for comment on a broad range of policy questions concerning membership on and other access to American securities markets and securities associations by persons who are either foreign entities or United States broker-dealers affiliated with foreign nationals. All comments on these issues should be addressed to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol St., N. W., Washington, D. C. 20549. Comments should be received on or before April 5, 1974 and should refer to File No. S7-512. (Rel. 34-10634)

### DECISIONS IN ADMINISTRATIVE PROCEEDING

NASD ACTION AGAINST BOUEY AFFIRMED. The SEC has affirmed the NASD's action in disciplinary proceedings barring Melicent V. Bouey, who was in business as Bouey Investment Company, Washington, D. C., from association with any NASD member. The Commission sustained the NASD's findings that during 1970 respondent had failed to comply with net capital and recordkeeping records and had prepared untrue financial statements. (Rel. 34-10625)

### COURT ENFORCEMENT ACTIONS

INJUNCTION AGAINST MEMME & CO., OTHERS AFFIRMED. The SEC announced that the Court of Appeals for the Second Circuit affirmed a preliminary injunction issued by the U.S. District Court for New York against Memme & Co., Inc., broker-dealer, John Charles Fina, vice president, and other principals of that firm from continuing Memme's operations while in violation of the net capital, bookkeeping and supplemental reporting requirements of the securities laws. (LR-6236)

WILLIAM STRUB SENTENCED. The SEC has announced that on December 14 the Federal District Court sentenced William L. Strub, placing him on probation for three years and fining him \$10,000 following his guilty plea to violating the antifraud provisions of the Federal securities laws. (LR-6235)

COMPLAINT NAMES ABATRONIX, INC., OTHERS. The New York Regional Office announced the filing of a complaint on February 4 in Federal District Court in New York seeking to enjoin Abatronix, Inc. of Stamford, Conn.; N.R. Maison & Co., Inc., of New York City, Neal R. Maison of Brooklyn, N.Y.; Amalgamated Local Union 355 of Jackson Hts., N.Y.; United Welfare Fund of Jackson Hts., N.Y.; and Bernard Tolkow of Flushing, N.Y., from violations of the antifraud provisions of the Federal securities laws. Injunctions against the same defendants, along with Leo Glassman, New York, N. Y., are sought to enjoin further violations of the prospectus delivery requirements of the securities laws. The complaint further seeks injunctions against N.R. Maison & Co., Inc. and Neal R. Maison to enjoin violations of the extension of credit, bookkeeping and supplementary reporting requirements of the securities laws. The alleged violations involve transactions in Abatronix stock. The complaint alleges, among other things, that the defendants employed the use of a false and misleading prospectus in the sale of Abatronix stock, that the United Welfare Fund acted as an undisclosed underwriter in the public offering of such stock and that N.R. Maison & Co. has been, and is, holding itself out as a member in good standing of the Boston Stock Exchange, when it has in fact been suspended from that Exchange since November 1972. (LR-6237)

**HOLDING COMPANY ACT RELEASES**

**COLUMBIA GAS SYSTEM.** A notice has been issued giving interested persons until March 4 to request a hearing on a proposal of The Columbia Gas System, Inc., registered holding company, to amend its Certificate of Incorporation to (i) increase authorized common stock from 39,500,000 to 60,000,000 shares, (ii) increase authorized preferred stock from 500,000 to 10,000,000 shares and (iii) alter the rights and privileges of its preferred stock to accord with the Commission's Statement of Policy. In connection with these amendments, Columbia proposes to solicit by proxy the consents of its common stockholders. (Rel. 35-18278)

**INVESTMENT COMPANY ACT RELEASES**

**NATIONAL AVIATION CORPORATION.** A notice has been issued giving interested persons until March 4 to request a hearing on an application of National Aviation Corporation, a registered non-diversified, closed-end management investment company, for an order declaring that G. Keith Funston, a director of National Aviation Corporation, shall not be considered an "interested person" of National Aviation Corporation solely by reason of his status as a director of the Metropolitan Life Insurance Company which has registered as a broker-dealer under the Securities Exchange Act of 1934. (Rel. IC-8221)

**FIRST SECURITY GROWTH FUND.** The SEC has issued an order declaring that First Security Growth Fund, Inc., has ceased to be an investment company as defined in the Act. (Rel. IC-8222)

**MARKET GROWTH FUND.** The SEC has issued an order declaring that Market Growth Fund, Inc., has ceased to be an investment company as defined in the Act. (Rel. IC-8223)

**MISCELLANEOUS**

**TRADING SUSPENSIONS.** The SEC has announced the suspension of exchange and over-the-counter trading in the securities of BBI, Inc. and over-the-counter trading in the securities of U. S. Financial, Inc. for the further ten-day period February 8-17, inclusive, and over-the-counter trading in the securities of Patterson Corporation and Westgate California Corporation for the further ten-day period February 9-18, inclusive.

**SECURITIES ACT REGISTRATIONS.** Effective February 7: Granger Associates, 2-49911 and 2-49908; HCA-Martin, Inc., 2-49662; Knox Lumber Co., 2-49552 (Apr 1974); Kysor Industrial Corp., 2-50109; Microform Data Systems, Inc., 2-49704; Optical Radiation Corp., 2-49512; Pizza Hut, Inc., 2-49048; Santa Fe International Corp., 2-50051; Wang Laboratories, Inc., 2-49826.

**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.