

# sec news digest

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## ORDERS FOR PUBLIC PROCEEDINGS

HARPER JOHNSON CO., INC., OTHERS

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Public administrative proceedings have been ordered under the Securities Exchange Act of 1934 against Harper Johnson Co., Inc., a registered broker-dealer in New York City, Abraham Brazel of Rumson, New Jersey, president and director, and William L. Rick of Jersey City, New Jersey and Miami Spring, Florida, vice-president, treasurer and director.

The proceedings are based upon allegations by the staff that the respondents wilfully violated and wilfully aided and abetted violations of the antifraud, books and records, and net capital provisions and Regulation T, and for the appointment of a trustee under the Securities Investor Protection Act of 1970. A hearing will be scheduled by further order on the charges against Harper Johnson, Brazel and Rick. (Rel. 34-11420)

ROBERT H. JAFFE AND EDWARD GARY REISDORF

Public administrative proceedings have been ordered pursuant to the Securities Exchange Act of 1934 and the Securities Investor Protection Act of 1970 against Robert H. Jaffe and Edward Gary Reisdorf, both of Mountainside, New Jersey. The proceedings against Jaffe and Reisdorf are based upon allegations that, in their capacity as legal counsel, they caused to be filed with the Commission a false and inaccurate Form BD for Project

Securities & Co., Inc., a former New Jersey broker-dealer, in that the Form BD failed to disclose that they were associated with Project as shareholders and as controlling persons of the firm. The order further states as an additional basis for proceedings against Jaffe and Reisdorf the appointment of a trustee for Project pursuant to the Securities Investor Protection Act of 1970 at a time when they were associated with the firm as controlling persons. A hearing will be scheduled by further order on the charges against the respondents. (Rel. 34-11421)

## COMMISSION ANNOUNCEMENTS

COMMISSION MEETS WITH PUBLIC UTILITY  
COMPANY EXECUTIVES

On Thursday, May 22, 1975, at 10:00 a.m., members of the Commission will meet with senior executives of electric utility holding company systems registered under the Public Utility Holding Company Act of 1935 for a discussion of the financial needs of such systems as related to their construction programs. An exchange of points of view is sought.

JEROME K. SOFFER NAMED  
ADMINISTRATIVE LAW JUDGE

The Commission announces the appointment, effective May 12, 1975, of Administrative Law Judge Jerome K. Soffer, formerly of the Interstate Commerce Commission. Before joining the Commission Judge Soffer had been an administrative law judge with the I.C.C. since 1966. Prior thereto, he had been a Hearing Examiner with the New York State Public Service Commission for eleven years, following some 14 years in the private practice of the law. Judge Soffer holds a Bachelor of Business Administration degree from The Baruch School of the City University of New York, and a Juris Doctor degree from New York University School of Law. He is a veteran of the U.S. Navy, having served during World War II. Judge Soffer and his wife Martha reside in Potomac, Maryland. They have two daughters, Mrs. Gail Garfinkle and Judy, and two grandchildren.

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## TRADING SUSPENSIONS

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### TRADING SUSPENDED IN PARAMOUNT LEASING CORP.

Over-the-counter trading has been suspended in the common stock of Paramount Leasing Corp., a Delaware corporation located in New York, New York, for the ten-day period beginning on May 13 and terminating at midnight (EDT) on May 22, 1975.

The suspension was initiated because current accurate information concerning the financial condition and assets of Paramount is unavailable to the public. (Rel. 34-11418)

### ADDITIONAL ACTION ON ONE TRADING SUSPENSION

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

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## COURT ENFORCEMENT ACTIONS

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### THEODORE R. PRICE PLEADS GUILTY

The Washington Regional Office announced that on May 2 before the federal court in Charleston, West Virginia, Theodore R. Price of Juno Beach, Florida, pleaded guilty to one count of a criminal indictment charging conspiracy to commit violations of the registration and antifraud provisions of the securities laws and the mail fraud statute in the offer and sale of the common stock of Diversified Mountaineer Corp. (DMC), 7-1/2% subordinated sinking fund debentures of DMC, and evidences of indebtedness in the nature of passbook account obligations offered and sold by industrial loan company subsidiaries of DMC located in West Virginia, Virginia, Tennessee, and Kentucky. The indictment charged Price with 10 counts of securities fraud, 10 counts of the sale of unregistered securities, 16 counts of mail fraud and 1 count of conspiracy to violate the aforementioned statutes. Sentencing has been scheduled for a later date. (U.S. v. Theodore R. Price, Roger T. Baird, U.S.D.C., S.D. West Va., Crim. No. 74-134 CH). (LR-6875)

### MELVYN B. MASON ENJOINED

The Washington Regional Office announced that on May 5 the Honorable Alfred L. Luongo, U.S. District Judge for the Eastern District of Pennsylvania at Philadelphia, permanently enjoined by consent, Melvyn B. Mason of Huntingdon Valley, Pennsylvania from violating the registration and antifraud provisions of the securities laws. (SEC v. Melvyn B. Mason, Civil Action No. 75-383). (LR-6876)

### JOHN K. GIBBS FOUND IN CONTEMPT

The Denver Regional Office announced that on April 29 a federal grand jury found John K. Gibbs in three separate transactions to be in contempt of an order of permanent injunction issued on November 1, 1974 in the U.S. District Court for the District of Colorado.

Gibbs was found to have violated the earlier order in the offer and sale of securities, namely investment contracts, of Youth Hostels, Inc., a Kansas corporation. (U.S. v. John K. Gibbs, D. Colo. 75-CR-52). (LR-6877)

### LAMB BROTHERS, INC., CLYDE C. LAMB, JR. ENJOINED

The Seattle Regional Office announced that on April 28 the Honorable Robert C. Belloni, U.S. District Judge for Oregon, at Portland, Oregon, issued an order of permanent injunction by default against Lamb Brothers, Inc., a registered broker and dealer in securities, and its president, Clyde C. Lamb, Jr., both of Portland, Oregon, from violations of securities laws and rules of the Commission pertaining to minimum net capital and financial reporting requirements for brokers and dealers. (SEC v. Lamb Brothers, Inc. and Clyde C. Lamb, Jr., U.S.D.C., Ore., Civ. Action No. 75-77). (LR-6878)

### CHARLES FISCHER SENTENCED

The SEC announced that on May 9 Charles Fischer, a money manager who specialized in purchasing and selling government and commercial paper, was sentenced by the Honorable Inzer Wyatt to one year imprisonment and fined \$1,000. The jail sentence was suspended

except for one month. Fischer pleaded to an information which charged him with making payments to an officer of the Neuwirth Fund to purchase millions of dollars worth of certificates of deposit in the banks and in the amounts designated by Fischer. (U.S. v. Charles Fischer, U.S.D.C., S.D.N.Y.). (LR-6879)

#### FOUR ORVIS BROS. & CO. DEFENDANTS GUILTY

The New York Regional Office announced that on March 14 and March 31, Thomas C. Kilduff, Colonia, New Jersey, former financial partner of Orvis Bros. & Co. (Orvis) and Fergus M. Sloan, New York City, former managing partner of Orvis, pled guilty to conspiracy to violate the securities laws. Also on March 14 Donald Eucker, Cedar Grove, New Jersey, former partner in charge of operations of Orvis, pled guilty to the illegal hypothecation of fully paid customer securities. On April 30 Carl W. Anderson, Forest Hills, New York, chairman of Orvis' executive committee, was found guilty of conspiracy to violate the securities laws after a four week jury trial. John J. Villani, West Hartford, Connecticut, a partner and member of Orvis' executive committee, was acquitted by the same jury.

The five defendants had been indicted on September 10, 1974 for conspiracy to violate and substantive violations of the bookkeeping, financial reporting and hypothecation provisions of the securities laws. (U.S. v. Sloan Jr., et al., S.D.N.Y., 74 Crim. 859). (LR-6881)

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## HOLDING COMPANY ACT RELEASES

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### JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued authorizing Jersey Central Power & Light Company (Jersey Central), subsidiary of General Public Utilities Corporation, to issue and sell 250,000 additional shares of cumulative preferred stock at competitive bidding. (Rel. 35-18982 - May 13)

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## SECURITIES ACT REGISTRATIONS

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### (S-1) CASA BELLA IMPORTS, INC.

1801 Bay Rd., Miami Beach, Fla. 33139 - 473,000 shares of common stock, to be offered in exchange for outstanding 8% guaranteed subordinated convertible debentures, due 1977, issued by a foreign subsidiary of Casa Bella, Casa Bella Financial, N.V. Under the terms of the exchange offer 400 shares of common stock will be offered in exchange for \$1,000 face amount of the debentures and warrants attached thereto entitling the holder to purchase 25 shares of common stock. The registration also covers (1) shares issuable upon conversion of debentures which are not exchanged, (2) shares issuable upon exercise of warrants attached to the unexchanged debentures, and (3) shares issuable to underwriters. Casa Bella imports and offers for sale household furnishings and decorative accessories for residences. The registrant also makes available to its customers decorating advise and consultation. (File 2-53493 - Apr. 28)

### (S-6) MUNICIPAL INVESTMENT TRUST FUND, THIRTY-NINTH MONTHLY PAYMENT SERIES

\$40 million of units of beneficial interest, to be offered for sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Liberty Plaza 165 Broadway, New York, N.Y. 10006. The Fund, a unit investment trust, is to be created by a trust agreement among Merrill Lynch, Bache & Co. Incorporated and Reynolds Securities Inc., as sponsors, United States Trust Company 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 2-53644 - May 9)

### (S-14) GENERAL CIGAR CO., INC.

605 Third Ave., New York, N.Y. 10016 - \$10 million of 8% convertible subordinated debentures and \$10 million of 11-1/2% subordinated debentures. It is proposed to issue these debentures, together with cash, for the outstanding stock of Helme Products, Inc. in connection with the acquisition of Helme by General Cigar. Also included in this registration statement are 666,667 shares of common stock issuable upon conversion of the convertible debentures. General Cigar is in the tobacco and proprietary drug businesses. Helme is in the snack and tobacco businesses. (File 2-53656 - May 12)

(S-6) AMERICAN TAX-EXEMPT BOND TRUST, SERIES 5

215 North Main St., West Bend, Wis. 53095 - \$4,725,000 of units, to be offered for sale at net asset value (\$1,050 maximum). The Trust is the fifth of a series of unit investment trusts proposed to be created under a trust indenture among B. C. Ziegler and Company as sponsor, United States Trust Company of New York as trustee, and Standard & Poor's Corporation as evaluator. It consists of a portfolio of interest-bearing obligations issued by or on behalf of states, counties, municipalities and territories of the United States and authorities and political subdivisions thereof, the interest on which is, in the opinion of bond counsel, exempt from all Federal income tax under existing law. (File 2-53657 - May 12)

(S-7) WASHINGTON GAS LIGHT COMPANY

1100 H Street, N.W., Washington, D.C. 20080 - \$40 million of first mortgage bonds, to be offered for sale at competitive bidding. The company is primarily engaged in natural gas distribution. (File 2-53658 - May 12)

In a separate statement the company seeks registration of serial preferred stock, cumulative, without par value and having an aggregate involuntary liquidation value of \$15 million, to be offered for sale at competitive bidding. (File 2-53659 - May 12)

(S-14) NORTH LILY MINING COMPANY

1849 West North Temple, Salt Lake City, Utah 84116 - 545,195 shares of common stock, to be offered in connection with the proposed merger of The Big Hill Mining Company, Dragon Consolidated Mining Company, East Tintic Coalition Mining Company, Empire Mines Company, Eureka Bullion Mining Company, Eureka Swansea Extension Mining Company, Mountain View Mining Company, The New Southern Eureka Mining Company, North Godiva Consolidated Mining Company, Swansea Consolidated Mining Company, Tintic Central Mining Company, Tintic Drain Tunnel Company, Twentieth Century Mining Company, Victor Consolidated Mining Company, Yankee Consolidated Mining Company, and ATC Inc., into North Lily Mining Company. North Lily Mining Company owns real property and mineral rights and interests in the State of Utah. (File 2-53661 - May 12)

(S-7) D. H. BALDWIN COMPANY

1801 Gilbert Ave., Cincinnati, Ohio 45202 - \$10 million of Series A and Series B subordinated capital notes, to be offered for sale to the public in minimum amounts of \$1,000 at 100% of the face value thereof, with the assistance of Edward D. Jones & Company, 201 Progress Parkway, Hazelwood, Mo. 66102, on a best efforts basis. The company is a diversified financial services company with subsidiaries engaged in banking, savings and loan services and insurance services; in addition, the company has engaged for many years in the manufacture and sale of musical instruments, principally pianos and organs. (File 2-53653 - May 12)

(S-1) AMERICAN MEDICAL ASSOCIATION

535 North Dearborn St., Chicago, Ill. 60610 - \$30 million of participations in American Medical Association Members Retirement Plan (Units in Pooled Trust). The net asset value per unit as of January 31, 1975 was \$99.48. AMA MRP is a qualified retirement plan and pooled trust for self-employees and their employees under the "Keogh Law" (Self-Employed Individuals Tax Retirement Act of 1962). (File 2-53665 - May 12)

REGISTRATIONS EFFECTIVE

May 12: International Minerals & Chemical Corp., 2-53476.

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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