

# sec news digest

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## COMMISSION ANNOUNCEMENTS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

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### WEEKLY CALENDAR

The following is a schedule of speaking engagements, Congressional testimony, Commission hearings and other public events involving the Commission for the week of June 7, 1981. (Commission Meetings are announced separately in the News Digest)

Monday, June 8 and Monday, June 15

- \* Commissioner Thomas will be the keynote speaker at a conference, sponsored by the American Stock Exchange, on "Options and the Law: Corporate Issues." The title of her speech is "The Options Markets Come of Age: Their Past, Present and Future." The conference will be held in New York and San Francisco, respectively.

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## ADMINISTRATIVE PROCEEDINGS

### NASD SANCTIONS AGAINST LAWRENCE H. RIPP MODIFIED

The Commission has modified the bar from association with any NASD member imposed on Lawrence H. Ripp of Tucson, Arizona, by the NASD. The Commission made the bar subject to the proviso that Ripp may be employed by an NASD member in a non-supervisory capacity, upon making a showing satisfactory to the NASD that he will be properly supervised. It affirmed the other sanctions imposed on Ripp by the NASD; censure and a \$1500 fine.

In 1977, when this case was first before the Commission, it affirmed the sanctions imposed by the NASD, based on findings that Ripp had misappropriated a customer's funds and, to achieve that end, had misled the customer as to the amount of proceeds that had been realized from the sale of certain of the customer's securities. Ripp appealed the Commission's order, and, although the Court of Appeals affirmed the findings of violation, it remanded the case for reconsideration of the bar imposed on Ripp. The Commission then remanded the case to the NASD, which reaffirmed the sanctions it had originally imposed.

The Commission stated that, in light of Ripp's extremely serious misconduct, the NASD's original imposition of an unqualified bar was fully warranted. However, since Ripp has already been excluded from the securities business for more than five years as a result of this proceeding, and his record is otherwise unblemished, the Commission determined to modify the NASD's bar order as set forth above. (Rel. 34-17812)

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## CIVIL PROCEEDINGS

### COMPLAINT NAMES JAMES J. ROACH AND MICHAEL'S EATERY, INC.

The New York Regional Office announced that on May 22 a complaint was filed in the U.S. District Court for the Western District of New York against James J. Roach and Michael's Eatery, Inc., both of Corning, New York. The complaint charges Roach and Michael's with violating registration and antifraud provisions of the securities laws by soliciting the sale of unregistered Michael's securities to over 170 members of the investing public totalling over \$300,000. The sales were made by means of false and misleading statements concerning the risks of the venture and the value of shareholders' equity. (SEC v. James J. Roach and Michael's Eatery, Inc., W.D.N.Y., 81 Civil 419). (LR-9367)

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## INVESTMENT COMPANY ACT RELEASES

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### PHILADELPHIA LIFE INSURANCE COMPANY

An order has been issued on an application by Philadelphia Life Insurance Company (Philadelphia Life) and Philadelphia Life Separate Account A, a separate account of Philadelphia Life registered under the Investment Company Act of 1940 as a unit investment trust, pursuant to Section 11 of the Act, approving certain offers of exchange and pursuant to Section 6(c) of the Act, granting exemptions from Sections 2(a)(32), 2(a)(35), 22(c), 26(a), 26(a)(2)(C), 26(a)(2)(D), 27(c)(1), 27(c)(2), 27(d), and Rule 22c-1 of the Act, insofar as such exemptions are necessary to permit the offering of contingent deferred sales charge variable annuity contracts. (Rel. IC-11801 - June 2)

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## HOLDING COMPANY ACT RELEASES

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### AMERICAN ELECTRIC POWER COMPANY, INC.

A notice has been issued giving interested persons until June 26 to request a hearing on a proposal by American Electric Power Company, Inc. (AEP), a registered holding company, and certain subsidiaries, for AEP to make cash capital contributions of \$2 million to Kingsport Power Company, a subsidiary, until January 1, 1982. (Rel. 35-22075 - June 2)

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## SECURITIES ACT REGISTRATIONS

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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; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

- (S-18) FERROFLUIDICS CORPORATION, 40 Simon St., Nashua, NH 03061 (603) 883-9800 - 2,500,000 shares of common stock. Underwriter: John Muir & Co., 61 Broadway, New York, NY 10006. The company is engaged in the manufacture and distribution of equipment and products utilizing magnetic fluid technology. (File 2-72394-B - May 19) (Br. 10 - New Issue)
- (S-18) ZONIC CORPORATION, 200 Ford Circle, Millford, OH 45150 - 600,000 common shares. Underwriters: Laidlaw Adams & Peck Inc. and The Ohio Company. The company develops, manufactures, and markets data acquisition and computer graphic systems. (File 2-72450-C - May 22) (Br. 8 - New Issue)
- (S-18) DRILLWELL DEVELOPMENT CORP., Box 93B, Route 1, Philipp, WV 26416 - 1,000,000 units, 1,000,000 shares of common stock and 1,000,000 common stock purchase warrants. Underwriter: Fittin, Cunningham & Lauzon, Inc. The company was formed in January, 1981 to engage in onshore contract drilling of oil and gas wells. (File 2-72465-W - May 22) (Br. 9 - New Issue)
- (S-18) SASCO COSMETICS, INC., 2151 Hutton Dr., Carrollton, TX 75006 (214) 484-3950 - 525,000 shares of common stock. Dealer-Manager: Schneider, Bernet & Hickman, Inc. The company is engaged in the manufacture and distribution of cosmetics and other products having an aloe vera base. (File 2-72531-FW - May 28) (Br. 4 - New Issue)
- (S-14) YORK BANCSHARES, INC., 536 South York St., Elmhurst, IL 60126 (312) 833-2200 - 150,000 shares of common stock. (File 2-72535 - May 29) (Br. 2 - New Issue)
- (S-8) GARAN, INCORPORATED, 350 Fifth Ave., New York, NY 10118 (212) 687-3470 - 50,000 shares of common stock. (File 2-72544 - May 29) (Br. 7)
- (S-16) LIFEMARK CORPORATION, Lifemark Bldg., 3800 Buffalo Speedway, Houston, TX 77098 (713) 621-8131 - 600,000 shares of common stock. Underwriters: The First Boston Corporation and Rotan Mosle Inc. The company operates 20 hospitals owned or leased by it. (File 2-72545 - May 29) (Br. 6)

- (S-1) BOSTON FUTURES FUND (III), 545 Boylston St., Boston, MA 02116 - 10,000 units. Underwriters: Hans Utsch & Co., Inc. The company trades speculatively in commodity futures contracts and forward contracts for foreign currencies. (File 2-72548 - May 29) (Br. 1 - New Issue)
- (S-8) DAYTON-HUDSON CORPORATION, 777 Nicollet Mall, Minneapolis, MN 55402 (612) 370-6948 - 700,000 shares of common stock. (File 2-72549 - May 29) (Br. 1)
- (S-15) MADISON GAS AND ELECTRIC COMPANY, 100 North Fairchild St., P.O. Box 1231, Madison, WI 53701 (608) 252-7024 - 75,000 shares of common stock. (File 2-72551 - May 29) (Br. 8)
- (S-18) PIPER HYDRO, INC., 3031 E. Coronado, Anaheim, CA 92806 (714) 630-4040 - 1,512,500 shares of common stock. Underwriter: Adams, James, Foor & Company, Inc., 1140 N.W. 63, Suite 104, Oklahoma City, OK 73116 (405) 840-2963. (File 2-72553-LA - May 28) (Br. 10 - New Issue)
- (S-6EL24) NUVEEN TAX-EXEMPT BOND FUND - SHORT TERM, SERIES 1, 209 South LaSalle St., Chicago, IL 60604 - an indefinite number of units. Depositor: John Nuveen & Co. Incorporated. (File 2-72554 - May 29) (Br. 16 - New Issue)
- (S-16) WANG LABORATORIES, INC., One Industrial Ave., Lowell, MA 01851 (617) 459-5000 - 3,093,000 shares of Class B common stock. Underwriter: Merrill Lynch White Weld Capital Markets Group. (File 2-72559 - May 29) (Br. 9)
- (S-18) HOBEX II, INC., Star Route, Box 34, Dateland, AR 85333 - 9,950 shares of common stock. The company intends to acquire 160 acres of land on the Palomas Plain in Yuma County in Southwestern Arizona which have been planted with seed and seedlings of the jojoba plant. (File 2-72562-LA - May 28) (Br. 3 - New Issue)
- (S-11) SHELTER PROPERTIES III, 1000 Executive Center Dr., P.O. Box 6725, Greenville, SC 29606 - 50,000 limited partnership units. Underwriter: E. F. Hutton & Company Inc. (File 2-72567 - June 1) (Br. 5 - New Issue)
- (S-16) TEXAS INTERNATIONAL COMPANY, 3545 N.W. 58th St., Suite 700, National Foundation Center, Oklahoma City, OK 73112 (405) 947-8661 - 1,255,088 shares of common stock. The company explores for and produces crude oil and natural gas, among other things. (File 2-72568 - June 1) (Br. 3)
- (S-14) THE CENTENNIAL GROUP, INC., 106 Midland Center, Oklahoma City, OK 73102 (405) 236-8677 - 8,297,729 shares of common stock and 1,308,189 shares of preferred stock. (File 2-72575 - June 1) (Br. 6 - New Issue)
- (S-16) NATIONAL MEDICAL ENTERPRISES, INC., 11620 Wilshire Blvd., Los Angeles, CA 90025 (213) 479-5526 - \$75 million of 8 convertible subordinated debentures, due 2006. Underwriters: E. F. Hutton & Company Inc. and Merrill Lynch White Weld Capital Markets Group. The company operates domestically 55 acute care hospitals and 118 skilled nursing facilities, among other things. (File 2-72580 - June 2) (Br. 6)
- (S-1) BOBO EXPLORATION, INC., 205 Northeast 63rd, Suite 320, Oklahoma City, OK 73116 - 5,000,000 shares of common stock. Underwriter: Fitzgerald, DeArman & Roberts, Inc., 3005 East Skelly Dr., Tulsa, OK 74105. The company is engaged in the oil and gas exploration and production business. (File 2-72581 - June 2) (Br. 3 - New Issue)
- (S-8) AMDAHL CORPORATION, 1250 East Argues Ave., Sunnyvale, CA 94086 (408) 746-6000 - 2,679,175 shares of common stock. (File 2-72582 - June 2) (Br. 10)
- (S-8) THE GAP STORES, INC., 900 Cherry Ave., San Bruno, CA 94066 (415) 952-4400 - 400,000 shares of common stock. (File 2-72586 - June 2) (Br. 1)
- (S-16) EASTERN UTILITIES ASSOCIATES, 99 High Street (28th Floor), Boston, MA 02110 (617) 357-9590 - 900,000 common shares. Underwriters: Blyth Eastman Paine Webber Incorporated and Kidder, Peabody & Co. Incorporated. (File 2-72589 - June 2) (Br. 7)

## NOTICE

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