

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



brief summary of financial proposals filed with and actions by the S.E.C.

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FOR RELEASE ... September 19, 1963 ...

BLUE HAVEN POOLS OFFERING SUSPENDED. The SEC has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Blue Haven Pools, 11933 Vose Street, North Hollywood, Calif. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. In a notification filed on November 1, 1961, the company and Norman Udkoff, Harold Udkoff, Leon Zisfain and Jack A. Berg, as selling stockholders, proposed the public offering of 35,000 common shares on behalf of the company and 20,000 shares on behalf of the selling stockholders, at \$4 per share. Pacific Coast Securities Company, of San Francisco, was the underwriter. The Commission asserts in its suspension order that it has reasonable cause to believe that a report of stock sales dated April 30, 1962 filed by the company and the selling stockholders was false in representing that the offering had been completed on March 30, 1962, whereas more than 20,000 shares were unsold at that date and the public offering by the underwriter continued for many months thereafter. It is also asserted that the company failed to file and provide a revised offering circular due December 26, 1962 although the underwriter continued the offering long beyond that date.

FIXED TRUST OIL SHARES SEEKS ORDER. Fixed Trust Oil Shares, New York unit investment trust, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3766) giving interested persons until October 2, 1963 to request a hearing thereon. According to the application, no trust shares have been offered for sale since the Trust's registration in 1940; and in 1954 the Trust Agreement was terminated pursuant to its own terms. As of June 28, 1963 there remained 125 trust shares outstanding; and remaining funds applicable to such outstanding shares (about 1,197) are being held in trust for payment to holders of the share certificates upon surrender thereof to the Trustee.

ISRAFUND - THE ISRAEL FUND SEEKS ORDER. Israfund - The Israel Fund, Inc., of New York, a closed-end investment company organized under New York law, has applied to the SEC for an order under the Investment Company Act declaring that it has ceased to be an investment company; and the Commission has issued an order (Release IC-3767) giving interested persons until October 2, 1963 to request a hearing thereon. According to the application, the company has not offered or sold its shares to the public and does not intend to do so; and it has no assets of any kind and has not transacted any business or entered into any agreements of any kind. Promoters of the company recently organized an open-end investment company under Delaware law bearing the same name as the company, which is now registered as a management, open-end, non-diversified investment company.

ELECTRONICS INTERNATIONAL CAPITAL SEEKS ORDER. Electronics International Capital Limited, a closed-end investment company of Bermuda, has applied to the SEC for an order under the Investment Company Act with respect to certain transactions involving an exchange of securities and other property between Novak Electronics, a Belgian corporation controlled by EICL, and Electronic Continental Anstalt of Vaduz, a Liechtenstein corporation, and an affiliated company of Novak; and the Commission has issued an order (Release IC-3768) giving interested persons until October 7, 1963 to request a hearing thereon. EICL owns 62% and Vaduz 10% of the outstanding capital stock of Novak. Vaduz is a holding company whose outstanding shares are owned by 13 stockholders including M. A. Huygen, its president, who owns 55%. The proposed transactions are pursuant to agreements among EICL, Novak and Huygen providing for the termination of Huygen's employment contract with Novak as well as a complete severance of the Huygen-Vaduz interests in Novak through an exchange of securities.

SEC ENTERS MARYVALE COMMUNITY HOSPITAL PROCEEDING. The SEC announced today that it has entered an appearance in the proceeding under Chapter X of the Bankruptcy Act for the reorganization of Maryvale Community Hospital, Inc. in the United States District Court at Phoenix, Arizona. The involuntary petition was filed on August 1, 1963 by five creditors holding an aggregate of \$36,200 of 8% first mortgage bonds. The debtor was organized to construct and equip a hospital. Its total assets are stated at \$1,580,000 and its total liabilities at \$3,853,000. The Debtor's major asset is the hospital, whose appraised value is \$1,150,000. Its major liability is the outstanding \$3,238,600 principal amount of 8% first mortgage bonds which are in default. These bonds are held by more than 1,300 persons.

SHIFF & CO. HEARING SCHEDULED. The SEC has scheduled a hearing for September 27th in its New York Regional Office in proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of Meyer H. Shiff, dba Shiff & Company, New Brunswick, N. J., for alleged failure to file a report of financial condition.

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RES AND OTHERS SENTENCED. In Litigation Release No. 2741 of September 10th, the Commission announces that Gerardo (Jerry) Re, Gerard F. Re and Ely Batkin were each sentenced to three years in prison (with six months to be served and the remaining two and one-half years suspended), with three years probation beginning upon expiration of the prison term and a \$15,000 fine, following their conviction (USDC, SDNY) of violating the Securities Act registration provisions and conspiring to manipulate the price of Swan-Finch Oil Corp. common stock on the American Stock Exchange. Two other defendants, also found guilty of said charges, received the following sentences: Charles A. Grande (Casagrande), three year suspended sentence, three years probation and a \$15,000 fine; and Jacob Yaffee, a one year suspended sentence with three years probation.

KAMEN & CO. AND OTHERS ENJOINED. The SEC New York Regional Office announced September 16 (LR-2742) the entry of Federal court orders (USDC, SDNY) preliminarily enjoining the following defendants from further violations of the anti-fraud and anti-manipulative provisions of the Federal securities laws: (1) Kamen & Company, a New York broker-dealer partnership, and Abraham Kamen, a general partner (entered upon consent), (2) Jerome Melvin Grossinger, of Riverdale, N. Y. (upon consent), Laurence H. Ross, of New York City (upon default), Anthony Perotta, of Brooklyn, N.Y., and Frances Ginsberg, also of Brooklyn, all former employees of Kamen & Co., (3) George Herman, of Riverdale, N. Y. (upon default), and (4) Jerome Richard & Co., Inc., a New York broker-dealer, Richard Venticinqu, its president, and Jerome Perlongo, vice president. A permanent injunction also was entered against Frederick Cirlin Associates, Inc., a New York broker-dealer, and its president, Frederick Cirlin, of Brooklyn (upon consent).

LAURENTIDE FINANCIAL FILES STOCK PLAN. Laurentide Financial Corporation Ltd., Vancouver, British Columbia, Canada, filed a registration statement (File 2-21716) with the SEC on September 18 seeking registration of 18,000 shares of common stock, to be offered pursuant to its Employee Stock Purchase Plan 1963-1964.

WARD INDUSTRIES DELISTING APPROVED. The SEC has issued an order under the Securities Exchange Act of 1934 (Release 34-7145) granting an application of the New York Stock Exchange to delist the common stock of Ward Industries Corporation, effective at the opening of business on September 24, 1963.

UNLISTED TRADING SOUGHT. The SEC has issued orders under the Securities Exchange Act of 1934 (Release 34-7145) giving interested persons until October 4th to request a hearing upon applications of the Detroit Stock Exchange for unlisted trading privileges in the common stocks of American Photocopy Equipment Co., Bell & Howell Co., Colgate-Palmolive Co., Eastern Air Lines, Inc., Firestone Tire & Rubber Co., B. F. Goodrich Co., KVP Sutherland Paper Co., E. J. Korvette, Inc., and Liggett & Myers Tobacco Co.

TENNESSEE LIFE INS. FILES FOR SECONDARY. Tennessee Life Insurance Company, Houston, Texas, today filed a registration statement (File 2-21717) with the SEC seeking registration of 500,000 outstanding shares of capital stock, to be offered for public sale by Tenneco Corporation through underwriters headed by First Southwest Company, Mercantile Bank Bldg., Dallas. The public offering price (maximum \$18 per share) and underwriting terms are to be supplied by amendment.

The company is engaged in the business of writing life, accident and health insurance on an ordinary and group basis. The company has 2,000,000 outstanding common shares, all owned by Tenneco Corp. (except qualifying shares). Tenneco Corp. is a subsidiary of Tennessee Gas Transmission Company; and the sale of the 500,000 shares will reduce Tenneco's stock interest to approximately 75% of the outstanding common of the insurance company. The company's prospectus lists Gardiner Symonds as board chairman and Curtis M. Smith as president. All but Smith and one other director of the company are officers either of Tennessee Gas or various of its other subsidiary corporations.

SECURITIES ACT REGISTRATIONS. Effective September 19: Computer Sciences Corp. (File 2-21625); Monarch Marking System Co. (File 2-21641); PMA Insurance Fund, Inc. (File 2-21302). Withdrawn September 18: Marine Midland Corp. (File 2-21530).

*As estimated for purposes of computing the registration fee.

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