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DECISIONS IN ADMINISTRATIVE PROCEEDINGS

SUSPENSION BY NASD OF COMMON STOCK OF
TASSAWAY, INC. FROM NASDAQ SYSTEM AFFIRMED

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The Commission affirmed the action of the NASD in dropping Tassaway Inc.'s common stock from the NASD's automated over-the-counter quotation system, commonly known as NASDAQ. Tassaway's surplus and capital was concededly below the \$250,000 minimum required by the NASD for continued NASDAQ listing. In fact, as of the final NASD decision, Tassaway had a \$3.4 million capital deficit. Tassaway's only argument was that it was on the verge of effecting an acquisition that would, when consummated, bring it into compliance with the \$250,000 requirement. The Commission pointed out that this contention had been overtaken by events, Tassaway having filed a report with the Commission stating that the acquisition agreement had been rescinded.

Since this was the first case in which an issuer complained to the Commission about the suspension of its securities from NASDAQ, the Commission's opinion stated the principles by which it would be guided in the future on such applications. They are comparable to those applied in cases where a national securities exchange seeks to delist a listed security. First, the interests of prospective investors are primary. Hence the continued listing of a non-complying security could be deceptive. Such listing can lead prospective investors to believe that the security measures up to applicable listing standards. Next, the Commission's function in reviewing the NASD's suspension of a security is narrow. If the specific grounds on which the action is based exist in fact and are in accord with applicable rules of the NASD, the Commission will dismiss the review proceeding. Finally, the Commission will not substitute its discretion for the NASD's.

The Commission went on to note that even if Tassaway's acquisition proposal were still viable, it would have had to dismiss. That was so because of Tassaway's admitted failure to comply with the Association's requirements. Hence continued listing was solely within the discretion of the NASD. With respect to that, the Commission said: "This is an area for pragmatic business judgments based on a kaleidoscopic variety of factors." (Rel. 34-11291)

PROCEEDINGS AGAINST SAMUEL SHASHO AND
MURRAY TEBELE DISMISSED

Proceedings under the Securities Exchange Act against Samuel Shasho and Murray Tebele, of Brooklyn, New York, have been dismissed. Shasho and Tebele were once limited partners in Kordich, Victor & Neufeld, formerly a registered broker-dealer. The Commission's order of dismissal noted that the firm and three of its general partners, Bruno Kordich, Lawrence Victor and Norman Neufeld, have already been barred from the securities business and that the involvement, if any, of Shasho and Tebele in the alleged violations was merely peripheral. (Rel. 34-11292)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES JAMES E. CORR III, OTHERS

The SEC announced the filing of a civil complaint in the U.S. District Court for the District of Columbia on March 19 against James E. Corr III, Neica Lee Corr (the Corrs), Alfred L. Hamilton (Hamilton), Clinton Youmans (Youmans), Joseph Sonberg (Sonberg) and Dennis Ormond (Ormond). The Commission's complaint seeks to enjoin the defendants from violations of the antifraud, antimanipulative, margin and reporting provisions of the securities laws.

The complaint alleges that during the latter part of 1974, the Corrs, Hamilton, Sonberg and Ormond participated in a scheme to manipulate upwards the price of the common stock of American Agronomics Corporation, listed on the American Stock Exchange. In further-

ance of this scheme, the complaint charges that Youmans, former president of the Community Bank of St. Petersburg, Florida, misappropriated approximately \$4 million from the bank which funds were used by the Corrs and their nominees in violation of the margin requirements, for manipulative purchases of American Agronomics stock. Hamilton also effected manipulative series of transactions and further participated in the alleged manipulation by, among other things, effecting wash sales and matched orders and sales with the Corrs, as part of the defendants' overall scheme to create a false and misleading appearance of active trading in American Agronomics stock. Defendants Sonberg and Ormond, both relatives of the Corrs, were named in the complaint as nominee purchasers of American Agronomics stock.

In addition to injunctive relief, the Commission's complaint seeks other equitable ancillary relief. (SEC v. James E. Corr III, et al., U.S.D.C., D.C.). (LR-6794)

COMPLAINT NAMES SOLITRON DEVICES INC.

The Commission announced the filing of a complaint in the U.S. District Court for the District of Columbia against Solitron Devices Inc. of Tappan, New York seeking an injunction and ancillary relief.

The Commission's complaint alleges that Solitron violated antifraud and reporting provisions of the securities laws by materially overstating their pre-tax and net income for the years 1967-1970 and failing to disclose substantial contingent liabilities during 1971-1974. The complaint further alleges that Solitron in 1975 made false and misleading public statements and public filings which misstated material facts and omitted to state material facts concerning the matters alleged in the Commission's complaint.

The ancillary relief sought by the Commission includes the appointment of a Reporting Agent to restate or correct Solitron's filings with the Commission, and to make adequate disclosure of Solitron's true financial condition. (SEC v. Solitron Devices Inc., U.S.D.C., D.C.). (LR-6795)

CONSENT INJUNCTION ENTERED AGAINST SOL BLAINE

The Atlanta Regional Office announced that on March 5 the Federal Court in Atlanta issued an order permanently enjoining Sol Blaine of Atlanta, from violations of registration and antifraud provisions of the securities laws in the offer and sale of promissory notes of North American Acceptance Corporation or any other security. Mr. Blaine consented to the entry of the injunction without admitting or denying the allegations in the Commission's complaint. (SEC v. North American Acceptance Corporation, et al., N.D. Ga. C75-230A). (LR-6793)

INVESTMENT COMPANY ACT RELEASES

WESTERN CAPITAL FUND

A notice has been issued giving interested persons until April 14 to request a hearing on an application by Western Capital Fund, Inc., declaring that it has ceased to be an investment company as defined in the Act. (Rel. IC-8718 - Mar. 18)

MUTUAL BENEFIT FUND

A notice has been issued giving interested persons until April 14 to request a hearing on an application by Mutual Benefit Fund (Benefit) and Mutual Benefit Growth Fund (Growth), both mutual funds, for an order of the Commission exempting the proposed reorganization of Growth into Benefit from certain provisions of the Act. (Rel. IC-8719 - Mar. 18)

HOLDING COMPANY ACT RELEASES

NEW ENGLAND ELECTRIC SYSTEM

A notice has been issued giving interested persons until April 17 to request a hearing on a proposal by New England Electric System, a registered holding company, that it amend its Articles of Incorporation to increase its authorized common stock. In connection therewith, an order has been issued permitting the company to solicit proxies from its common shareholders. (Rel. 35-18871 - Mar. 18)

ARKANSAS POWER & LIGHT COMPANY

A notice has been issued giving interested persons until April 8 to request a hearing on a proposal of Arkansas Power & Light Company, subsidiary of Middle South Utilities, Inc., to carry out certain transactions related to the financing of pollution control facilities. (Rel. 35-18872 - Mar. 18)

METROPOLITAN EDISON COMPANY

An order has been issued authorizing Metropolitan Edison Company, subsidiary of General Public Utilities Corporation, to issue and sell up to \$50 million of first mortgage bonds at competitive bidding. (Rel. 35-18873 - Mar. 19)

NORTHEAST UTILITIES

A notice has been issued giving interested persons until April 21 to request a hearing on a proposal to dispose of all the gas properties of Connecticut Light and Power Company and Hartford Electric Light, both of which are electric and gas subsidiaries of Northeast Utilities. That portion of the gas properties which is located in the Town of Wallingford, Connecticut, is proposed to be sold to the Town, and the balance to Connecticut Natural Gas Corporation. The definitive purchase prices will be determined as of the date of closing. Had the date of closing been September 30, 1974, the prices payable by the two purchasers would have been \$4,000,000 and \$134,500,000, respectively. (Rel. 35-18874 - Mar. 19)

GENERAL PUBLIC UTILITIES CORPORATION

An order has been issued releasing jurisdiction regarding the terms of the issue and sale of 2,300,000 additional shares of common stock by General Public Utilities Corporation. (Rel. 35-18875 - Mar. 19)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON ONE TRADING SUSPENSION

The SEC has announced the suspension of over-the-counter trading in the securities of Continental Vending Machine Corp. for the further ten-day period March 21 - 30, inclusive.

SECURITIES ACT REGISTRATIONS

(S-14) DEPOSITORS CORPORATION

284 Water St., Augusta, Maine 04330 - \$1,260,000 of subordinated debentures. It is proposed to issue these debentures for purchase of assets of South Portland Bank & Trust Company. Depositors is a registered bank holding company with six banking and one non banking subsidiaries. (File 2-52935 - Feb. 28)

(S-7) TRW INC.

2355 Euclid Ave., Cleveland, Ohio 44117 - \$100 million of debentures, due 2000. It is proposed to offer the debentures for sale through underwriters headed by Smith, Barney & Co. Incorporated, 20 Broad St., New York, N.Y. 10005. TRW and its subsidiaries principally manufacture and sell products for industry and government and perform advanced systems engineering, research and technical services. TRW's products and services are primarily designed for the electronics, automotive, spacecraft and propulsion, industrial and energy markets. (File 2-52980 - Mar. 7)

(S-6) NUVEEN TAX-EXEMPT BOND FUND, SERIES 70

209 South LaSalle St., Chicago, Ill. 60604 - \$10 million of units, to be offered for sale at net asset value. The Fund is one of a series of unit investment trusts created under a trust indenture between John Nuveen & Co. Incorporated as sponsor and United States Trust Company of New York as trustee. It consists of a portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal income tax under existing law. (File 2-53042 - Mar. 17)

(S-7) PENNZOIL COMPANY

900 Southwest Tower, Houston, Tex. 77002 - \$75 million of debentures, due 1985, to be offered for sale through underwriters represented by White, Weld & Co. Incorporated, One Liberty Plaza, 91 Liberty St., New York, N.Y. 10005 and Lehman Brothers Incorporated, One William St., New York, N.Y. 10004. Pennzoil engages in oil and gas exploration and production, in processing, refining and marketing of oil and gas and refined petroleum products and in mining and processing of copper, molybdenum, potash and sulphur. (File 2-53050 - Mar. 18)

(S-7) LONE STAR GAS COMPANY

301 South Harwood St., Dallas, Tex. 75201 - \$60 million of sinking fund debentures, due 2000, to be offered for sale through underwriters headed by Salomon Brothers, One New York Plaza, New York, N.Y. 10004, and Goldman, Sachs & Co., 55 Broad St., New York, N.Y. 10004. The company primarily distributes natural gas. (File 2-53052 - March 18)

In a separate statement the company seeks registration of 400,000 shares of cumulative preferred stock, Series A, to be offered for sale through the same underwriters named above. (File 2-53053 - Mar. 18)

(S-1) RIMER MANUFACTURING, INC.

27 E. Ferdinand St., Manheim, Pa. 17545 - \$3 million of 9% convertible subordinated sinking fund debentures, due 1990, to be offered for sale by the company (\$1,200,000 minimum, \$3,000,000 maximum) first to shareholders for a period of 30 days and thereafter to shareholders and others for a period of an additional 60 days. The company produces and sells plastic extrusions. (File 2-53055 - Mar. 18)

(S-7) HARSCO CORPORATION

Camp Hill, Pa. 17011 - \$50 million of sinking fund debentures, due 2000, to be offered for sale through underwriters headed by Lehman Brothers Incorporated, One William St., New York, N.Y. 10004 and Halsey, Stuart & Co. Inc., 100 Gold St., New York, N.Y. 10038. Harsco conducts both service and manufacturing operations. The most significant service operations consist of the reclamation of metal from steel-making slag and related mill services to steel producers. The company also manufactures and distributes a wide range of products and equipment including cylinders, forgings and steel castings; clay pipe and related products, construction equipment and grating; pipe fittings, truck bodies and accessories and doors and grilles; and defense vehicles. (File 2-53056 - Mar. 18)

(S-7) AMP INCORPORATED

Eisenhower Blvd., Harrisburg, Pa. 17105 - \$25 million of notes, due 1985, to be offered for sale through underwriters headed by Kidder, Peabody & Co. Incorporated, 10 Hanover Square, New York, N.Y. 10005 and Warburg Paribas Becker Inc., 55 Water St., New York, N.Y. 10041. AMP designs and produces electrical connections, switching, and programming devices and the application tooling to attach these devices to electrical conductors. (File 2-53058 - Mar. 18)

NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 15¢ per page plus postage (\$2 minimum) and 30¢ per page plus postage for expedited handling (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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