

sec news digest

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March 19, 1974

TRADING SUSPENSIONS

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GRANBY MINING SUSPENSION TO TERMINATE

The SEC today announced that the suspension of exchange and over-the-counter trading in the securities of The Granby Mining Company, Ltd. of Vancouver, British Columbia, will terminate at midnight (EDT) March 20, 1974.

The Commission initiated the suspension on February 20, 1974 at the request of Granby pending an announcement by Zapata Corporation regarding a proposed tender offer for the shares of Granby.

On March 18, 1974, Zapata Corporation of Houston, Texas announced that its wholly-owned subsidiary, Zapata Canada Limited (a British Columbia company formed in 1971 to hold shares of Granby stock acquired at that time), is offering to purchase 484,221 Granby shares at \$27 per share, representing the 33.5% interest in Granby not presently held by Zapata.

Zapata further announced that the tender offer was being made in accordance with the terms of an agreement made in settlement of litigation brought against Zapata in connection with its initial investment in Granby in 1971; that the purchase of shares under the offer is conditioned upon a determination by the U. S. District Court for Texas that the terms of the proposed settlement are fair, reasonable and adequate; that a hearing on the settlement has been scheduled for April 10; and that the offer will not be made to Granby stockholders in the provinces of Alberta, Manitoba, Ontario, and Quebec until this condition is met. (Rel. 34-10689)

ADDITIONAL ACTION ON THREE TRADING SUSPENSIONS

The SEC has announced the suspension of exchange and over-the-counter trading in the securities of Canadian Javelin, Ltd., and over-the-counter trading in the securities of Royal Properties, Inc. and Republic National Life Insurance Co. for the further ten-day period March 19-28, inclusive.

COMMISSION ANNOUNCEMENTS

REGULATION A EXEMPTION OF BLANCHARD, BEIFUSS, & JOHNSON FINANCIAL SERVICES, INCORPORATED SUSPENDED

An order has been issued temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of securities of Blanchard, Beifuss & Johnson Financial Services, Incorporated (BBJ), of Thousand Oaks, California. The "20,000 shares or none" best efforts offering was to be conducted by the company through its officers and directors without the use of an underwriter.

Under a notification filed October 6, 1969, BBJ offered 30,000 shares of its common stock at \$3 per share. According to the order, the Commission has reason to believe that: (a) the offering circular of BBJ contains untrue statements of material facts and omits to state material facts necessary to make the statements not misleading, particularly with respect to the failure to disclose the actual plan of distribution and the identity of certain undisclosed underwriters; (b) the terms and conditions

of Regulation A have not been met, particularly with respect to the Form 2-A Report which failed to state the actual termination date of the offering, the offering circular failed to accurately state the terms of the offering and that the securities would be placed in certain nominee accounts; and (c) the offering was made in violation of the antifraud provisions of the securities laws. (Rel. 33-5472)

COURT ENFORCEMENT ACTIONS

CONTEMPT ORDER SOUGHT AGAINST BRIGADOON

The New York Regional Office announced that on March 18 an application was made in the U. S. District Court for New York seeking to cite and punish Brigadoon Scotch Distributing Co. for civil contempt of a court order. The order directed Brigadoon to comply, in full, with a subpoena calling for the production of certain books, records, documents and information. The Commission's application requests the imposition of a fine of \$2,500 per day for each day that Brigadoon fails to comply with the court order. The court order, dated November 2, 1973, had been issued in accordance with a mandate of the U. S. Court of Appeals for the Second Circuit following an appeal of an earlier court order directing partial compliance with the subpoena. (LR-6283)

ORENSTEIN, OTHERS, ENJOINED

The Commission announced that the U. S. District Court for New York permanently enjoined Henry Orenstein, President and Chief Executive Officer of Topper Corporation, Jack Rose, Senior Vice President for Finance and Secretary of Topper, and Frederick C. Pierce, Vice President for Sales of Topper, from violations of the antifraud, corporate reporting and prospectus disclosure provisions of the securities laws. The defendants consented to the court order without admitting or denying the allegations in the complaint. (LR-6278)

MARBAN, INC., OTHERS, ENJOINED

The SEC Washington Regional Office announced that on March 13 the U. S. District Court for the District of Columbia permanently enjoined by consent Marban, Inc., doing business as The Scotch Exchange of King of Prussia, Pennsylvania; Mark L. Myers of Malvern, Pennsylvania, Marban's president; and Block, Grey and Block Limited and Douglas Hamilton and Co. (Glasgow) Limited both of Glasgow, Scotland, from violations of the registration and antifraud provisions of the securities laws. Marban, Myers, Block and Hamilton had been engaged in the offer and sale of investments in Scotch whiskey in the United States. The defendants consented to the orders without admitting or denying the allegations in the Commission's complaint. (LR-6279)

MICHAEL LAMARCA SENTENCED

The Washington Regional Office announced that on March 13 before the Federal Court in Maryland, Michael LaMarca received a sentence of three years. LaMarca is to serve 90 days and thereafter be placed on 33 months probation. On October 4, 1973, LaMarca pleaded guilty to 1 count of conspiracy of a 14 count indictment. The indictment charged violations of the registration and antifraud provisions of securities laws, mail fraud, fraud by wire, interstate transportation of stolen property, and conspiracy to commit these offenses in the sale of unregistered stock of American Continental Industries, Inc. (LR-6280)

COMPLAINT NAMES ALVEY B. COLLINS, SR., OTHERS

The Washington Regional Office announced that on March 14 a complaint was filed in the U. S. District Court for Virginia, Alexandria Division, seeking to enjoin Alvey B. Collins, Sr. of Lorton, Virginia, Alvey B. Collins, Sr. Drilling Company, James S. Collins and Green Valley Oil and Gas Company, Inc., all of Oneida, Tennessee, from violations of the registration and antifraud provisions of the securities laws in the offer and sale of fractional undivided interests in oil and gas leases or any other securities. (LR-6281)

TECHNICAL FUND, INC., OTHERS INDICTED

The Boston Regional Office announced that a Federal Grand Jury in Boston had returned a twenty count indictment charging the following with violations, the aiding and abetting violations of and conspiracy to violate the antifraud, broker-dealer registration and financial reporting provisions, and the investment adviser and affiliated transactions provisions of the securities laws: The Technical Fund, Inc., a Boston Mutual Fund; Howard Smolar, president and director of Technical Fund; Security Planners Limited, Inc., broker-dealer and underwriter and investment adviser to Technical Fund; Jacques Kunitz, executive vice president and a director of Security Planners; Edward Vanasco, undisclosed principal of Security Planners and an undisclosed investment adviser to Technical Fund; Sumner H. Woodrow, counsel to Security Planners and Technical Fund; and William S. Rodman, registered representative with a New York broker-dealer, and an undisclosed principal of Security Planners. (LR-6282)

HOLDING COMPANY ACT RELEASES

UTAH POWER & LIGHT COMPANY

A notice has been issued giving interested persons until April 10 to request a hearing on a proposal of Utah Power & Light Company, an electric utility holding company, to sell 1,400,000 shares of preferred stock at competitive bidding. (Rel. 35-18326)

ORDERS FOR PUBLIC PROCEEDINGS

CORRECTION RE SCHREIBER BOSSE & CO., INC. RELEASE

The release number for the order for administrative proceedings against Schreiber Bosse & Co., Inc. cited in the News Digest article of March 18 was incorrect. The correct number is Rel. 34-10687.

SECURITIES ACT REGISTRATIONS

(S-11) URBAN IMPROVEMENT FUND LIMITED - 1974 (the Partnership)

6380 Wilshire Blvd., Los Angeles, Cal. 90048 - \$9 million of partnership interests, to be offered for sale in \$1,000 units through selected NASD members. The Partnership was formed to invest in other entities, usually limited partnerships, which provide tax shelter through ownership of federal, state and local government-assisted housing projects. (File 2-50182 - Feb 8)

(S-1) FIRST NEW MEXICO BANKSHARE CORPORATION

123 Central Ave., N.W., Albuquerque, N. M. 87101 - 32,000 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common shares of Grant County Bank, Silver City, New Mexico, at the rate of two First New Mexico shares for each Grant County share. First New Mexico is a registered bank holding company, which presently controls seven banks. (File 2-50298 - Feb 27)

(S-5) THE INSURERS' FUND, INC.

1301 South Harrison St., Fort Wayne, Ind. 46801 - \$10 million of common stock, to be offered for sale only to insurance companies at net asset value without sales load. The principal underwriter and distributor of these securities will be LNC Equity Sales Corporation. The Fund is a diversified open-end management investment company with a principal investment objective of long term growth of capital. (File 2-50315 - Feb 28)

(S-6) MUNICIPAL INVESTMENT TRUST FUND, TWENTY-SECOND MONTHLY PAYMENT SERIES

\$50 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporation, One Liberty Plaza, 165 Broadway, New York, N. Y. 10006. The Fund, a Unit Investment Trust, was created by a trust agreement among Merrill Lynch and Bache & Co. Incorporated, as Sponsors, The Bank of New York, as Trustee, and Standard & Poor's Corporation, as Evaluator. The Fund's primary objective is providing tax exempt income through investment in a fixed portfolio of interest-bearing, long-term state, municipal and public authority bonds. (File 2-50328 - Mar 1)

(S-14) THE LTV CORPORATION

1600 Pacific Ave., Dallas, Tex. 75201 - 3,758,018 shares of common stock. It is proposed to issue these shares to holders of outstanding shares of LTV's \$5 Series A preferred stock and special stock Class AA accumulating convertible pursuant to proposals to be voted on by LTV's stockholders at its Annual Meeting of Stockholders on May 21, 1974, to reclassify each share of \$5 Series A preferred stock as 5.25 shares of common stock and each share of special stock Class AA accumulating convertible as 1.4491 shares of common stock. LTV is engaged through subsidiaries primarily in the steel and ferrous metal products; meat and foods; and aerospace businesses. (File 2-50388 - Mar 11)

(S-7) BALTIMORE GAS AND ELECTRIC COMPANY

Gas and Electric Bldg., Charles Center, Baltimore, Md. 21203 - 350,000 shares of cumulative preference stock, 1974 series (\$100 par), to be offered for sale through underwriters headed by The First Boston Corporation, 20 Exchange Place, New York, N. Y. 10005. The company is an operating public utility primarily engaged in the businesses of producing, purchasing and selling natural gas. (File 2-50410 - Mar 14)

REGISTRATIONS EFFECTIVE

March 18: Daystrol-Scientific, Inc., 2-47506 (90 days); Duquesne Light Co., 2-50293; Jack Eckerd Corp., 2-50123; Nordson Corp., 2-50129; Paine, Webber, Jackson & Curtis Inc., 2-49735; Rosemount Inc., 2-50200; Southwestern Drug Corp., 2-50390; Texas Electric Service Co., 2-50272; Utah International Inc., 2-50296.
March 19: Dresser Industries, Inc., 2-50312.

REGISTRATIONS WITHDRAWN

March 18: Krizman Filtron Industries, 2-44818 (Abandoned).

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.

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 12¢ per page plus postage for mailing within four days (\$2 minimum) and 25¢ per page plus postage for over-night mailing (\$5 minimum). Cost estimates are given on request. All other referenced material is available in the SEC Docket.

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