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# SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

(Prepared by the SEC Office of Public Information)

A Daily Summary of  
S.E.C. Activities

FOR RELEASE November 15, 1972

## CASEY SEES PERMANENT MARKETS IN REAL ESTATE SECURITIES

SEC Chairman William J. Casey told a realtors group that the time has come to seize the opportunity to establish a permanent market for real estate securities within our existing capital market system. Speaking before the National Association of Real Estate Boards in Honolulu on Monday, Casey said: "I feel we can rise above the difficulty of the tasks which face us in reaching this goal and utterly dispel the notion that real estate securities are too complicated to be sold to the general public and often too elusive for standard and uniform disclosure of the economic realities underlying them."

Casey added that the SEC recognizes that the allocation of capital by competition among investment instruments in the nation's capital markets has been the basis for this nation's unparalleled economic growth and that real estate securities must be allowed to effectively compete in this capital pool.

"Its somewhat ironic," Casey said, "that the real estate industry has never in the history of our equity markets enjoyed the benefits of an established national securities market. The investment vehicles now present in that market and others yet to be devised offer us the opportunity to break with that tradition."

Casey reminded the group that the recent SEC Real Estate Advisory Committee report recommended that condominiums and cooperatives should be exempt from certain broker-dealer reporting and regulatory requirements and register through a shortened and simplified procedure which the Commission staff is working on.

Casey said that in order to provide a fully viable investment vehicle, real estate programs must, among other things, provide sound underlying economic benefit, consistency of regulation at the state and federal levels, effective competition among themselves and all other securities for the investment dollar, and disclosure information must be investor-oriented. "These standards will also serve as a basis by which investors can compare one real estate venture with another and with any other investment opportunities," he concluded.

## COMMISSION ANNOUNCEMENTS

TRADING SUSPENDED IN TIDAL MARINE INTERNATIONAL. The SEC ordered the temporary suspension of over-the-counter trading in the securities of Tidal Marine International Corporation (Tidal) of New York, N. Y. for a ten-day period beginning November 13 and continuing through November 22, 1972. The suspension was ordered because of the lack of current adequate information concerning the financial condition of the company. The Commission has been advised by the company that Tidal is currently in default on \$11 million of unsecured bank loans and \$33.5 million of bank loans secured by first mortgages on the company's ocean vessels. In addition, the company is delinquent in certain of its filings with the commission. (Rel. 34-9857)

MARKETING COMMUNICATIONS SUSPENSION TERMINATED. The SEC on November 13 announced the suspension of over-the-counter trading in the securities of Marketing Communications, Inc. (MCI), of Wayne, N. J. terminated November 14. Trading in MCI securities was originally suspended by the Commission on October 17, 1972 because of the unavailability of adequate and accurate information concerning the company in view of the withdrawal of a Regulation A offering which was intended to finance a program of advertising/marketing licenses to function as regional offices of the company.

For year ending December 31, 1971, the company reported in a letter to shareholders a net loss of \$27,191.58, a retained earnings deficit of \$15,993.62 and net sales of \$205,941.03 and for the eight months ended August 31, 1972, net income of \$4,110.23 or \$.0040 earnings per share, retained earnings deficit of \$11,883.39 and net sales of \$131,409.45. The company further announced that a Regulation A offering, which became effective on August 18, 1972, has been withdrawn effective October 30, 1972. Due to the loss of the proceeds from this offering the company's plans for the solicitation of licenses on a national scale will be reduced to a more moderate program. On November 8, 1972, MCI mailed a second letter to shareholders giving further details of the terms of two proposed acquisitions and contributions to income which will result therefrom. (Rel. 34-9858)

SEC ORDER CITES J. E. HINTON & CO. The SEC announced the issuance of an amendment to the order for proceedings dated June 1, 1971 in the matter of J. E. Hinton & Co., Inc. and John Edward Hinton. The proceedings were first instituted on the basis of allegations of the Commission's staff that registrant, aided and abetted by John E. Hinton, had violated the net capital and reporting requirements of the Federal securities laws. It was also alleged that John E. Hinton had failed to supervise persons in his control to prevent these violations. The amended order involves additional allegations of violations of the Commission's net capital rules and reporting requirements.

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.

OVER

NEW RULES AND RULE PROPOSALS

COMMENT PERIOD EXTENDED. On October 17, 1972, the News Digest announced that comment was being sought on the merits of amending the Commission's proxy rules to require, as set out in Securities Exchange Act Release No. 9822, disclosure of certain information relating to the administration and solicitation of contributions to separate segregated funds utilized for political purposes by a corporation, and that all comments were to be received no later than November 17, 1972. In order to give interested persons sufficient time to furnish their views on this subject, the Commission has extended the deadline for comments to December 1, 1972.

COURT ENFORCEMENT ACTIONS

FOUR SEASONS NURSING CENTERS ENJOINED. The SEC Chicago Regional Office announced that on October 31 the Federal court in Columbus, Ohio permanently enjoined The Colorado Corporation, Regency Income Corporation, both of Denver, Colo., and Four Seasons Nursing Centers of America, Inc., Oklahoma City, Okla., from violations of the anti-fraud provisions of the Federal securities laws in connection with the offer, sale and purchase of promissory notes of various issuers, or any other security. (LR-5618)

JOSEPH F. FORAKER SENTENCED. The SEC Seattle Regional Office announced that on November 6, Joseph E. Foraker, a former stockbroker from Reseda, Calif., was sentenced by the Federal court in Spokane, Wash. to five years of probation and fined \$2,000 in connection with his earlier plea of guilty to one count of the sale of unregistered securities. Foraker had been indicted along with Allen R. Campbell and Cline E. Tedrow, both of Spokane, Wash., for 26 counts of securities law violations. Campbell has entered a guilty plea and is awaiting sentencing; the indictment has been dismissed against Tedrow. (LR-5619)

ALBERT & MAGUIRE, OTHERS ENJOINED. The SEC Washington Regional Office announced that the Federal court in Philadelphia permanently enjoined Albert & Maguire Securities Co., Inc., a Philadelphia broker-dealer, Robert M. Maguire, Andrew Horvat, Jr., Melvin M. Browndorf, and Bertram Burak officers of the firm, from further violations of the hypothecation, net capital, bookkeeping and financial reporting provisions of the Federal securities laws. The defendants consented to the court order without admitting or denying the allegations. (LR-5620)

ANDREW T. LOVE, DAVID A. BARAK ENJOINED. The SEC Washington Regional Office announced that on October 31, the Federal court in Philadelphia had permanently enjoined Andrew T. Love Associates, Inc., a broker-dealer located in Willow Grove, Pa. and its president David A. Barak from further violations of the net capital and anti-fraud provisions of the Federal securities laws. The defendants consented to the court order without admitting or denying the allegations. (LR-5621)

JAY P. GREEN, OTHERS ENJOINED. The SEC Chicago Regional Office announced November 6 that the Federal court in Grand Rapids, Mich. permanently enjoined Jay P. Green, Sr., individually and doing business as Sovereign Grace Publishers; Religious Book Discount House, Inc., and Associated Authors and Publishers, Inc., all of Grand Rapids, from violations of the registration and anti-fraud provisions of the Federal securities laws in connection with the offer and sale of various securities. The defendants consented to the court order without admitting or denying the allegations. The defendant concerns filed in Grand Rapids on November 6 voluntary petitions under Chapter XI of the federal Bankruptcy Act for arrangements with creditors. The Commission's request for appointment of a receiver was denied with the understanding that a receiver would be promptly appointed for the defendant concerns by the Referee in Bankruptcy under the bankruptcy laws. (LR-5622)

BOVERS, PARNASS & TUREL, INC. ENJOINED. The SEC announced that on October 19 the Federal court in New Jersey permanently enjoined Bovers, Parnass & Turel, Inc. of Jersey City, N. J.; Howard F. Bovers, its president; Mark S. Parnass, its secretary; Lawrence E. Turel, its vice-president; and Diamond West Corporation, its sole stockholder, from further violations of the net capital rule of the Exchange Act. The defendants consented to the entry of the court order. Edward J. Rosner was appointed as SIPC trustee. (LR-5623)

HOLDING COMPANY ACT RELEASE

ARKANSAS POWER & LIGHT COMPANY. The SEC has issued a notice giving interested persons until December 8 to request a hearing regarding a proposal of Arkansas Power & Light Company, Little Rock, Ark. subsidiary of Middle South Utilities, Inc., to issue and sell through May 31, 1974 up to \$60 million of unsecured short-term promissory notes (including commercial paper) to a group of banks and/or a dealer in commercial paper. The net proceeds, together with other available funds, will be applied to Arkansas' construction program, estimated for 1972 at \$118,500,000 and 1973 at \$155,800,000. (Rel. 35-17759)

SECURITIES ACT REGISTRATIONS

NCNB CORPORATION, 200 S. Tryon St., Charlotte, N. C. 28202, filed a registration statement on November 3 seeking registration of 1,000,000 shares of common stock, to be offered for public sale (\*at \$37.375 per share maximum) through underwriters headed by Salomon Brothers, One New York Plaza, New York 10004. The company is a bank holding company. Net proceeds will be added to the company's general funds to support its banking and non-banking activities. (File 2-46219)

CONTINUED

UNITED MEXICAN STATES (U.S. Agent: Jose Juan de Olloqui, The Mexican Embassy, 2829 16th St., N.W., Washington, D. C. 20009), filed a registration statement on November 3 seeking registration of \$25 million of external sinking fund bonds, due 1997, to be offered for public sale through underwriters headed by Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York 10006. Net proceeds will be applied by the Mexican Government to foreign exchange expenditures required for the purchase of capital equipment in connection with certain of its economic development projects. (File 2-46220)

SUNBEAM CORPORATION, 5400 W. Roosevelt Rd., Chicago, Ill. 60650, filed a registration statement on November 2 seeking registration of 56,706 outstanding shares of common stock, to be offered for sale from time to time by the holder thereof at prices current at the time of sale (\*\$29.75 per share maximum). The company manufactures, sells and services consumer electrical products and also various commercial and industrial products. (File 2-46221)

NATIONAL DATA CORPORATION, 1577 Northeast Expressway, Atlanta, Ga. 30329, filed a registration statement on November 3 seeking registration of 242,000 shares of common stock, of which 200,000 are to be offered for public sale by the company and 42,000 (being outstanding shares) by the holders thereof. The offering is to be made (\*at \$37.50 per share maximum) through underwriters headed by Salomon Brothers, One New York Plaza, New York 10004, and The Robinson-Humphrey Company, Inc., 2 Peachtree St., N. W., Atlanta, Ga. 30303. The company provides information services to customers through the operation of a real-time computer system. Net proceeds will be added to the company's working capital and used for general corporate purposes. (File 2-46224)

MAINE YANKEE ATOMIC POWER COMPANY, 9 Green St., Augusta, Me. 04330, filed a registration statement on November 3 seeking registration of \$15 million of first mortgage bonds, Series C, due 2002, and 150,000 shares of cumulative preferred stock (\$100 par), to be offered for public sale at competitive bidding. Net proceeds of the company's financing will be applied first toward the completion of the Bailey Point nuclear-powered electric generating plant and the balance toward the payment of bank debt and notes due its sponsoring utilities. (File 2-46226)

GILBERT FLEXI-VAN CORPORATION, 330 Madison Ave., New York, N. Y. 10017, filed a registration statement on November 3 seeking registration of 17,624 outstanding shares of common stock, which may be offered for sale by the holders thereof (\*at \$26 per share maximum). The company is engaged in the leasing of containers, tractors and trailers and other equipment for the intermodal transportation of freight. (File 2-46227)

BAYROCK UTILITY SECURITIES, INC., 200 Park Ave., New York 10017, filed a registration statement on November 3 seeking registration of 415,825<sup>908700</sup> shares. It is proposed to offer these shares for subscription by common stockholders at the rate of one share for each two shares held. The offering is to be made (\*at \$16.50 per share maximum) through underwriters headed by Bache & Co. Inc., 100 Gold St., New York 10038. The company is a closed-end diversified investment company which invests at least 80% of its assets in equity and debt securities of public utility companies. Bayrock Advisors, Inc., wholly-owned subsidiary of Bache, is investment adviser. (File 2-46228)

SOUTHEAST BANKING CORPORATION, 100 S. Biscayne Blvd., Miami, Fla. 33131, filed a registration statement on November 3 seeking registration of 68,800 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of The Bank of Orange Park, at the rate of two shares for each outstanding Bank share. Southeast is a bank holding company, which owns substantially all of the outstanding stock of 15 banks located in Florida. (File 2-46229)

INEXCO OIL COMPANY (the general partner), 1200 Houston Club Bldg., Houston, Tex. 77002, filed a registration statement on November 3 seeking registration of \$4,000,000 of partnership interests in Inexco Powder River II Exploration Program, Ltd. (the Partnership), to be offered for public sale in minimum amounts of \$5,000 and by selected NASD members. The Partnership will engage in oil and gas exploration. (File 2-46230)

DEKALB AGRERESEARCH, INC., Sycamore Rd., DeKalb, Ill. 60115, filed a registration statement on November 6 seeking registration of 100,000 outstanding shares of Class B common stock, to be offered for public sale by the holders thereof (\*at \$87.75 per share maximum) through underwriters headed by White, Weld & Co. Inc., One Liberty Plaza, and Smith, Barney & Co. Inc., 1345 Avenue of the Americas, both of New York. The company is engaged in the development and production of hybrid corn, sorghum, sorghum-sudangrass and forage wheat seeds and breeding stock for producing broiler chickens and hybrid egg-laying chickens. (File 2-46233)

HARRIS-INTERTYPE CORPORATION, 55 Public Sq., Cleveland, Ohio 44113, filed a registration statement on November 3 seeking registration of 55,984 outstanding shares of common stock, which may be offered for sale from time to time by the holder thereof (George S. Dively) (\*at \$48 per share maximum). (File 2-46231)

F & M TAX EXEMPT BOND FUND, FIRST SERIES, filed a registration statement on November 6 seeking registration of \$5,000,000 of units. The Fund was created pursuant to a trust indenture between Foster & Marshall Inc., sponsor, United States Trust Company of New York, trustee, and Standard & Poor's Corporation, the evaluator. The Fund will consist of Federal income tax-free interest bearing obligations of states and territories of the United States and political subdivisions and authorities thereof. (File 2-46235)

**TAMPA ELECTRIC COMPANY**, 111 N. Dale Mabry Hwy., Tampa, Fla. 33609, filed a registration statement on November 6 seeking registration of 750,000 shares of common stock, to be offered for public sale (\* at \$25 per share maximum) through underwriters headed by Stone & Webster Securities Corp., 90 Broad St., and Kidder, Peabody & Co. Inc., 10 Hanover Square, both of New York. Net proceeds will be applied toward reduction of outstanding short-term debt incurred for construction purposes. Construction expenditures are estimated at \$69.8 million for 1972 and \$212 million for the period 1973-75. (File 2-46236)

**MARRIOTT CORPORATION**, 5161 River Road, Washington, D. C. 20016, filed a registration statement on November 6 seeking registration of 311,111 outstanding shares of common stock (or shares issuable pursuant to convertible notes), which may be offered for sale from time to time by the holders thereof (\*at \$36 per share maximum). (File 2-46237)

**BEAVER LAKE COMPANY**, 606 S. Olive St., Los Angeles, Calif. 90014, filed a registration statement on November 6 seeking registration of 252 units of limited partnership interests and 252 \$1,600 10% partnership notes, to be offered for public sale in units, each consisting of one partnership interest and one note. The offering is to be made at \$5,000 per unit by Mitchum, Jones & Templeton Inc., 510 S. Spring St., Los Angeles, Calif. 90013. The company has agreed to purchase all the interest of Beaver Lake Development Corporation in Clackamas County, Oregon, some 21 miles from downtown Portland for development as a planned community. (File 2-46238)

**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:

- Crum and Forster, New York, N. Y. (File 2-46217) - 500,000 shares
- Texas Gulf, Inc., New York, N. Y. (File 2-46222) - 1,000,000 shares
- Baltimore Gas and Electric Company, Baltimore, Md. (File 2-46223) - 200,000 shares
- Downe Communications, Inc., New York, N. Y. (File 2-46225) - 439,090 shares
- Harris-Intertype Corporation, Cleveland, Ohio (File 2-46232) - 116,953 shares
- BMA Corporation, Kansas City, Mo. (File 2-46234) - 46,746 shares

#### MISCELLANEOUS

**TRADING SUSPENSIONS CONTINUED.** The SEC has ordered the suspension of over-the-counter trading in the securities of Power Conversion, Inc. and Topper Corporation for the further ten-day period November 15-24, inclusive.

**SECURITIES ACT REGISTRATIONS.** Effective November 10: Jewelcor Incorporated, 2-45325.  
Effective November 13: Acma Electric Corp., 2-45985; Amfac Cattle Co., 2-44207; CIC Corp., 2-44851; DeLand Real Estate Investment Trust, 2-45490 (90 days); Directors Diversified Industries, 2-45341 (90 days); Gould Inc., 2-46105; Laxtron-Abcira Real Estate Fund, Ltd., 1972-B, 2-44748 (90 days); The Lionel Corp., 2-44825; Marriott Corp., 2-46237; Miconics Industries, Inc., 2-42979 (Jan 29); Southeast Banking Corp., 2-46035; Sunbeam Corp., 2-46221; Ziegler Development Corp., 2-44575 (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.

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