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December 30, 1975

JAN 2 1976

COMMISSION ANNOUNCEMENTS

LIBRARY

HEARING ORDERED UPON THE APPLICATION
OF RENE R. WOOLCOTT

The Commission has ordered a hearing under the Investment Company Act of 1940 in connection with the application of Rene R. Woolcott pursuant to Section 9(c) of the Act for an exemption from the provisions of Section 9(a) of the Act.

These proceedings arise as a result of an injunction entered against Woolcott, on consent, on September 10, 1975, in the U.S. District Court for the Southern District of New York, enjoining Woolcott from violations of the antifraud provisions of the securities laws. In addition, Woolcott was ordered to disgorge the profit he had realized as a result of his purchase of Zapata Corporation shares at a time when he was in possession of material, non-public information with respect to an impending offer by Zapata Corporation for its own shares. SEC v. Rene R. Woolcott, 75 Civil 4098 (S.D.N.Y. 1975). At the time the final judgment of permanent injunction and order of disgorgement was entered, Woolcott was an officer and director of a registered investment company and a registered investment adviser. (Rel. IC-9101)

TRADING SUSPENSIONS

TERMINATION OF TRANSJERSEY BANCORP

The SEC has announced the termination of the temporary suspension of over-the-counter trading at midnight (EST) on December 30, 1975 of the securities of Transjersey Bancorp (Transjersey), a New Jersey corporation located in Bloomfield, New Jersey.

The Commission initially suspended trading of Transjersey because of questions concerning the recent market activity in the company's common stock and other matters pertaining to the company. (Rel. 34-11956)

COURT ENFORCEMENT ACTIONS

COMPLAINT NAMES TRANSJERSEY BANCORP., OTHERS

The New York Regional Office announced that on December 29 a complaint was filed in the U.S. District Court for the District of New Jersey seeking to enjoin Transjersey Bancorp., U.S. Funding Corporation, Arnold Daner of New City, New York and Robert Prodan of Morganville, New Jersey from violations of the antifraud and periodic reporting provisions of the securities laws in connection with the false and misleading periodic reports by Transjersey Bancorp., the holding company for the Bank of Bloomfield, located in Bloomfield, New Jersey. The complaint also seeks injunctive relief against J. W. Weller & Co. Inc., a New Jersey broker-dealer, John W. Weller, Jr., of West Orange, New Jersey, Booker Brothers, Inc., a Pennsylvania broker-dealer and Fletcher Clement Booker and J. Houston Day, Jr., both of Dallas, Pennsylvania from violations of the antifraud provisions of the securities laws in connection with the manipulation of the price of Transjersey Bancorp.'s common stock.

In addition to injunctive relief, the complaint seeks an order directing Transjersey to amend its periodic reports filed with the Commission during 1975.

The complaint alleges, among other things, that U.S. Funding and Daner discounted approximately \$1.7 million in bogus leases at the Bank of Bloomfield and that Transjersey and Prodan filed periodic reports with the Commission which failed to accurately reflect these transactions. In addition, Weller & Co., Booker Bros., Weller and Booker are charged with aiding and abetting the manipulation by Day of the price of Transjersey common stock from \$13 per share to \$27 per share during the period from July to November 1975. (SEC v. Transjersey Bancorp., et al.). (LR-7220)

COMPLAINT NAMES I.T.S. INDUSTRIES, LTD.,
OTHERS

The Commission has announced the filing of a complaint for injunctive and other relief in the U.S. District Court for the Eastern District of New York on December 22 against I.T.S. Industries, LTD., a New York corporation, Arnold Nelson, who controlled I.T.S.' corporate activities, Charles Ewing, president and chief executive officer of I.T.S., Clyde Mash, Richard Worth, both "finders" for I.T.S. corporate acquisitions, Harold Herman, a New York attorney who represented I.T.S., and Manuel Kaplan, a Nelson associate.

The complaint alleges that unregistered I.T.S. securities were sold in violation of the antifraud provisions of the securities laws. These unregistered I.T.S. securities were offered, sold and exchanged for assets and securities of individuals and corporations. To induce those individuals and corporation to exchange their assets and securities for unregistered I.T.S. stock, Nelson caused I.T.S. to prepare and distribute a false and misleading report to stockholders.

The Commission also alleges that Nelson and Kaplan manipulated the over-the-counter market price for I.T.S. stock. Herman, without admitting or denying the allegations in the Commission's complaint, has consented to the entry of the permanent injunction and has agreed to enter into a stipulation and undertaking which places limitations on his right to practice before the Commission, which limitations expire on June 30, 1977. (SEC v. Arnold Nelson, et al.). (LR-7215)

COMPLAINT NAMES GENERAL INDUSTRIAL
CORPORATION, OTHERS

The Washington Regional Office announced that on December 18 a complaint was filed in the U.S. District Court in Alexandria, Virginia charging General Industrial Corporation (GIC), General Enterprises Corporation (GEC) and John Huminik, Jr., president of GIC and GEC, all of Arlington, Virginia, with violations of the registration and antifraud provisions of the securities laws in connection with the offer, purchase and sale of the common stock of GIC and GEC. The complaint alleges that the defendants made to investors and prospective investors false and misleading statements and omitted to state material facts in connection with the offer, purchase and sale of the above securities. (SEC v. General Industrial Corporation, et al., E.D. Va., Alex. Division, Civil Action No. 75-882-A). (LR-7216)

COMPLAINT NAMES REAL INTERNATIONAL,
U.S.A., INC., OTHERS

The Washington Regional Office announced that on December 19 a complaint was filed in the U.S. District Court in Alexandria, Virginia charging REAL International, U.S.A., Inc. and Benjamin W. Coleman of Washington, D.C.; REAL International Holding Company and John P. Maily of Marbella, Spain; Uninvest Resources, Ltd. and REAL International North America, Inc. of Toronto, Ontario, Canada; Charles Greenberg of Baldwin, New York; Henri Berger of Framingham, Massachusetts; Milton Adams of Brooklyn, New York; and Peter Leslie of Montreal, Quebec, Canada with violations of the registration and antifraud provisions of the securities laws in connection with the offer and sale of securities, namely investment contracts, participations in profit-sharing agreements and instruments commonly known as securities in the form of various Spanish resort properties coupled with a variety of rental-management, leaseback and repurchase contracts. The complaint alleges that the defendants made to investors and prospective investors false and misleading statements and omitted to state material facts in connection with the offer and sale of the above securities. (SEC v. REAL International, U.S.A., Inc., et al., E.D. Va., Alex. Division, Civil Action No. 75-887-A). (LR-7217)

COMPLAINT NAMES GENERICS CORPORATION
OF AMERICA, OTHERS

The New York Regional Office has announced that on December 18 the filing of a complaint in the U.S. District Court for the District of New Jersey seeking to enjoin Generics Corporation of America (GCA) and Jerald (Jerry) Zelin former chairman of the board of directors and president of GCA, from violations of the antifraud, reporting and proxy provisions of the securities laws and also seeking ancillary relief; and seeking to enjoin Stuart Friedman and S. M. (Jesse) Stancarone from aiding and abetting violations of the antifraud provisions of the securities laws.

The Commission's complaint alleges that from in or about October 1972 to the present, GCA and Zelin, assisted by Friedman and Stancarone, prepared false and misleading statements concerning the inventory, asset and income totals contained in the consolidated financial statements of GCA and its subsidiaries. The complaint further alleges

that the consolidated financial statements were filed with the Commission and distributed to the public. Information concerning certain of the alleged violations was directed to the Commission's attention by Friedman and Stancarone.

The Commission requested in its complaint that Zelin be enjoined from serving as an officer and director of GCA, and from voting any shares of GCA which he owns or in which he has a beneficial interest. The Commission further requested that independent directors be appointed to constitute a majority of GCA's board of directors, its executive committee and a litigation and claims committee to be established. The complaint also seeks the appointment of a special fiscal agent or special counsel for GCA with all powers necessary to investigate and ascertain accurate financial information concerning GCA and its subsidiaries.

On the same day as the filing of the complaint, the Commission also filed final judgments of permanent injunction by consent against Friedman and Stancarone enjoining them from further violations of the antifraud provisions of the securities laws. (SEC v. Generics Corporation of America, et al., D.N.J. 75 Civil). (LR-7218)

EMPIRE PROPERTIES, INC. AND ROBERT W. DUPREE ENJOINED

The San Francisco Branch Office announced that Empire Properties, Inc. and Robert W. Dupree, both of Phoenix, Arizona, were enjoined by the Federal District Court in Phoenix on December 12 from violating the registration and antifraud provisions of the securities laws in connection with the offer and sale of the promissory notes of Empire, or any other security of any issuer. Empire and Dupree consented to the Court's order without admitting or denying the allegations against them. (SEC v. Empire Properties, Inc., et al., D-Arizona, Civ-75-843-PHX-WPC). (LR-7219)

INVESTMENT COMPANY ACT RELEASES

UNION BANK NAFUC SERVICES CORPORATION

An order has been issued exempting the Common Trust Fund of Union Bank for Credit Union Trusts from all the provisions of the Act. (Rel. IC-9099 - Dec. 29)

CHECCHI-PACIFIC CORPORATION

An order has been issued on an application of Checchi and Company (Checchi), a management and consulting company, and Checchi's wholly-owned subsidiary, Checchi-Pacific Corporation (Checchi-Pacific), a closed-end, non-diversified, management investment company, permitting Trans-Philippine Investment Corporation (TPIC), a company controlled by Mr. Roberto Villanueva, a controlling person of Checchi and Checchi-Pacific, to buy certain of its securities presently held by Checchi-Pacific, which sale is to be effected, for tax reasons, through the merger of Checchi-Pacific into Checchi and the sale by Checchi of such securities to TPIC, and permitting Checchi to join with Checchi-Pacific in the sale of certain assets of Checchi and Checchi-Pacific to TPIC. (Rel. IC-9100 - Dec. 29)

HOLDING COMPANY ACT RELEASES

EASTERN UTILITIES ASSOCIATES

An order has been issued authorizing Eastern Utilities Associates (EUA), a registered holding company, and its subsidiaries, to make certain short-term borrowings from banks and authorizing EUA to make open account advances to one of the subsidiaries. (Rel. 35-19316 - Dec. 29)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved proposed rule changes filed by the American Stock Exchange, Inc., the Chicago Board Options Exchange, Incorporated and PBW Stock Exchange, Inc. The rule changes modify the exercise price intervals established for options on securities trading between 100 and 200 so as to shorten such intervals from 20 points to 10 points. (Rel. 34-11955)

DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING PRIVILEGES SOUGHT

A notice has been issued giving interested persons until January 4, 1976 to request a hearing on an application by the following stock exchanges for unlisted trading privileges in the common stock of the following companies: Midwest Stock Exchange, Inc, The Williams Companies, Delmarva Power & Light Company; Cincinnati Stock Exchange - North American Philips Corporation, Bancal Tri-State Corporation; and Boston Stock Exchange - Combined Communications Corp., Dean Witter Organization, Inc., Denny's Inc. (Cal), Japan Fund Inc., National Medical Care, Inc. Robintech Inc. (Del.), Southland Corporation, and Wheelabrator-Frye, Inc. (Rel. 34-11959)

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc to strike from listing and registration thereon, the common stock of Data Control Systems, Inc.

As of September 27, 1974, the company had a net tangible assets deficit of \$995,978 and had sustained net losses during three of its four most recent fiscal years, as follows: 1971, \$1,369,310; 1973, \$243,571; and 1974, \$1,471,778.

In addition, based upon a recent bid price of 2¢ in the over-the-counter market, the aggregate market value of the publicly-held shares is less than \$20,000. (Rel. 34-11960)

SECURITIES ACT REGISTRATIONS

(S-14) DIETRICH EXPLORATION COMPANY, INC. (DEXCO)

602 Midland Savings Bldg., Denver, Colo. 80202 - 4,476,789 shares of common stock, to be issued to the stockholders of Domestic Energy Company, Inc. (Domestic), a Colorado corporation, upon consummation of a proposed merger of Domestic with and into Dexco. Dexco and Domestic are both small independent oil and gas companies. (File 2-55235 - Dec. 23)

(S-6) THE MUNICIPAL BOND FUND, SERIES 26

c/o Paine, Webber, Jackson & Curtis Incorporated, 140 Broadway, New York, N.Y. 10005 and Hornblower & Weeks-Hemphill, Noyes Incorporated, 8 Hanover St., New York, N.Y. 10005 - \$5 million of units. The Fund will be created under a trust indenture among Paine, Webber, Jackson & Curtis Incorporated and Hornblower & Weeks-Hemphill, Noyes Incorporated as sponsors, United States Trust Company of New York, as trustee, and Standard & Poor's Corporation, as evaluator. The Fund will consist of interest bearing obligations issued by or on behalf of states, counties, municipalities and territorial possessions of the United States and authorities, agencies and other political subdivisions thereof, the interest on which is, in the opinion of counsel to the issuers of such obligations, exempt from Federal income tax. (File 2-55236 - Dec. 23)

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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