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NEWS DIGEST

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COMMISSION ANNOUNCEMENTS

SEC ORDER CITES BERTHILL SECURITIES. The Commission has ordered administrative proceedings naming Berthill Securities, Inc., New York, N. Y., Herbert S. Lazar, Clarence Taylor Hill, and John K. Barons, based upon allegations of violations of the record keeping and anti-fraud provisions of the Federal securities laws. The order alleged that Berthill Securities violated and Herbert S. Lazar wilfully aided and abetted violations of the anti-fraud provisions in connection with the offer and sale of the common stock of Hiko Bell Mining and Oil Corp. in that they converted to Berthill's own use monies paid by customers for securities, and in that Lazar did not disclose to customers of Berthill that he was not a registered representative or a registered principal of Berthill for whom he was taking orders. The order also alleged that Berthill, aided by Lazar and Hill filed inaccurate statements with the Commission and that Berthill, aided by Lazar, Hill and Barons failed promptly to file required forms with the Commission. The order also alleged that Berthill Securities Inc. violated, and Lazar, Hill and Barons wilfully aided and abetted violations of the record keeping provisions of the Federal securities laws. The order also alleged that Berthill and Hill failed reasonably to supervise Lazar with a view to prevent certain violations. A hearing will be held to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto and to determine if the allegations are true and, if so, whether any action of a remedial nature should be ordered by the Commission.

SEC CITES FIRST WILLIAM STREET SECURITIES, INC. The Commission has ordered administrative proceedings against First William Street Securities, Inc., 99 Park Ave., New York; Jack M. Portney, Henry M. Roth, Henry Gellis, Henry Schumer, Eliot Spitz, Frederick Munzer, Harold Shapiro and Shek Tsat Chen. The Public Proceedings are based upon allegations that the aforementioned respondents violated the record keeping, net capital and anti-fraud provisions of the Federal securities laws. In addition, it is charged that First William Street Securities Inc., and Jack M. Portney failed reasonably to supervise registered representatives subject to their supervision with a view to preventing violations of the Federal securities laws. A public hearing will be held to take evidence on the staff allegations and to afford the respondents an opportunity to offer any defenses thereto and to determine if the allegations are true, and if so, whether any action of a remedial nature should be ordered by the Commission.

TRADING SUSPENDED IN TILCO STOCK. The SEC on July 30, in conjunction with the filing of a complaint in Federal District Court in Washington on July 29, asking for injunctive relief against Tilco, Inc., and others (Release LR-5107), ordered the temporary suspension of over-the-counter trading in the stock of Tilco, Inc., of Wichita, Ks. for the 10-day period beginning July 30, 1971, to terminate on August 8, 1971. The Commission in its injunctive complaint alleges that Tilco, Leben Oil Corp., Natural Resources Fund, Inc. and the other defendants made materially deficient disclosures in registration statements filed with the Commission; failed to file with the Commission a registration statement with respect to a July 1971 offer by Tilco to exchange shares of its common stock for all of the assets of the first three partnerships which the Fund had organized in 1969; made materially deficient disclosures in proxy material circulated in connection with that exchange offer. (Release 34-9269)

COURT ENFORCEMENT ACTION

COMPLAINT CITES TILCO INC., LEBEN OIL, OTHERS. The Commission announced that on July 29 it instituted a civil action in the U. S. District Court in Washington against Tilco, Inc., of Wichita, Ks., Leben Oil Corp. (formerly Leben Drilling, Inc.), a wholly-owned subsidiary of Tilco, of Wichita, Natural Resources Fund, Inc., a wholly-owned subsidiary of Leben Oil Corp., Denver, Colo., Theodore I. Leben, the chief executive officer and principal stockholder of Tilco; and Donald S. Clarke, president and a director of both Tilco and Fund. The Commission's complaint alleges violations of Sections 5, 7 and 10(a) and 17(a) of the Securities Act of 1933 (registration, prospectus content and antifraud provisions) and Sections 10(b) and 14(a) of the Securities Exchange Act of 1934 and Rules 10b-5 and 14a-9 thereunder (anti-fraud and proxy-solicitation provisions).

The complaint alleges, among other things, that defendants made materially deficient disclosures in the aforementioned registration statements, failed to file with the Commission a registration statement with respect to a July 1971 offer by Tilco to exchange shares of its common stock for all of the assets of the first three partnerships which the Fund had organized in 1969, and made materially deficient disclosures in proxy material circulated in connection with that exchange offer. (LR-5107)

OVER

NEW RULES AND RULE PROPOSALS

PROPOSAL TO REPEAL INVESTMENT ACT RULE 3c-1 and RULE 151 UNDER '33 ACT. The Commission proposes to repeal Rule 3c-1 under the Investment Company Act and Rule 151 under the Securities Act of 1933 which were adopted in February, 1959, to aid in the implementation of the Small Business Act of 1958 which originally provided that small business concerns receiving capital from a small business investment company ("SBIC") had to purchase stock in the investment company.

In 1967 Congress repealed Section 304(c) of the Small Business Act because that Section gave rise to numerous "administrative and regulatory problems." In view of the repeal of Section 304(c) and the amendment of Regulation Section 107.1001 there is a substantial question whether small business concerns financed by SBICs may invest in SBICs and Rules 3c-1 and 151 may no longer serve any purpose. Therefore, the Commission proposes to repeal Rules 3c-1 and 151.

All interested persons are invited to submit views and comments on the proposed repeal. Any views or comments should be submitted in writing to the SEC, Washington, D. C., 20549 on or before September 2, 1971. All communications will be available for public inspection. (Release IC-6435) (652)

COMMISSION ADOPTS REPORTING REQUIREMENTS FOR NASDAQ ISSUERS The Commission has adopted under the Securities Exchange Act of 1934 Rules 13a-17 and 15d-17 and a new reporting Form 10-C. The new rules and reporting form provide that any issuer of securities registered under Section 12(g) or subject to Section 15(d) of the Act, shall upon notification that a class of its securities is to be quoted on the National Association of Securities Dealers, Inc. (NASD) NASDAQ interdealer quotation system, thereafter report on Form 10-C any aggregate net change in the amount of the class outstanding exceeding 5%, as well as any changes in corporate names. Provision has been made for filing a copy of the report directly with the NASD. The new rules will be effective September 1, 1971. 1/ (Release 34-9255)

HOLDING COMPANY ACT RELEASES

JERSEY CENTRAL POWER. The SEC has issued an order under the Holding Company Act authorizing Jersey Central Power & Light Company, Morristown subsidiary of General Public Utilities Corp., to issue and sell \$25 million of debentures, due 1996, at competitive bidding. Net proceeds will be used to pay short-term bank notes outstanding at the time of the bond sale (estimated at \$24 million), proceeds of which were or will be used for construction purposes and to pay a portion of the company's 1971 construction program (estimated at \$147.6 million). (Release 35-17207)

MICHIGAN WISCONSIN PIPE LINE. The SEC has issued an order under the Holding Company Act authorizing Michigan Wisconsin Pipe Line Co., Detroit subsidiary of American Natural Gas Company, to issue and sell up to \$75 million of promissory notes to banks. Net proceeds will be used to partially finance the company's 1971 construction program (estimated at \$56 million), to make advance payments related to gas purchases and to provide working capital. (Release 35-17208).

CONNECTICUT YANKEE ATOMIC POWER. The SEC has issued an order under the Holding Company Act giving interested persons until August 23 to request a hearing upon an application of Connecticut Yankee Atomic Power Co., Hartford, Conn. subsidiary of Northeast Utilities and New England Electric System, to issue and sell up to \$7 million of notes to a group of banks. Net proceeds will be used to finance enrichment charges to be paid by Connecticut Yankee to the Atomic Energy Commission and other costs to be incurred in converting to private ownership the uranium required for its plant's initial fuel core, including the 4-3/4% carrying charges on the borrowed uranium. 1/(Release 35-17209)

GENERAL PUBLIC UTILITIES. The SEC has issued an order under the Holding Company Act giving interested persons until August 16 to request a hearing upon an application of General Public Utilities Corporation, New York holding company, to increase proposed capital contributions (authorized by the Commission on March 29, 1971, Release 35-17068) to two subsidiaries, as follows: New Jersey Power & Light Co., from \$4.9 million to \$10.5 million and Metropolitan Edison Company, from \$34.8 million to \$52.1 million. 1/(Release 35-17210)

WESTERN MASSACHUSETTS ELECTRIC/HUNTINGTON ELECTRIC. The SEC has issued an order under the Holding Company Act authorizing the merger of Huntington Electric Light Co. into Western Massachusetts Electric Company, both West Springfield, Mass. subsidiaries of Northeast Utilities. According to the application, the proposed merger will lead to the simplification of the Northeast holding company system. (Release 35-17212)

SECURITIES ACT REGISTRATIONS

THE RYLAND GROUP INC. The Ryland Group, Inc., 10221 Wincopin Circle, Columbia, Md. 21043, filed a registration statement on July 28 seeking registration of 300,000 shares of common stock, of which 83,800 are being offered for sale from time to time by selling shareholders and 216,200 by the company at a proposed maximum offering price of \$21 per share**, through underwriters headed by Dillon, Read & Co., Inc., 46 William St., New York 10005. The company is engaged principally in the construction and sale of single family homes on developed lots purchased from others in the metropolitan Washington area. Of the net proceeds, \$200,000 will be used to prepay outstanding subordinated debentures and the balance will be applied to construction and to other specified corporate purposes. (File 2-41290)

CONTINUED

SEGGOS INDUSTRIES, INC., 174 Richmond Hill Ave., Stamford, Conn. 06902, filed a registration statement on July 28 seeking registration of 70,000 shares of common stock (60,000 outstanding shares and 10,000 issuable pursuant to a warrant), to be offered for public sale from time to time by the holders thereof at prices current at the time of sale (** \$1.12½ per share maximum). The company is engaged in the manufacture and sale of contamination control equipment and solid state power supply units. (File 2-41286)

SPARKY'S VIRGIN ISLANDS, INC., 18 Dronningens Gade, Charlotte Amalie, St. Thomas, Virgin Islands 00801, filed a registration statement on July 28 seeking registration of 240,000 shares of common stock, of which 125,000 are to be offered for public sale by the company and 115,000 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$10 per share maximum) through underwriters headed by Thomas & McKinnon Auchincloss Inc., Two Broadway, New York 10004. Organized in 1971, the company is engaged primarily in the retail sale of liquor, perfume, watches, jewelry and cigarettes in the Virgin Islands. Of the net proceeds of its stock sale, \$300,000 will be used to construct a central warehouse facility in St. Croix and the balance for working capital and other corporate purposes. (File 2-41288)

GLOBE-AMERADA GLASS CO., 2001 Greeland Ave., Elk Grove Village, Ill. 60007, filed a registration statement on July 28 seeking registration of 295,400 shares of common stock, of which 100,000 are to be offered for public sale by the company and 195,400 (being outstanding shares) by the holders thereof. The offering is to be made (** at \$13 per share maximum) through underwriters headed by Bacon, Whipple & Co., 135S. LaSalle St., Chicago, Ill. 60603. The company produces laminated architectural and automotive glass. Of the net proceeds of its stock sale, \$400,000 will be used to finance the opening or acquisition of additional automotive replacement glass installation shops and the balance for working capital and other corporate purposes. (File 2-41289)

AMERICAN BANCSHARES INC., 11755 Biscayne Blvd., North Miami, Fla. 33161, filed a registration statement on July 28 seeking registration of 827,475 shares of common stock. It is proposed to offer these shares for exchange for all the outstanding common stock of the following banks at the indicated exchange rates: one share for each share of Second National Bank of North Miami Beach; three shares for each share of the Second National Bank of North Miami; and 4.5 shares for each share of the National Bank of St. Petersburg. Bancshares is a bank holding company. (File 2-41295)

NOEL INDUSTRIES, INC., 350 Fifth Ave., New York 10001, filed a registration statement on July 28 seeking registration of 280,000 shares of common stock, of which 225,000 are to be offered for public sale by the company and 55,000 (being outstanding shares) by the holders or recipients thereof. The offering is to be made (** at \$10 per share maximum) through underwriters headed by Seiden & de Cuevas Inc., 110 Wall St., New York 10005. The company is engaged in manufacturing and selling men's and boys' jeans and slacks. Net proceeds of its stock sale will be applied to reduction of the company's outstanding debt incurred to finance accounts receivable. (File 2-41296)

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:

Western Union International, Inc., New York (File 2-41276) - 100,000 shares
D.H. Baldwin Company, Cincinnati, Ohio (File 2-41279) - 122,878 shares
Texas International Petroleum Corp., Oklahoma, City, Okla. (File 2-41293) - 400,000 shares
Total Petroleum (North America) Ltd., Calgary, Alberta, Canada (File 2-41293) - 97,800 shares

MISCELLANEOUS

TRADING SUSPENSION CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Continental Vending Machine Corporation for the further ten-day period July 30 through August 8, 1971, inclusive.

SECURITIES ACT REGISTRATION, Effective July 29: Anstat, Inc., 2-40165 (90 days); Battani, Ltd., 2-40245 (90 days); Champion Fund, Inc., 2-39357; The Dayton Power & Light Co., 2-41127; First Wisconsin Bankshares Corp., 2-40828; Helix Marketing Corp., 2-40248 (90 days); Jersey Central Power & Light Co., 2-40757; J. Michaels, Inc., 2-40875; Nordstrom Best, 2-40753 (90 days); Occidental Petroleum Corp., 2-41124; Piper, Jaffray & Hopwood, Inc., 2-40320 (90 days); Rubbermaid Inc., 2-41083; Security of America Life Insurance Co., 2-40478 (10-29-71); Sterling Homex Corp., 2-40122; Transohio Financial Corp., 2-40701 (90 days); Guardian Enterprises, Inc., 2-39711 (90 days).

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.

1/ Pending distribution of this release by the Commission to the appropriate mailing lists, interested persons should consult the Federal Register for details of the release.

1 P O 912-604