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

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FOR RELEASE October 26, 1962

VIOLATIONS CHARGED TO STANDARD SECURITIES. The SEC has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Standard Securities Corporation, 7805 Sunset Blvd., Los Angeles, engaged in practices which operated as a "fraud and deceit" upon investors or otherwise violated the Federal securities laws and, if so, whether its broker-dealer registration should be revoked.

The said company ("registrant") has been registered with the Commission as a broker-dealer since December 24, 1959. James L. Fallon is president and sole stockholder and Herbert H. Meyer was secretary-treasurer until about June 21, 1962. (They hold similar positions with American-International Securities, Inc., also of Los Angeles, against which administrative proceedings were announced on October 22d in Release No. 34-6919.) In its order, the Commission recites charges of its staff that information developed in an investigation tends to show that in the offer and sale of the common stocks of Bradford Industries, Inc., Filmaster, Inc., and Wonderbowl, Inc., from about December 1959 to September 1962, registrant, Fallon and Meyer "engaged in transactions, acts, practices and courses of business which would and did operate as a fraud and deceit upon purchasers," in violation of the anti-fraud provisions of the Federal securities laws. They are said to have engaged in the distribution and sale of said securities to investors with whom they were unacquainted by means of intensive telephone, radio, television and direct mail solicitation, including the distribution of flamboyant and misleading brochures, advertisements and other sales literature; and it is asserted that, in connection therewith, they made false and misleading statements of material facts. The alleged misrepresentations with respect to Bradford relate to the source of its stock, its operating losses, profit potential and earnings, the anticipated increase in the market price of its stock, its sales contracts and business arrangements, and the listing of its stock on a national securities exchange; concerning Filmaster, to proprietary interests of the company in certain national TV programs, and the assets, liabilities and operating losses of its predecessors; and as to Wonderbowl, to its financial interests in enterprises and joint ventures controlled by Fallon and the misapplication and diversion of funds realized from the sale of its stock.

The staff also charges that the registrant and the two individuals engaged in other improper practices, including (1) the employment of unqualified salesmen and permitting them to sell securities to the public without suitable training or indoctrination in the standards of conduct required of those engaged in the securities business and to "load" and "reload" the accounts of investors with securities underwritten by registrant and to "switch" securities within such accounts; and (2) violations of the Commission's net capital and bookkeeping rules and the conduct of a securities business while registrant was insolvent. A hearing will be held, at a time and place to be announced, for the purpose of taking evidence on the foregoing to determine whether the staff charges are true and, if so, whether the broker-dealer registration of Standard Securities should be revoked. (NOTE TO PRESS. Copies of foregoing are also available at SEC Los Angeles Branch Office.)

MARTIN ASSOCIATES ENJOINED. The SEC New York Regional Office announced October 23rd (LR-2404) the entry of a Federal court order (USDC, SDNY) temporarily enjoining Robert A. Martin Associates, Inc., 980 Fifth Ave., New York, and Robert A. Martin, its president, from further violations of the Commission's net capital rule.

FOUR DEFENDANTS STIPULATE IN GREEN SHIELD CASE. The SEC Denver Regional Office announced October 23rd (LR-2405) that stipulations were entered into with four remaining defendants in the injunctive action originally filed against Green Shield Plan, Inc. and other defendants for violations of the registration and anti-fraud provisions of the Federal securities laws in the sale of stock of Green Shield Plan, Inc., pursuant to which the action was dismissed and preliminary injunctions were dissolved as to the defendants Robert Smelage, Stuart J. Thomas, Jr., Hamilton S. Gregg and Henry Imada. Previously, Green Shield Sales, Inc., Management Operations, Inc., Jack Londen, Jr., Herbert Greenberg and Jay D. Kuhl consented to a permanent injunction against violations of the Securities Act registration requirements.

LEWIS COHEN ENJOINED. The SEC New York Regional Office announced October 23rd (LR-2406) the entry of a Federal court order (USDC, SDNY) permanently enjoining Lewis Cohen, of Forrest Hills, N. Y., from further violations of the Securities Act anti-fraud provisions in the sale of common stock of Atomic Mining Corporation. Cohen consented to the entry of the decree.

MUTUAL REAL ESTATE INVESTORS ENJOINED. The SEC Boston Regional Office announced October 23rd (LR-2407) the entry of a Federal court order (USDC, Conn.) temporarily enjoining Mutual Real Estate Investors, Inc. and S. Robert Taylor its president, of New Haven and New York City, from further violations of the registration and anti-fraud provisions of the Federal securities laws in the offer and sale of limited partnership interests in real estate syndications.

MASS. ELECTRIC FINANCING APPROVED. The SEC has issued an order under the Holding Company Act (Release 35-14728) authorizing Massachusetts Electric Company, Boston subsidiary of New England Electric System, a registered holding company, to borrow \$10,000,000 during the remainder of 1962 from banks and/or NEES. The funds are to be used for construction expenditures, to reimburse the company's treasury for prior construction expenditures, and to pay outstanding notes to banks (amounting to \$1,100,000 at September 30th).

OVER

UNLISTED TRADING GRANTED. The SEC has granted an application of the Philadelphia-Baltimore-Washington Stock Exchange (Release 34-6923) for unlisted trading privileges in the common stock of Air Products and Chemicals, Inc.

UNLISTED TRADING SOUGHT. The SEC has issued an order (Release 34-6923) giving interested persons until November 9th to request a hearing upon an application of the Philadelphia-Baltimore-Washington Stock Exchange for unlisted trading privileges in the common stock of Bell and Howell Company.

FAIRCHILD CAMERA FILES FOR SECONDARY. Fairchild Camera and Instrument Corporation, 300 Robbins Lane, Syosset, L. I., N. Y., filed a registration statement (File 2-20839) with the SEC on October 25th seeking registration of 50,000 outstanding shares of common stock, to be offered for public sale by Sherman M. Fairchild, executive committee chairman, from time to time on the New York Stock Exchange at prevailing market prices (maximum \$47.50 per share*) or at private sales to institutional investors at negotiated prices related to prevailing market prices.

The company manufactures and sells a wide variety of products, including semiconductors, defense products and graphic equipment. In addition to certain indebtedness, it has outstanding 2,528,583 shares of common stock, of which Fairchild owns 20% (and proposes to sell the 50,000 shares) and management officials as a group own 24.8%. Richard Hodgson is president and John Carter is board chairman.

WORKMAN ELECTRONIC PRODUCTS FILES FOR STOCK OFFERING. Workman Electronic Products, Inc., Packinghouse Road, Sarasota, Fla., filed a registration statement (File 2-20840) with the SEC on October 25th seeking registration of 140,000 shares of common stock, to be offered for public sale at \$3 per share. The offering will be made on a "best efforts 70%-or-none basis" by Hensberry & Company, 219 Fourth St. No., St. Petersburg, Fla., which will receive a 30¢ per share commission and \$20,000 for expenses. The statement also includes 10,000 outstanding shares recently purchased by Robert E. Hensberry, president of the underwriter, from Henry Workman, president of the company, at \$1 per share.

The company is engaged in the manufacture, development, assembling and distribution of precise electronic replacement components, such as resistors, transistors, coils, parts, chemicals, service aids and accessories for radio, television and industrial use. Of the \$336,000 estimated net proceeds from the stock sale, \$170,000 will be used to pay a bank loan and the balance to finance finished and semi-finished inventory, for research and development and for general corporate purposes, including working capital. In addition to certain indebtedness, the company has outstanding 564,000 shares of common stock, of which Henry Workman and Kathleen J. Workman, a vice president, own 34.4% and 42.9%, respectively. Sale of new stock to the public at \$3 per share will result in an increase in the book value of stock now outstanding from 66¢ to \$1.01 per share with a resulting dilution of \$1.99 per share in the book equity of stock purchased by the public.

DORADO RIVIERA ASSOCIATES FILES FOR OFFERING. Dorado Riviera Associates, 350 Fifth Ave., New York, filed a registration statement (File 2-20841) with the SEC on October 25th seeking registration of \$3,550,000 of limited partnership interests in Associates, to be offered for public sale at \$5,000 per interest. No underwriting is involved.

Associates is a limited partnership organized under New York law on October 22, 1962 with George Geiger, Louis Kovacs, Joseph B. Danzansky and Graham Magee as general partners and Raymond R. Dickey as the original limited partner. It was organized for the purpose of acquiring ownership in fee title of the land and building, golf course, club house and gambling casino, and the furniture, furnishings, equipment and related facilities (all under construction) known as the Dorado Riviera Hotel and Golf Club, located in Dorado, Puerto Rico. The partnership will purchase the facilities from Puerto Rico Land and Development Corporation (on a lease back arrangement) for a total price of \$5,900,000, payable \$3,600,000 in cash and \$2,300,000 by taking title subject to a mortgage. The \$3,550,000 proceeds from this offering, together with \$50,000 contributed by the general and original limited partners, will be used to pay the cash portion of the purchase price. According to the prospectus, the purchase price is calculated to be equal to the aggregate cost to the seller of such facilities plus costs incurred in connection with this offering which it has assumed. The general partners are management officials and stockholders of Puerto Rico Land and Development.

HOUSEHOLD FINANCE PROPOSES DEBENTURE OFFERING. Household Finance Corporation, Prudential Plaza, Chicago, today filed a registration statement (File 2-20842) with the SEC seeking registration of \$60,000,000 of debentures due 1987, to be offered for public sale through underwriters headed by Lee Higginson Corp., 20 Broad St., New York, and two other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment. The company's principal business is the making of instalment loans under special laws, principally to consumers in comparatively small amounts. The net proceeds from the debenture sale will be used to reduce short-term bank and other loans obtained to provide additional funds for lending to customers in the usual course of business. In addition to various indebtedness and preferred stock, the company has outstanding 9,633,739 shares of common stock, of which Popular Finance Corporation, owns 13.7% and management officials as a group 2.3%. H. E. MacDonald is president.

GLAS FOAM HEARING POSTPONED. The SEC has authorized an indefinite postponement, pending further pre-trial conferences, of the hearing scheduled for October 29th in its Atlanta Regional Office with respect to the question of vacating or making permanent an order suspending a Regulation A exemption from Securities Act registration with respect to a proposed stock offering by Glas Foam Corporation of Hialeah, Fla.

SECURITIES ACT REGISTRATIONS. Effective October 26: Albert Heijn, N.V. (ADR's) (File 2-20827); Directomat, Inc. (File 2-20417); National Union Life Insurance Company of Pittsburgh (File 2-20715); Troy Village Realty Company (File 2-20480). Withdrawn October 23: International Realty Corp. (File 2-20286). Withdrawn October 25: Crownco (File 2-20042); New York Testing Laboratories, Inc. (File 2-19716). Withdrawn October 26: Kine Camera Company, Inc. (File 2-19326).

*As estimated for purposes of computing the registration fee.