

# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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**FOUR FIRMS DISCIPLINED.** The SEC today announced a decision under the Securities Exchange Act (Release 34-7368) taking action, as indicated, with respect to the following broker-dealer firms:

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| 1) Sidney Tager, dba The Tager Company<br>30 Broad Street, New York | Registration revoked, and<br>expelled from NASD |
| 2) Darius Incorporated<br>80 Pine Street, New York                  | Registration revoked                            |
| 3) Englander & Co., Inc.<br>115 Broadway, New York                  | Fifteen-day suspension<br>from NASD (7/27-8/10) |
| 4) George Bassior, dba Bassior Company<br>101 Cedar St., New York   | Registration revoked                            |

In addition, Sheldon Leighton, president and sole stockholder of Darius, and Arnold Schultze, a Darius employee, were each found to be a cause of the revocation of Darius' registration; and Norris J. Rosenbaum, president of Englander, was found to be a cause of Englander's suspension from the NASD.

According to the Commission's decision, Tager, together with or aided and abetted by Darius, Leighton, Schultze, Englander and Rosenbaum, violated the anti-fraud and anti-manipulative provisions of the Federal securities laws, in connection with the offer and sale of stock of Diversified Collateral Corporation. Darius was the underwriter in a distribution of Diversified stock at \$4 per share in 1960. By entering quotations in the sheets for Diversified stock during such distribution, these respondents joined with Tager "in activities designed to stimulate purchases and maintain or increase the price of Diversified stock" in violation of the anti-manipulative provisions of SEC Rule 10b-6. Moreover, their activities created a false appearance of market activity, the purpose of which was to induce the purchase of the stock by others, in violation of the anti-fraud provisions of law.

Certain assertions by Tager in mitigation were rejected by the Commission. However, the lesser sanction was imposed against Englander and Rosenbaum in view of their more limited participation in the violations.

With respect to Bassior, who consented to the revocation of his registration, the Commission found that Darius, together with or aided and abetted by Leighton and Bassior, violated the registration and anti-fraud provisions of the Securities Act in the 1960 offering and sale of stock of C.F.C. Funding, Inc.

**AMERICA AND ISRAEL GROWTH FUND SEEK ORDER.** America and Israel Growth Fund, Inc., New York registered open-end management investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to maintaining part of its assets in the custody of Israel Discount Bank Ltd. (an Israeli banking corporation with its principal office in Tel Aviv, Israel), as agent of the Fund's custodian, Bankers Trust Company of New York; and the Commission has issued an order (Release IC-4011) giving interested persons until July 30, to request a hearing thereon.

**MARTIN TAHSE PROPOSES OFFERING.** Martin Tahse, 1860 Broadway, New York, filed a registration statement (File 2-22601) with the SEC on July 13 seeking registration of \$400,000 of Limited Partnership interests, to be offered for public sale in \$8,000 units. The interests relate to the Golden Gate Company, a Limited Partnership, to be formed for the purpose of managing and producing the dramatico-musical play presently entitled "Golden Gate" (the musical). The Partnership is to be formed under New York law upon successful completion of this offering. The offering is subject to a 20% involuntary overcall. No underwriting is involved.

Tahse (in a joint venture with Burlingame Productions, Inc.) will produce the musical. "Golden Gate" is an original musical comedy with book by Richard Morris, music by John Kander and lyrics by Fred Ebb. The musical spans nine years, opening the day after the San Francisco earthquake and fire and continuing through the opening of the Panama-Pacific Exposition of 1915. Tahse and such other persons as he may designate will act as the General Partners and will manage the Partnership. The General Partners, who will make no cash contribution, will receive (a) 50% of any net profits, (b) 1% of the gross receipts as a management fee, and (c) \$400 per week office expense charge for each company presenting the musical. The Limited Partners will furnish all of the capital initially required and will bear any losses incurred by the Partnership, up to the aggregate amount of their contributions. In return they will receive 50% of the net profits.

**LEASE PLAN INTERNATIONAL FILES FOR SECONDARY.** Lease Plan International Corp., 9 Chelsea Pl., Great Neck, N. Y., filed a registration statement (File 2-22603) with the SEC on July 14 seeking registration of 50,000 outstanding shares of common stock, to be offered for public sale through Kuhn, Loeb & Co., 30 Wall St., New York. The offering price (\$27.50 per share maximum\*) and underwriting terms are to be supplied by amendment.

The company is primarily engaged in the fleet leasing of trucks and cars, the leasing of trucks, cars and other equipment on a single or multiple-unit basis, the operation of trucks as a contract carrier and the haulage of mobile homes as a common carrier. In addition to indebtedness, it has outstanding 1,403,822 shares of common stock, of which management officials as a group own 19.5%. The prospectus lists four selling stockholders, as follows: H. L. Meckler (board chairman and president), offering 30,000 of his holding of

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235,118 common shares; LaRue C. Thomas, offering 6,667 of 16,433 common shares; Kenneth R. Thomas, offering 6,667 of 13,334 common shares; and L. LeRoy Wright, offering 6,666 of 13,333 common shares.

**TYLER PIPE & FOUNDRY FILES FOR OFFERING AND SECONDARY.** Tyler Pipe & Foundry Company, Lindale Rd., Swan, Tex., filed a registration statement (File 2-22604) with the SEC on July 14 seeking registration of 200,000 shares of common stock, of which 50,000 shares are to be offered for public sale at \$15 per share by the company and 150,000 shares (being outstanding stock) by the present holders thereof. The offering is to be made through underwriters headed by Dallas Rupe & Son, Inc., Republic National Bank Bldg., Dallas, which will receive a commission of \$1.50 per share.

The company is engaged in the business of designing, developing and manufacturing cast iron products. Of the net proceeds from its sale of additional stock, \$228,430 will be used to replace funds expended by the company to redeem 2,155 shares of its outstanding preferred stock and the balance will be added to working capital. In addition to indebtedness, the company has outstanding 944,888 shares of common stock, of which M. J. Harvey (board chairman and president) and members of his family own 52%. The prospectus lists nine selling stockholders who are offering an aggregate of 101,930 shares. The names of the remaining selling stockholders are to be supplied by amendment. The selling stockholders include Harvey (offering 20,700 of his holding of 133,451 common shares), M. J. Henley (offering 40,000 of 117,438 common shares), M. J. Harvey, Jr., vice president (offering 17,000 of 77,602 common shares), Richard S. Harvey, vice president (offering 10,000 of 24,301 common shares), and five other company officials whose proposed offerings range from 576 to 7,529 shares.

**SEC ENTERS GENERAL UNITED PROCEEDING.** The SEC has entered an appearance in the Chapter X proceedings for the reorganization of General United Corporation pending in the U. S. District Court in Topeka. Richard J. Allen serves as court-appointed trustee. The debtor lists assets at \$2,235,690, including receivables of \$321,929, plant and equipment of \$602,446, real estate investments of \$880,000. Liabilities of \$1,789,135 include some \$1,000,000 in secured indebtedness and short-term notes of \$592,000. It has outstanding 373,136 shares of \$2 par common stock held by about 1,200 investors.

**TEXAS GAS TRANSMISSION PROPOSES OFFERING.** Texas Gas Transmission Corporation, 3800 Frederica St., Owensboro, Ky., today filed a registration statement (File 2-22605) with the SEC seeking registration of \$25,000,000 of debentures (due 1984), to be offered for public sale through underwriters headed by Dillon, Read & Co. Inc., 46 William St., New York. The interest rate, public offering price and underwriting terms are to be supplied amendment.

The company owns and operates an interstate pipeline system for the transportation and sale of natural gas to customers in 8 states. Net proceeds from its debenture sale will be available to defray the cost of constructing additional pipeline and related facilities. Approximately \$19,500,000 is required for construction through 1965 and about \$4,700,000 is required to cover normal pipeline construction expenditures during 1964. In addition to indebtedness and preferred stock, the company has outstanding 3,506,522 shares of common stock, of which management officials as a group own 37,334 shares. Henry L. Hillman is board chairman and W. M. Elmer is president.

**U. S. DIVERSIFIED INDUSTRIES ORDERED TO FILE REPORT.** In a Federal court action (USDC SDNY) filed by the Commission against United States Diversified Industries Corporation, of New York City, that company was ordered to file with the Commission not later than August 30, 1964, a Form 10-K annual report for the year ended December 31, 1961. Until February 16, 1962, when it was delisted, the stock of the defendant was listed and registered on the Pittsburgh Stock Exchange. The fact that the stock was delisted within the 120-day period during which a report for 1961 was required by Section 13 of the Securities Exchange Act of 1934 did not relieve the company from such requirement. (LR-2984)

**SECURITIES ACT REGISTRATIONS.** Effective July 13: America Metal Climax, Inc. (File 2-22546). Effective July 15: American Hoist & Derrick Co. (File 2-22535); Loehmanns, Inc. (File 2-22527); Superior Fiber Products Inc. (File 2-22355).

\*As estimated for purposes of computing the registration fee.

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