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sec news digest

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U.S. SECURITIES & EXCHANGE COMMISSION August 2, 1974

RECEIVED

COMMISSION ANNOUNCEMENTS

AUG 5 1974

REPORT COORDINATING GROUP (ADVISORY) MEETINGS SCHEDULED

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The Commission's Report Coordinating Group (Advisory) has scheduled two public meetings in New York during August: The first will be held August 15, 1974 at 77 Water Street, Nineteenth Floor, New York, N.Y. The meeting will commence at 9:30 a.m. local time and will be for the purpose of developing recommendations regarding simplified trading forms. The second will be held on August 21, 1974 at 55 Water Street, Twenty-third Floor, New York, N.Y. The meeting will commence at 9:30 a.m. local time and will be for the purpose of discussing a uniform financial and operational report.

Any interested person may attend and appear before or file statements with the advisory committee. Such statements, if in written form, may be filed before or after the meeting. Oral statements shall be made at the time and in the manner permitted by the Report Coordinating Group.

The Report Coordinating Group was formed to assist the Commission in developing a coherent, industry-wide, coordinated reporting system. In carrying out this objective, the Report Coordinating Group is to review all reports, forms, and similar materials required of broker-dealers by the Commission, the self-regulatory community and others. The Group is expected to advise the Commission on such matters as eliminating unnecessary duplication in reporting, reducing reporting requirements where feasible, and developing a uniform financial and operational report. (Rel. 34-10612)

Information about the meeting, including the procedures for submitting statements to the Group, may be obtained by contacting: Mr. Daniel J. Piliro II, Secretary, SEC Report Coordinating Group, Securities and Exchange Commission, Washington, D. C. 20549.

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

MICHAEL RICH SANCTIONED

The Commission has issued an order sanctioning Michael Rich, of Plainview, New York, who was a partner of A.C. Kluger & Co., formerly a registered broker-dealer in New York City. Rich was suspended from association with any broker-dealer, investment adviser or investment company for four months, effective August 5, and barred from any such association in a supervisory capacity with the proviso that, after two years, he may apply to the Commission to become so associated.

The sanction was based on findings that from about February to September 1972 Rich unlawfully sold unregistered common stock of Minute Credit Plan, Inc., and, in the offer and sale of that stock, made material misrepresentations concerning the participation of others in the stock's distribution, the misapplication and diversion of funds realized from its sale, the return to certain investors of a portion of the purchase price, purchases of Minute stock by the firm, and the placing of a substantial portion of the Minute offering in nominee accounts. Rich was also found responsible in connection with the firm's failure to deposit promptly in a separate bank account proceeds from its underwriting of Minute stock, and to return such proceeds to the persons entitled thereto when the required minimum amount of the offering was not

sold. In addition, it was found that Rich failed to comply with provisions governing the sending of confirmations to customers, and with recordkeeping and reporting requirements.

The Commission's order was issued pursuant to an offer of settlement in which Rich, without admitting or denying the allegations against him, consented to the above findings and the indicated sanction. (Rel. 34-10908)

ORDERS FOR PUBLIC PROCEEDINGS

PUBLIC PROCEEDINGS ORDERED AGAINST GARY L. JONES AND ASSOCIATES

The SEC has ordered public proceedings against Gary L. Jones and Associates and Gary L. Jones, of Salt Lake City, Utah. The order alleges violations of net capital, margin, antifraud and financial reporting provisions of the Federal securities laws and cites the appointment of a trustee pursuant to the provisions of the Securities Investor Protection Act.

A hearing will be scheduled by further order to take evidence on the charges. (Rel. 34-10939)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES CLENDENIN CORPORATION AND THOMAS F. CLENDENIN

The Washington Regional Office announced that on July 29 a complaint was filed in the U.S. District Court in Baltimore, Maryland seeking to enjoin Clendenin Corporation and Thomas F. Clendenin, both of Silver Spring, Maryland, from violating the antifraud provisions of the securities laws in the management of advisory accounts and the offer and sale of the securities of Clendenin Corporation and other issuers.

The defendants are also charged with violating the false filing and registration provisions in that they made untrue statements of material fact and omitted to state required material facts in an application for registration as an investment adviser and in a notice to withdraw from registration as an investment adviser. (LR-6458)

COMPLAINT NAMES HERITAGE TRUST COMPANY AND OTHERS

The Los Angeles Regional Office announced the filing of a complaint on July 29 in U.S. District Court in Phoenix, Arizona, seeking to enjoin Heritage Trust Company, John R. Bromley, and H.D. Wilbanks, Jr., from violations of the registration and antifraud provisions of the Federal securities laws, in the offer and sale of beneficial interests in revocable inter vivos trusts. Additionally, the Commission seeks a written notification to investors, the appointment of a receiver and an independent accounting. (LR-6459)

THREE INDICTED IN BARR FINANCIAL, LTD.

The Los Angeles Regional Office announced that on July 30 a Federal Grand Jury sitting in Los Angeles returned a 25-count indictment against Chess Wilburn Barr, III, former president of Barr Financial, Louis C. Schiess, former vice-president of Barr Financial, and Dwyn Louis Hendrickson, principal nominee allegedly doing business as a related company called Hanson Investments, in the sale and distribution of Barr Financial's stock in 1970-71. The indictment charges the defendants with criminal violation of the antifraud and registration provisions of the Federal securities laws and with conspiracy and mail fraud. (LR-6460)

**BACHINSKAS-NATION INVESTMENTS, INC.,
OTHERS ENJOINED**

The Fort Worth Regional Office announced that on July 25 the Federal District Court at Dallas permanently enjoined, by consent, Bachinskias-Nation Investments, Inc., American Properties, Inc., Dallas Buyer Property Investments, Inc., Edward H. Bachinskias, all of Dallas, Texas, William R. Latham, Denton, Texas, and Billy Ray McNabb, Fort Worth, Texas. A preliminary injunction, by consent, was entered against James R. Daffron, Dallas. The defendants consented to the court orders without admitting or denying the allegations of the complaint which charged violations of the Federal securities laws in the offer and sale of limited partnerships and joint venture interests in undeveloped real estate syndications. In addition, the defendants consented to the court's appointment of attorney Khent Rowton as receiver for the three corporate entities. (LR-6461)

EDWARD P. ROITENBERG ENJOINED

The Chicago Regional Office announced that on July 26 the Federal Court in Minneapolis permanently enjoined Edward P. Roitenberg from violations of the registration provisions of the Federal securities laws in the offer and sale of common stock of A.I.D. Inc. or any other security issued by A.I.D. Inc. The defendant consented to the court order without admitting or denying the allegations of the Commission's complaint. (LR-6462)

**IMPEX INTERNATIONAL, INC., JYOTI KHOKHANI,
DON W. RODGERS AND GERALDINE DEGUISNE ENJOINED**

The Chicago Regional Office announced that on July 25 the Federal court in Chicago preliminarily enjoined Impex International, Inc., Jyoti Khokhani, and Don W. Rodgers and permanently enjoined Geraldine Deguisne from violations of the registration and antifraud provisions of the Federal securities laws in the offer and sale of securities which purport to be options on commodities futures but which in substance consist of obligations by Impex International, Inc. to pay a sum of money to some, but not all, investors in excess of the sum invested with Impex Internatioanl, Inc. by those investors upon certain contingencies, or any other security issued by Impex International, Inc., or any other issuer.

The court further enjoined Rodgers and Khokhani from disposing of said sum of \$100,000 or any portion thereof, which may be in their control.

The defendants consented to the court orders without admitting or denying the allegations of the Commission's complaint. (LR-6463)

TRADING SUSPENSIONS

ADDITIONAL ACTION ON THREE TRADING SUSPENSIONS

The SEC has announced the suspension of over-the-counter trading in the securities of Franklin National Bank, Franklin New York Corp. and Continental Vending Machines, Inc. for the further ten-day period August 3 - 12, inclusive.

INVESTMENT COMPANY ACT RELEASES

SCHOONER CAPITAL CORPORATION

An order has been issued permitting withdrawal of an application by Schooner Capital Corporation, a Massachusetts small business investment company, for an order permitting Schooner to purchase securities of Fire Control Engineering Co. (Rel. IC-8442)

SECURITIES ACT REGISTRATIONS

(S-7) BOOZ ALLEN & HAMILTON INC.

135 South LaSalle St., Chicago, Ill. 60603 - 1,000,000 shares of common stock, to be offered for sale under the Company's 1974 Officer Stock Purchase Program. The company provides a diversified range of management consulting services to business enterprises, education and health institutions, charitable organizations, and governmental bodies. (File 2-51653 - July 29)

(S-12) ADRs FOR RAND MINES PROPERTIES LTD. FILED

Morgan Guaranty Trust Company of New York, 23 Wall St., New York, N.Y. 10015, filed a registration statement seeking registration of 100,000 American Depositary Receipts for ordinary shares of Rand Mines Properties Limited, a South African corporation. (File 2-51657 - July 29)

OTHER REGISTRATION STATEMENTS FILED

During the period of June 1-30 the following companies filed registration statements but did not submit summaries pursuant to Rule 458:

- (S-14) Michigan Financial Corporation, Marquette, Mich. (File 2-51232 - June 4) - 191,000 common shares
- (S-7) United Parcel Service of America, Inc., New York, N.Y. (File 2-51323 - June 4) - 586,000 common shares
- (S-1) Mountain States Mineral Enterprises, Inc., Tucson, Ariz. (File 2-51372) - June 21) - 17,714 common shares
- (S-6) Municipal Investment Trust Fund, New York, N.Y. (File 2-51373 - June 21) - \$47,250,000 of securities
- (S-14) First of Groves Corporation, Groves, Tex. (File 2-51441 - June 28) - 169,440 common shares

REGISTRATION EFFECTIVE

August 1: American Hospital Supply Corp., 2-51280; Cousin Properties Inc., 2-51553; Flow Laboratories, Inc., 2-50069; Gamble-Skogmo, Inc., 2-51402; Hartebeestfontein Gold Mining Co., Ltd., 2-51599; INA Corp., 2-51212; Iowa Power and Light Co., 2-51539; John Nuveen & Co., Inc., 2-51332; South African Land & Exploration Co., Ltd., 2-51597.

REGISTRATIONS WITHDRAWN

July 22: Bancal Investors, 2-49277.
July 31: Investors, 2-47860.

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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