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sec news digest

Issue 75-8
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January 13, 1975

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

G. M. STANLEY & CO., INC. REVOKED

The Commission has revoked the broker-dealer registration of G. M. Stanley & Co., Inc. of New York. The revocation was based on findings that the firm failed to comply with net capital and recordkeeping requirements; failed to file financial and other reports; and failed to give required notice of deficiencies. It was also found that the firm had been enjoined from further violations and a trustee had been appointed for it under the Securities Investor Protection Act.

The firm did not answer the charges against it and was deemed in default. (Rel. 34-11163)

COMMISSION ANNOUNCEMENTS

THE REGULATION A EXEMPTION OF AMERICAN RECREATION AND LAND COMPANY TEMPORARILY SUSPENDED

The SEC has issued an order temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933 with respect to an offering of securities of American Recreation and Land Company. The offering was underwritten by Inland Securities Corporation of Des Moines, Iowa. The offering of debentures of varying maturities and interest rates began on May 25, 1973 and was completed on July 5, 1973. According to the order, the Commission has reason to believe that: (a) the offering circular of American Recreation and Land contains untrue statements of material facts and omits to state material facts necessary to make the statements made not misleading, particularly with respect to American Recreation and Land's failure to disclose in the offering circular the actual manner in which the net proceeds of the offering were to be used; the failure to disclose in its offering circular that it owed approximately $684,842 to an affiliate, Equitable Mortgage Investment Company; and the failure to disclose its $684,842 indebtedness to this affiliate in financial statements employed in its offering; (b) the terms and conditions of Regulation A have not been complied with in that American Recreation and Land failed to disclose in the offering circular the actual manner in which the net proceeds of the offering were to be used; filed a Form 2-A which falsely reported the manner in which the net proceeds were used; filed a Form 2-A which falsely reported that $181,000 remained on hand as unexpended cash proceeds; and (c) the offering was made in violation of the antifraud provisions of the securities laws. (Rel. 33-5555)

TRADING SUSPENSIONS

TRADING SUSPENDED IN CANADIAN JAVELIN LIMITED

The SEC announced the suspension of trading in all securities of Canadian Javelin Limited for the ten-day period beginning on January 13 and terminating at midnight (EST) on January 22, 1975.

The Commission instituted the suspension at the request of the American Stock Exchange and the company to allow preparation of an orderly trading market in the company's securities in the over-the-counter market in the event that the American Stock Exchange does not permit trading to resume shortly on such exchange. The Commission anticipates that provision for an orderly market will be made shortly. Accordingly, the Commission may terminate the suspension before the expiration of the present ten-day period. (Rel. 34-11178)

TRADING SUSPENDED IN BURMAH OIL COMPANY LIMITED, AND AMERICAN AGRONOMICS CORP.

The SEC announced the suspension of trading in all securities of Burmah Oil Company Limited and American Agronomics Corporation for a ten-day period January 13 - 22, 1975. The Commission initiated both suspensions on January 3, 1975. It initiated the Burmah Oil suspension because of uncertainty concerning the financial condition of the company. The Commission has been informed that the securities of Burmah Oil have been suspended from trading on the London Stock Exchange. (See Rel. 34-11165 for additional information.)

The Commission initiated American Agronomics suspension because of questions which have arisen recently concerning the market activity in the company's securities. (See Rel. 34-11164 for additional information.) Both initial suspensions expired on January 12, 1975. (Rel. 34-11174, 34-11175)

ADDITIONAL ACTION ON TWO TRADING SUSPENSIONS

The SEC has announced the suspensions of exchange and over-the-counter trading in the securities of BBI, Inc., and over-the-counter trading in the securities of Nicoa Corp. for the further ten-day period January 14 - 23, inclusive.

COURT ENFORCEMENT ACTIONS

BENJAMIN BOTWINICK & CO., ALVIN I. MINDES ENJOINED AND SANCTIONED

The Commission announced that on January 8 the Honorable George C. Hart, Jr., Chief Judge of the U. S. District Court for the District of Columbia, entered an order permanently enjoining Benjamin Botwinick & Co. (Botwinick), a firm of certified public accountants, and Alvin I. Mindes (Mindes), a partner thereof, from violating the antifraud and reporting provisions of the securities laws. In addition, the Commission entered an order under Rule 2(e) of its Rules of Practice barring Botwinick from new public business for ten months, barring Mindes from practicing before the Commission as, or acting as, a partner in Botwinick for ten months, providing for Mindes' taking 100 hours of continuing professional education during that period, and establishing a system of peer review of Botwinick's auditing practices. Botwinick and Mindes consented to the entry of the injunctive order and consented to the Commission's Rule 2(e) order, based on the entry of such injunctive order, without admitting or denying the Commission's allegations that they had filed a false and misleading audit report in connection with the year-end 1971 financial statements of Allegheny Beverage Corporation. (SEC v. Allegheny Beverage Corporation, et al., D.D.C. Civil Action No. 932-73). (LR-6677)

COMPLAINT NAMES ROBERT L. BAEHLER

The Chicago Regional Office announced the filing on January 6 of a complaint in the Federal District Court, Des Moines, Iowa, seeking to enjoin Robert L. Baehler from violating the antifraud provisions of the securities laws in the offer and sale of promissory notes (thrift certificates) of Investors Mortgage & Finance Co. (SEC v. Robert L. Baehler, Southern District of Iowa, Eastern Division, 75-2-1). (LR-6673)

E. M. "MIKE" RIEBOLD, OTHERS, ENJOINED

The Denver Regional Office announced that a Federal Grand Jury in Albuquerque, New Mexico returned a multi-count indictment against E. M. "Mike" Riebold, Donald T. Morgan, Harold M. Morgan, and E. J. Hammon, all of the Albuquerque, New Mexico; and Hilliard Crown of Santa Fe, New Mexico. The indictment charges the defendants with one count of conspiring to commit certain offenses against the United States of America including misapplication of bank funds, securities fraud, and interstate transportation of property obtained by fraud. The indictment also charges the defendants with several counts of securities fraud in the sale of the notes of American Fuels Corporation and affiliated persons to various investors including banks. In addition, indictment charges various of the defendants with violations of the mail fraud, wire fraud, interstate transportation of stolen property statutes, and misapplication of bank funds statute. (U.S. v. E. M. "Mike" Riebold, U.S.D.C. New Mexico, Criminal No. 74-353). (LR-6674)

LESLIE DARWIN MURDOCK SENTENCED

The Seattle Regional Office announced that on December 17 the Honorable James F. Battin, U.S. District Judge for the District of Montana, sentenced Leslie Darwin Murdock to imprisonment for the term of two years on each of three counts charging hypothecation of customers' securities in violation of the Securities Exchange Act of 1934, the terms

to run concurrently, Murdock having pleaded guilty to these counts on an indictment returned against him March 22, 1974. (U.S. v. Leslie Darwin Murdock, D. Mont. Helena Div., Cr. No. 74-16-H). (LR-6675)

COMPLAINT NAMES BULL INVESTMENT GROUP, INC., OTHERS

The Boston and Washington Regional Offices jointly announced the filing of a complaint in the U. S. District Court for the District of Massachusetts seeking injunctive relief against Bull Investment Group, Inc. (BIG), Ronald Kimball, Richard G. Grondin, Richard F. Tosti, Golden Book of Values, Inc. (Golden Book) and James Sanford. The complaint alleges violations of the registration and antifraud provisions of the securities laws in the offer and sale of securities in the form of investment contracts consisting of sales agent agreements and dealership arrangements. The Commission's papers also allege that in connection with such offers and sales to numerous residents of Massachusetts, New Hampshire, Rhode Island, Maryland, and Pennsylvania, among other states, untrue statements occurred with respect to monetary returns to investors; assistance to be rendered to investors; difficulty in selling the subject matter of the investment contracts; and the fact that many investors had incurred substantial debts in connection with the investment enterprise described in the complaint. The Commission also seeks the appointment of a receiver for BIG and Golden Book. (SEC v. Bull Investment Group, Inc., et al.). (LR-6676)

INVESTMENT COMPANY ACT RELEASES

THE DOMINICK FUND

An order has been issued declaring that the Dominick Fund, Inc., a closed-end investment company, has ceased to be an investment company. (Rel. IC-8637 - Jan. 10)

HOLDING COMPANY ACT RELEASES

ALABAMA POWER COMPANY

A notice has been issued giving interested persons until January 30 to request a hearing on a post-effective amendment to an application-declaration of Alabama Power Company, subsidiary of The Southern Company, regarding a proposed increase in the amount of Alabama's authorized short-term borrowings from $135 million to $235 million. (Rel. 35-18763 - Jan. 9)

WESTERN MASSACHUSETTS ELECTRIC COMPANY

The SEC has issued a supplemental order authorizing Western Massachusetts Electric Company, subsidiary of Northeast Utilities, to issue and sell $10 million principal amount of first mortgage bonds. Prior authorization in this matter (see Rel. 35-18752, dated January 2, 1975) has been amended to reflect supplemental authorization relating to interest rates given by the Department of Public Utilities of the Commonwealth of Massachusetts. (Rel. 35-18764 - Jan. 10)

DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application of the New York Stock Exchange, Inc. to strike from listing and registration the common stock of Jones & Laughlin Steel Corporation (the company).

Under an agreement and plan of merger (effective November 22, 1974) between the company and Jones and Laughlin Industries, Inc. (a wholly-owned subsidiary of the LTV Corporation), each share of common stock of the company in public hands solely represents the right to receive the sum of $29 upon surrender of the certificates. As a result of the merger, the LTV Corporation will become the sole stockholder of the company. (Rel. 34-11177)

SECURITIES ACT REGISTRATIONS

REGISTRATIONS EFFECTIVE

Jan. 10: Armour and Co., 2-52384; Boston Gas Co., 2-52522; Coquina 75 Exploration Program, 2-52022; IP Petroleum, Inc., 2-52632; Montgomery Ward Credit Corp., 2-52342; Parker Hannifin Corp., 2-52533; Syntex Corp., 2-52536.

REGISTRATIONS WITHDRAWN

Jan. 10: Lomas & Nettleton Financial Corp., 2-42535.

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

Item 1. Changes in Control of Registrant
Item 2. Acquisition or Disposition of Assets
Item 3. Legal Proceedings
Item 4. Changes in Securities
Item 5. Changes in Security for Registered Securities
Item 6. Defaults upon Senior Securities
Item 7. Increase in Amount of Securities Outstanding
Item 8. Decrease in Amount of Securities Outstanding
Item 9. Options to Purchase Securities
Item 10. Revaluation of Assets or Restatement of Capital Share Account
Item 11. Submission of Matters to a Vote of Security Holders
Item 12. Changes in Registrant's Certifying Accountant
Item 13. Other Materially Important Events
Item 14. Financial Statements and Exhibits

The companies listed below have filed 8-K reports for the month indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Section (in ordering, please give month and year of report). An invoice will be included with the requested material when mailed.

COMPANY	ITEM NO.	MONTH
ADVANCE METAL PRODUCTS INC	2,3	11/74
ALDEN CARE ENTERPRISES INC	11,14	10/74
AMERICAN NATIONAL ENTERPRISES INC	8,14	11/74
AMINEX CORP	3	10/74
BEHAVIORAL RESEARCH LABORATORIES INC	11	11/74
BURDOX INC	7,14	12/74
DATA DISC INC	4	11/74
FIRST REALTY INVESTMENT CORP	2,8,14	11/74
FIRST TRAVEL CORP	13,14	11/74
FPA CORP	13	11/74
GAC CORP	6	11/74
GREAT SOUTHWEST CORP	7,14	11/74
IKOR INC	1,3,14	11/74
INCOME PROPERTIES EQUITY TRUST	2,3,14	09/74
INTERNATIONAL RECTIFIER CORP	3	12/74

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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