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DECISIONS IN ADMINISTRATIVE PROCEEDINGS

ADMINISTRATIVE PROCEEDINGS ORDERED AGAINST TELEDYNE, INC.

The SEC announced the institution of public administrative proceedings pursuant to Section 15(c)(4) of the Securities Exchange Act of 1934 with respect to Teledyne, Inc., Los Angeles, California. The proceedings are based upon allegations of the Commission's staff that Teledyne has failed to comply in material respects with the provisions of Section 13(d) of the Exchange Act and the rules and regulations thereunder, in that Teledyne (except in two instances) failed to file and that it has caused certain of its subsidiaries to file statements required by Section 13(d) which statements failed to identify Teledyne as a beneficial owner within the meaning of the Act and omitted material information required to be stated therein.

Specifically, it is alleged that Teledyne and certain of its financial and insurance subsidiaries comprise a group (Teledyne Group) which in 1976 commenced substantial purchases of equity securities which purchases have continued to the present. The purchases of equity securities of fourteen issuers have been of such magnitude as to require the filing with the Commission of Schedule 13D's and amendments thereto pursuant to Section 13(d) of the Exchange Act. The Schedule 13D's and amendments thereto were so filed by the companies within the Teledyne Group and where, as was generally the case, the purchases were made for the accounts of more than one company, the initial filings and amendments were jointly made by the acquiring Teledyne subsidiaries. Teledyne itself, however, did not make such joint filings except in two instances.

The purpose of these proceedings will be to determine whether the allegations set forth by the staff are true and to afford Teledyne an opportunity to present explanations concerning the matters set forth in the Commission's order and to determine whether Teledyne has failed to comply with the provisions of Section 13(d) of the Exchange Act and the rules and regulations thereunder and, if so, whether an order requiring compliance should be issued. A public hearing will be scheduled to be held at the offices of the Securities and Exchange Commission, 10960 Wilshire Boulevard, Suite 1710, Los Angeles, California 90024. (Rel. 34-14022)

COMMISSION ANNOUNCEMENTS

INITIAL DECISION SANCTIONS LAWRENCE LUEBBE

Administrative Law Judge Max O. Regensteiner has issued an initial decision barring Lawrence A. Luebbe of Los Angeles from association with a broker-dealer, provided that after three months he may re-enter the securities business solely for the purpose of selling mutual fund shares, and after nine months he may apply to the Commission to become associated with a broker-dealer on a basis not so restricted, but only in a non-supervisory and adequately supervised position. The decision is subject to Commission review on petition of a party or on the Commission's own initiative.

During a 4-month period in 1975, when Luebbe was president of MFAI Associates, a registered broker-dealer (its registration was later withdrawn), the firm and he personally sold bond anticipation notes issued by a California reclamation district. The district subsequently defaulted on the notes and filed a bankruptcy petition. According to the decision, Luebbe violated antifraud provisions of the securities laws by recommending the notes to customers and assuring them they were safe notwithstanding the fact that he had failed to make a reasonable investigation, particularly into the district's financial condition, and had no adequate basis for the recommendations and representations. In addition, Luebbe was enjoined from violating the antifraud provisions on the basis of a complaint relating to the same matters. He consented to the injunction without admitting or denying the allegations.

COMMISSION EMPLOYEE HONORED AS
OUTSTANDING HANDICAPPED WORKER

Dennis Meyers of the Commission's Office of Reports and Information Services has been selected as one of the ten recipients of the "Outstanding Handicapped Federal Employee of the Year" award. Selections were made by the U.S. Civil Service Commission from among nominations from all federal agencies throughout the country. Mr. Meyers will receive his award from Mrs. Rosalyn Carter at an awards ceremony at 10:30 a.m., Thursday, October 6, 1977, at the Department of Commerce auditorium.

TRADING SUSPENSIONS

TRADING SUSPENDED IN BERNARD SCREEN PRINTING CORPORATION

The SEC has announced the single ten-day suspension of over-the-counter trading in the securities of Bernard Screen Printing Corporation, a New York corporation located in New Hyde Park, New York, for the period beginning on October 4 and terminating at midnight (EDT) on October 13, 1977.

The Commission ordered the suspension of trading in the securities of Bernard because of the lack of adequate, accurate and current public information about the company's financial condition. Bernard filed a petition of bankruptcy under Chapter XI of the Federal Bankruptcy Act on April 13, 1977 in the United States District Court for the Eastern District of New York. The Commission has been advised that while the proceeding is still pending, a plan of arrangement was accepted by the Court on August 18, 1977. (Rel. 34-14021)

COURT ENFORCEMENT ACTIONS

THE CRYSTAL SECURITIES CORP., OTHERS ENJOINED

The New York Regional Office announced that on September 16 U.S. District Judge Vincent P. Biunno, in Newark, New Jersey, issued a final judgment of permanent injunction against: The Crystal Securities Corp., a Mendham, New Jersey, broker-dealer; John Robert Halligan (J. Halligan), its president and majority shareholder; and Thomas C. Halligan (T. Halligan), who is registered with the National Association of Securities Dealers, Inc. (NASD) as Crystal's financial principal. The injunction prohibits Crystal, J. Halligan, and T. Halligan from committing future violations of the net capital, bookkeeping, and supplemental reporting provisions of the Securities Exchange Act of 1934. The defendants consented to the entry of the injunction without admitting or denying the allegations of the Commission's complaint, which was filed on September 16.

Upon an application by the Securities Investor Protection Corp. (SIPC) filed concurrently with the Commission's complaint, and concurrently with the issuance of the above injunction, Judge Biunno appointed Bernard Hellring, Esq., of the law firm of Hellring, Lindeman & Landau, located in Newark, New Jersey, as trustee to liquidate Crystal's business pursuant to the Securities Investor Protection Act of 1970. The defendants consented to the appointment of the SIPC trustee. The NASD assisted in the investigation preceding the commencement of the above injunctive action. (SEC v. The Crystal Securities Corp., et al., Civil Action No. 77-1932, D.N.J. 1977). (LR-8138)

LAWRENCE PESKA ASSOCIATES, INC. AND LAWRENCE PESKA ENJOINED

On September 26 the Honorable C. Clyde Atkins, U.S. District Judge for the Southern District of Florida, entered an order of preliminary injunction which enjoined Lawrence Peska Associates, Inc., and Lawrence Peska from violations of the registration and antifraud provisions of the securities laws. The order was entered as a result of the defendants' failure to respond to the Commission's motion for the entry of an order of preliminary injunction. The complaint alleged that the defendants violated the registration and antifraud provisions of the securities laws in the offer and sale of securities in the form of investment contracts relating to invention development programs. (SEC v. Lawrence Peska Associates, Inc., et al., S. D. Fla., Civil Action No. 77-2436-CIV-CA). (LR-8139)

HOLDING COMPANY ACT RELEASES

PENNSYLVANIA ELECTRIC COMPANY

An order has been issued authorizing Pennsylvania Electric Company, subsidiary of General Public Utilities Corporation, to make cash capital contributions aggregating \$200,000 to its Nineveh Water Company subsidiary. (Rel. 35-20192 - Oct. 3)

MONONGAHELA POWER COMPANY

A notice has been issued giving interested persons until October 28 to request a hearing on a proposal of Monongahela Power Company, The Potomac Edison Company and West Penn Power Company, all of which are subsidiaries of Allegheny Power System, Inc., to enter into a financing agreement with Pleasants County, West Virginia (the County) for the financing of pollution control facilities. The County will issue its pollution control revenue bonds in an amount not to exceed \$100 million. As collateral, the companies will issue secured promissory notes to the County in the same amount of the bonds. (Rel. 35-20193 - Oct. 3)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING GRANTED

Orders have been issued granting the applications of the Philadelphia Stock Exchange, Inc. for unlisted trading privileges in the common stock of the following companies: Bell Canada, \$25.00 par value; Marathon Manufacturing Company, \$1.00 par value; Northern Telecom Limited, \$100.00 par value; Lehman Corporation (Maryland), \$1.00 par value; and Bell & Howell Company (Delaware), no par value. (Rel. 34-14010)

An order has been issued granting the applications of the Boston Stock Exchange, Inc. for unlisted trading privileges in the common stock of the following companies: Bell & Howell Company (Delaware), no par value and Houston Industries, no par value. (Rel. 34-14011)

An order has been issued granting the applications of the Cincinnati Stock Exchange for unlisted trading privileges in the common stock of the following companies: Airco, Incorporated (Delaware), \$1.00 par value and Transco Companies Inc., \$.50 par value. (Rel. 34-14012)

An order has been issued granting the application of the Pacific Stock Exchange, Inc. for unlisted trading privileges in the common stock of the following company: Lehman Corporation, \$1.00 par value. (Rel. 34-14013)

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike from listing and registration the common stock, \$1.00 par value, of Dejur-Amsco Corporation. (Rel. 34-14018)

WITHDRAWAL FROM LISTING AND REGISTRATION GRANTED

Orders have been issued granting the applications by Mark Controls Corporation, common stock, \$1.00 par value and Overhead Door Corporation, common stock, \$1.00 par value, for withdrawal from listing and registration on the American Stock Exchange, Inc. (Rel. 34-14019)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change, on an accelerated basis, filed by the Philadelphia Stock Exchange, Inc. The rule change (SR-PHLX-77-13) relates to the delisting of option classes which are not exclusively traded on the Exchange. (Rel. 34-14016)

The Commission has approved a proposed rule change filed by the Boston Stock Exchange, Inc. The rule change (SR-BSE-77-2) amends a number of its Constitutional provisions concerning its Board of Governors (Art. II), Exchange committees (Art. IX), transfer of membership (Art. XIII), Exchange Presidents' duties (Art. XV), the binding effect of its rules (Art. XVII), meetings (Art. XXI), associate membership (Art. XXII) and market maker membership (Art. XXV). (Rel. 34-14020)

MISCELLANEOUS

REGULATION A EXEMPTION OF RISERS' VENTURE MANAGEMENT CO., INC. TEMPORARILY SUSPENDED

An order has been issued temporarily suspending the Regulation A exemption from registration under the Securities Act of 1933 with respect to the proposed public offering of 100,000 shares of the \$.01 par value common stock of Risers' Venture Management Co., Inc. According to the order, the Commission has reason to believe, among other things, that: (a) the offering circular and notification of Risers' Venture Management Co., Inc. misrepresent and omit to state material facts; (b) the terms and conditions of Regulation A have not been complied with; and (c) the offering, if made, would be made in violation of the antifraud provisions of the securities laws. (Rel. 33-5873)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; and File number and date filed.

- (S-8) TOROTEL, INC., P.O. Box 608, Raymore, Mo. 64083 - 50,000 shares of common stock. (File 2-59996 - Sept. 30)
- (S-7) DELMARVA POWER & LIGHT COMPANY, 800 King St., Wilmington, Del. 19899 (302) 429-3011 - 350,000 shares of common stock. (File 2-60004 - Oct. 3)
- (S-14) ALLEGHENY LUDLUM INDUSTRIES, INC., 2700 Two Oliver Plaza, Pittsburgh, Pa. 15222 (412) 562-4000 - 9,186,093 shares of \$2.19 cumulative preference stock and \$93 million of 9% subordinated sinking fund debentures, due 1989. (File 2-560007 - Oct. 4)
- (S-1) COUNTY NATIONAL BANCORPORATION, 8000 Forsyth Blvd., Clayton, Mo. 63105 (314) 726-2255 - 48,196 shares of common stock. (File 2-60008 - Oct. 4)
- (S-8) CADENCE INDUSTRIES CORPORATION, 21 Henderson Dr., West Caldwell, N.J. 07006 - 400,000 shares of common stock. (File 2-60009 - Oct. 4)
- (S-8) ECONOMICS LABORATORY, INC., Osborn Bldg., St. Paul, Minn. 55102 - 600,000 shares of common stock. (File 2-60010 - Oct. 4)

REGISTRATIONS EFFECTIVE

Sept. 30: Allied Bancshares, Inc., 2-59399; Beech Aircraft Corp., 2-58187 & 2-58188; Hartfield-Zody, Inc., 2-59715; Instant Transactions Corporation of America, 2-59677 (90 days); Lexington Tax Free Income Fund, Inc., 2-57786; MCI Communications Corp., 2-59698; Public Storage Properties, Ltd., 2-57750 (90 days); Selected Money Market Fund, Inc., 2-59030; Wal-Mart Stores, Inc., 2-59838; The Western Co. of North America, 2-59728.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

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 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

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