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FOR RELEASE February 10, 1972

COMMISSION ANNOUNCEMENTS

SEC CITES FRONTIER SECURITIES, OTHERS. The SEC has ordered public proceedings under the Securities Exchange Act of 1934 against Frontier Securities, Inc., Nashville, Tenn. broker-dealer, Murray Lewis Peavey, president of Frontier from April to October 1971 and owner of all its stock from April to August 1971 and 50% of its stock from August to October 1971, and Samuel Gill Glover, Jr., vice president since May 1971. Frontier filed a notice of withdrawal from registration as a broker-dealer in December 1971.

The proceedings are based upon staff allegations that some time during the period from June to date Frontier, aided and abetted by Peavey and Glover, among other things, (a) violated the broker-dealer net capital provisions of the Act in that Frontier made use of the mails and interstate commerce to induce the purchase and sale of securities when its net capital was less than \$5,000 and its aggregate indebtedness to all other persons exceeded 2,000% of its net capital, (b) used funds arising from free credit balances of its customers, but failed to inform such customers, as part of their statements of accounts, at least once every three months of the amount due them, (c) failed accurately to make and keep current certain books and records, (d) failed to notify the Commission by telegram of its net capital condition and that its books and records were not current and failed to file reports of its financial condition with the Commission, and (e) failed promptly to cancel or liquidate transactions of customers who purchased securities and did not make full cash payment within seven days or prior to the securities' sales.

A hearing will be scheduled by further order to take evidence on the staff's allegations and to afford the respondents an opportunity to offer any defenses thereto for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

SEC ORDER CITES PREDICTOR INC. The SEC has ordered public proceedings under the Investment Advisers Act of 1940 against The Predictor Inc., West Hartford, Conn. investment advisor, and Robert A. Lerman, its president, and John F. Ferrara, its secretary-treasurer, the latter two each 50% owners of Predictor.

The proceedings are based upon staff allegations that from June 1970 to date the respondents violated, among other things, the antifraud provisions of the Act in that Predictor published untrue and false statements regarding Belgium Standard, Inc., made no effort to verify information received from a source materially interested in and employed by the company, failed to disclose to clients and others that it was publishing raw, unverified information received from a source that might not be objective, and, after receiving inquiries from the Commission's staff, published what purported to be a retraction and/or clarification of prior false statements, but in reality, compounded the original violations by publishing additional false statements.

A hearing will be scheduled by further order to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto, for the purpose of determining whether the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

COMMENT PERIOD EXTENDED ON PROXY RULES. SEC has extended from February 3, 1972 until February 24, 1972, the period of time within which written comments and views may be submitted on its proposed amendments to Rules 14a-5 and 14a-8 of its proxy rules adopted under Section 14(a) of the Securities Exchange Act of 1934. The proposed amendments to the rules were announced on December 22, 1971 in Release 34-9432. (Rel. 34-9488)

SUSPEND TRADING IN TOPPER STOCK. The Commission yesterday ordered the suspension, under the Securities Exchange Act of 1934, of trading on the American Stock Exchange and in the over-the-counter market in the securities of Topper Corporation, Elizabeth, New Jersey. The American Stock Exchange halted trading in Topper Corporation on February 3, 1972. The trading halt by the AMEX is still in effect on that exchange. This suspension will be effective at 10:00 A.M. (EST) on February 9, 1972 and will terminate on February 18, 1972.

The Commission announced that it took this action in order to allow investors time to evaluate recent adverse information, which was made public by the company, concerning its current financial condition. According to a press release, which was made by Topper Corporation on February 4, 1972, Topper has a current indebtedness of about \$38 million. The company also announced that it has reached a preliminary agreement with its secured lenders whereby the company proposes to borrow the funds necessary for its 1972 business operations subject to the approval of several conditions by the secured lenders. (Rel. 34-9490)

COURT ENFORCEMENT ACTION

MURRAY, LIND & CO.: LAWRENCE MURRAY ENJOINED. The SEC New York Regional Office announced February 2 that the Federal court in Newark, N. J., had preliminarily enjoined Murray, Lind & Company, Inc., Jersey City, N. J. broker-dealer with offices in New York and Boston, and Lawrence Murray, its president, from violations of the net capital and bookkeeping provisions of the Federal securities laws. The court also appointed Mark F. Hughes, Esq. as SIPC trustee. The defendants consented to the court order and appointment of the trustee. (LR-5312)

OVER

INVESTMENT COMPANY ACT RELEASES

ASSOCIATED BUSINESS INVESTMENT COMPANY. The SEC has issued an order declaring that Associated Business Investment Company, Birmingham, Ala., has ceased to be an investment company as defined in the Act. (Rel. IC-6985)

MASSMUTUAL INVESTORS. The SEC has issued an order upon an application of Massachusetts Mutual Life Insurance Company, and MassMutual Corporate Investors, Inc., a closed-end investment company, both of Springfield, Mass., permitting an arrangement whereby the Insurance Company and the Fund would each invest in an issue of 7% 20-year subordinated notes of American Broadcasting Companies, Inc. and related warrants for the purchase of shares of common stock of ABC. (Rel. IC-6986)

CORRECTION RE NOTICE DATE OF CRAIG-HALLUM. The SEC has issued a notice giving interested persons until February 24 (not until February 4, as reported in the February 9 News Digest) to request a hearing upon an application of Craig-Hallum Corporation, Minneapolis, for an order permitting the purchase of 166.6 shares of United Packaging Co.

SECURITIES ACT REGISTRATIONS

TESORO 1972 EXPLORATION AND DEVELOPMENT PROGRAM, (the Partnership) 8520 Crownhill Blvd., San Antonio, Tex. 78209, filed a registration statement on February 7 seeking registration of \$5,000,000 of limited partnership interests, to be offered for public sale at \$1,000 per unit (with a minimum investment of \$5,000 required) through E. F. Hutton & Co. Inc., 1 Chase Manhattan Plaza, New York, N. Y. 10005, as sales agent. Tesoro Petroleum Corporation is the general partner. The Partnership will engage in oil and gas exploration. (File 2-43017)

CRANE BIO-MEDICAL INSTRUMENTS, INC., 146 Meacham Ave., Elmont, N. Y. 11003, filed a registration statement on February 7 seeking registration of 100,000 shares of common stock, to be offered for public sale at \$4 per share by Granite Securities Corporation, 11 West 42nd St., New York, N. Y., and Mutual Investors of Rhode Island, Inc., 1840 Mineral Spring Ave., North Providence, R. I. The company is engaged in the design, development and marketing of bio-medical instruments. Net proceeds of its stock sale will be used for working capital and other corporate purposes. (File 2-43021)

NOEL INDUSTRIES, INC., 350 Fifth Ave., New York 10001, filed a registration statement on February 8 seeking registration of outstanding warrants to purchase 30,000 shares of common stock which may be offered for sale from time to time by the holders thereof, and 49,700 shares of common stock granted or to be granted pursuant to the company's stock option plan. (File 2-43022)

BETZ LABORATORIES, INC., 4636 Somerton Road, Trevose, Pa. 19047, filed a registration statement on February 8 seeking registration of 435,850 outstanding shares of common stock to be offered for public sale by the holders thereof. The offering is to be made (* at \$62.75 per share maximum) through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith Inc., 70 Pine St., New York 10005. The company is engaged principally in the production and sale of specialty chemical products and equipment associated with the use and treatment of industrial water. (File 2-43026)

NARRAGANSETT ELECTRIC COMPANY, 280 Melrose St., Providence, R. I. 02901, filed a registration statement on February 8 seeking registration of \$7.5 million of first mortgage bonds, Series I, to be offered for public sale at competitive bidding. Net proceeds will be applied toward the reduction of outstanding short-term notes payable (estimated at \$13 million) incurred to temporarily finance construction expenditures pending permanent financing. Construction expenditures are estimated at \$57.5 million for the period December 1, 1971 through December 31, 1974. (File 2-43025)

STOCK PLANS FILED. The following have filed Form S-8 registration statements with the SEC seeking registration of securities to be offered pursuant to employee stock and related plans:
Borman's Inc., Detroit, Mich. (File 2-43018) - 50,000 shares
Banner Industries, Inc., Cleveland, Ohio (File 2-43019) - 50,000 shares

SECURITIES ACT REGISTRATIONS. Effective February 8: Cal-Western Variable Fund, 2-37602; Investors Accumulation Plan, Inc., 2-39853; Iron Mountain Inc. 2-41955 (90 days); Lennar Corporation 2-42411; Megatech Corp. 2-42086 (90 days); Threshold Technology Inc. 2-42186 (90 days); Transport Life Insurance Co. 2-42590; Tri-South Mortgage Investors 2-42878; United States Gypsum Co. 2-42703.

NOTE TO DEALERS. The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

*As estimated for purposes of computing the registration fee.

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