

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



A brief summary of financial proposals filed with and actions by the S.E.C.

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FOR RELEASE July 20, 1964

FINANCIAL COUNSELLORS REVOKED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7371) revoking the broker-dealer registration of Financial Counsellors, Inc., 90 Church St., New York, for failure to disclose in its registration application that the company was controlled by Ernest F. Boruski, Jr. Upon the basis of its review and analysis of the record facts, the Commission concluded that Financial Counsellors was entirely under Boruski's control, domination and management; that Boruski not only had the power to control the company "but exercised it fully;" and that failure to list Boruski as a controlling person caused the registration application to be false and misleading. "It is clear," the Commission observed, "that registrant and Boruski deliberately sought to circumvent and thwart the regulatory scheme by persistently concealing Boruski's connection with and control of registrant. As the hearing examiner found, Boruski's subterfuge and artful design to cloak his activities permeated his conduct from the time he organized registrant in December 1962 for this purpose. His indifference to truthfulness is evidenced by registrant's application and amendments which expressly stated that no person not named therein directly or indirectly controlled registrant, and compounded by his continued efforts at the hearings to deceive this Commission and to obfuscate the issues. Registrant and Boruski have manifested not only a consistent refusal to comply with, but open defiance of, regulations governing the conduct of broker-dealers for the protection of public investors."

ABACUS FUND EXEMPTED. The SEC has issued an order under the Investment Company Act (Release IC-4016) declaring that Abacus Fund, 654 Madison Ave., New York, has ceased to be an investment company under the Act.

FEDERATED SECURITY INS. VOTING TRUST. Trustees under a voting trust agreement involving stock of Federated Security Insurance Company, Box 332, Salt Lake City, filed a registration statement (File 2-22610) with the SEC on July 16 seeking registration of voting trust certificates for 341,371 shares of Federated common capital stock. The trustees include William C. Olsen, board chairman, and Harry R. Stout, president of Federated.

BELDEN & BLAKE FILE FOR OFFERING. Belden & Blake and Company Limited Partnership No. 7, 702 Tuscarawas St., West, Canton, Ohio, filed a registration statement (File 2-22611) with the SEC on July 16 seeking registration of \$270,000 of limited partnership interests, to be offered in 100 units at \$2,700 per unit. The partnership was organized for the purpose of drilling oil and gas well locations. Seismic work also will be carried on in certain counties in Ohio, in which counties acreage can be acquired from Belden & Blake Oil Production, 60%-owned by Henry S. Belden III and Glenn A. Blake, general partners in the limited partnership.

DILLINGHAM FILES STOCK PLAN. Dillingham Corporation, 1441 Kapiolani Blvd., Honolulu, Hawaii, filed a registration statement (File 2-22612) with the SEC on July 17 seeking registration of 50,000 shares of common stock, to be sold from time to time to the Custodian of the Employee Stock Purchase Plan of Dillingham for the accounts of participants in the plan.

ABERDEEN FUND SEEKS ORDER. Aberdeen Fund, Jersey City open end investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to the proposed issuance of its shares at net asset value for substantially all of the cash and securities of Roy Enterprises, Inc.; and the Commission has issued an order (Release IC-4017) giving interested persons until August 6 to request a hearing thereon. Roy Enterprises, a Michigan corporation, is a personal holding company with total assets of \$2,367,086 as of March 31, 1964.

CONTINENTAL VENDING, TASTEE FREEZ TRADING BANS CONTINUED. The SEC has issued orders suspending exchange and over-the-counter trading in securities of Continental Vending Machine Corporation and Tastee Freez Industries, Inc., for a further ten-day period July 21-30, 1964, inclusive.

TENNEY CORP. NAMED IN SEC COMPLAINT. The SEC has filed court action (USDC SDNY) seeking to compel the filing of timely periodic reports by Tenney Corporation, of 18 East 41st St., New York City (LR-2987). Also named as defendants were the following officers and directors: Bertram P. Adler, Eric Emory, Carl Madonick, Jerome Paikin, Robert Reale and Jerry M. Tenney. The Commission seeks a court order directing the filing of Tenney's semi-annual report on Form 9-K for the six-month period ending April 30, 1964, and enjoining the defendants from failing to file timely periodic reports in the future. The complaint alleges that fourteen of the twenty periodic reports filed by Tenney Corporation since September, 1960, were filed late.

OVER

RECENT FORM 8-K FILINGS. The companies listed below have filed Form 8-K reports for the month indicated and responding to the item of the Form specified. Copies thereof may be ordered from the Commission's Public Reference Section (please give News Digest's "Issue No." in ordering). Invoice will be included with photocopy material when mailed. An index of the caption of the several items of the form was included in the July 1 News Digest.

Allied Artists Pictures Corp, Apr 64(7,8)

Mertronics Corp, June 64, (11)
Peoples Telephone Corp, June 64,(7,13)

Welded Tube Co. of America, Jan 63
(2,7,11,13)

American Investors Corp, Feb, Mar, Apr,
& May 64, (1,2,7,9,11,13)

Bangor Hydro-Electric Co, May 64, (11)

Yuba Consolidated Industries, Inc, May 64,
(13)

Flume & Atwood Brass & Copper Corp. (Formerly:
The Flume & Atwood Mfg Co., June 64, (11,13)

R T & E Corp, June 64, (11)
Ridge Tool Company, Apr 63, (11)
" " " Apr 64, (7,11)

Citizens Life Insurance Co of NY, May 64
(7,9,10,11,13)

Lowe's Companies Inc, Sept. 62, (11,13)
" " " July 63, (4,7)
" " " Sept 63, (11,13)
" " " May 64, (3)

The Winter Park Tel Co, Amd #1, Jan 64 (7-13)

SECURITIES ACT REGISTRATION STATEMENTS. During the week ended July 16, 1964, 22 registration statements were filed, 23 became effective, 1 was withdrawn, and 264 were pending at the week-end.

SECURITIES ACT REGISTRATIONS. Effective July 17: Camp Chemical Co., Inc. (File 2-21923).
Effective July 20: A-H Funds, Inc. (File 2-22219); Tecumseh Investment Company, Inc. (File 2-21029).
Withdrawn July 17: Robosonics, Inc. (File 2-20188).

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