



SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A Daily Summary of
S.E.C. Activities

Washington, D.C. 20549

(Prepared by the SEC Office of Public Information)

(Issue No. 72-231)

FOR RELEASE December 4, 1972

CASEY NAMED UNDER SECRETARY

The President on November 30 announced his intention to nominate SEC Chairman William J. Casey to be Under Secretary of State for Economic Affairs. The position is a new one created by the Foreign Relations Authorization Act of 1972.

In issuing the announcement, Ronald Ziegler, the President's Press Secretary, said of Mr. Casey's appointment:

"Mr. Casey is a lawyer, with considerable background and experience in international economic affairs. Mr. Casey's tenure as Chairman of the SEC has been marked by the kind of strong and innovative leadership which the President feels is essential for this new post of Under Secretary of State for Economic Affairs.

"President Nixon has often indicated his concern that the United States be ready to meet and participate vigorously in the intensified international economic competition which lies ahead as the military competition of the past generation recedes. Economic relations, monetary issues and trade will play a larger role than ever before in United States foreign policy during the next four years. Accordingly, President Nixon considers this appointment of Mr. Casey to be one of the most important appointments he is making for the new Administration."

Chairman Casey issued the following statement:

"I have mixed feelings. I will greatly miss the people and the work of the SEC. I am pleased at the confidence President Nixon has expressed in naming me Under Secretary of State for Economic Affairs. I look forward to working with Secretary Rogers and my new associates at the State Department. I believe that as we move towards a more peaceful world and scale down military competition, trade and investment relations and economic competition in the world has to become more important. To use Wall Street language, I see international economic affairs as a growth area and, with the consent of the Senate, I hope to be able to make a contribution there."

DECISION IN ADMINISTRATIVE PROCEEDING

NASD BAR AGAINST WILLIAM E. COXE UPHOLD. The SEC has issued an order dismissing the application of William E. Coxé of Atlanta, Ga., previously a registered representative of a member of the National Association of Securities Dealers, Inc., for review of an NASD decision barring him from association with any member.

The Commission found, as had the NASD, that Coxé effected unauthorized securities purchases in a customer's account for his own benefit and that, in causing some of such securities to be sold before they were paid for, he engaged in a scheme to circumvent the cash account provisions of Regulation T of the Board of Governors of the Federal Reserve System. (Rel. 34-9875)

COMMISSION ANNOUNCEMENTS

SEC ORDER CITES EDWARD H. NELSON. The SEC has instituted proceedings against Edward H. Nelson d/b/a Nelson and Company of Bethesda, Md. based upon allegations that he violated the registration, anti-fraud and bookkeeping provisions of the Federal securities laws.

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

TRADING SUSPENDED IN NOVA EQUITY VENTURES. The SEC has ordered the temporary suspension of over-the-counter trading in the securities of Nova Equity Ventures, Inc., of New York City, for a ten-day period commencing December 4 and continuing through December 13. The suspension was ordered because of the lack of adequate and accurate public information concerning the financial condition of the company. (Rel. 34-9892)

SEC ORDER CITES G.F.C.S. AND EUGENE C. PACE. The SEC has ordered administrative proceedings against G.F.C.S., Inc. and Eugene C. Pace of Los Angeles, Calif., based upon allegations by the Commission staff that during October 1972 they violated provisions of Section 5 of the Securities Act of 1933 by engaging in "gun-jumping" activities. More specifically, the staff has alleged that a letter distributed by the respondents to several hundred broker-dealers and an advertisement placed in the Chicago Tribune relating to a pending registration statement by National Farming Program/1972 violated the restrictions placed upon such literature under Section 5(b) of the Securities Act.

Respondents have submitted an offer of settlement for the Commission's consideration in which, without admitting or denying the above allegations, the respondents consented to findings of violations as alleged in the order for proceedings and to the entry of an order censuring respondents and providing that in the future all sales literature prepared by G.F.C.S. for use in connection with securities which are to be offered to the public, whether in the form of form letters or advertisements or otherwise, would be cleared prior to the use thereof by experienced SEC counsel.

OVER

NEW RULES AND RULE PROPOSALS

RULES ADOPTED REGARDING NONMEMBER OFFERINGS. The Commission announced today the adoption of Rules 15b10-8 and 15b10-9 under Section 15(b)(10) of the Securities Exchange Act of 1934 relating to the distribution by SECO ("nonmember") broker-dealers of their own or affiliates' securities. Similar rules have already been adopted by the National Association of Securities Dealers, Inc. Rule 15b10-8 establishes standards concerning all offerings of nonmembers "going public" whether self-underwritten or not. The rule requires the submission of certain financial statements and imposes, under specified conditions, restrictions on sales by insiders of their equity interest. The rule also precludes the nonmember after its public offering from making another offering to the public of its securities for at least one year. Finally, the rule prevents a nonmember from going to the public to obtain funds in excess of three times its net worth; requires that its net capital ratio not exceed 10 to 1 after the completion of the offering; and requires the nonmember to regularly send certain financial data to its stockholders.

Under Rule 15b10-9, a nonmember is generally permitted to underwrite or participate in the distribution of its securities or those of an affiliate if it obtains two "qualified independent underwriters" to certify to the fairness of the offering price and to exercise due diligence in connection with the preparation of the registration statement. These independent underwriters are required to assume the full legal responsibilities and liabilities of an underwriter under the Securities Act of 1933. The rule provides that the nonmember, the independent underwriters, and a majority of the directors of their respective boards have to have been in the securities business for at least 5 years and 3 of those 5 years have to have resulted in operational profits. The rule also allows a nonmember to underwrite or participate in the distribution of its own or an affiliate's securities (without the two qualified independent underwriters) if there is a "bona fide active independent market" for the securities. If such an independent market does not exist, the rule nevertheless permits a nonmember to participate in up to 10% of the distribution of its or an affiliate's securities if it is the subject of a firm commitment underwriting. Finally, in an offering of the nonmember's securities made pursuant to the provisions of the rule, the nonmember's associated persons and their immediate families are prevented from selling any portion of their ownership interest in the nonmember unless there is a bona fide active independent market for the securities and such securities are sold pursuant to a firm commitment underwriting by an independent underwriter. (Rel. 34-9883)

COURT ENFORCEMENT ACTIONS

ORDER ENJOINING P. D. GIACHINI AND J. J. MURPHY IN PART REVERSED. The SEC Chicago Regional Office announced on November 21 that the Federal U. S. Court of Appeals in Chicago had reversed in part an order of the Federal court in Illinois and remanding the matter to the District court for entry of an order permanently enjoining Peter D. Giachini and John J. Murphy from violations of the Investment Company Act of 1940. The Appellate Court let stand that portion of the decision denying the Commission's request for the appointment of a receiver for Advanced Growth Capital Corporation. The Commission's complaint had alleged, among other things, that Advance Growth and companies controlled by Advance Growth had violated the registration provisions of the Investment Company Act, that Advance Growth had filed false reports with the Commission and that Giachini and Murphy had caused these violations. (LR-5651)

LOUIS WOLFSON AND ELKIN GERBERT FUND. The SEC announced on December 1 that the Federal court in New York had fined Louis E. Wolfson of Miami and Jacksonville, Fla., based on Wolfson's pleas of nolo contendere to a Federal Grand Jury charge of filing a false and misleading financial statement of Merritt-Chapman and Scott Corp. on Form 10-K for fiscal year ended December 30, 1963. Elkin B. Gerbert, of Jacksonville, Fla. was also fined \$2,000 and given an 18-month suspended sentence on a charge of perjury during a 1965 Commission investigation of the Merritt-Chapman and Scott case. All remaining charges against Wolfson and Gerbert and all charges against Marshall G. Straub, former president of Merritt-Chapman were dismissed, the former with consent of the Government and the latter on motion of the Government. (LR-5654)

M. P. GRANT AND E. LAYNE FOUND GUILTY. The SEC announced on December 1 that a Federal jury found M. Perry Grant and Erwin Layne not guilty of violating the antifraud, mail and wire fraud provisions of the Federal securities laws and conspiracy to violate such laws in connection with the sale of common stock of Lanai Electronics, Inc. Bernard Weiss and Ronald Alpert plead guilty to certain counts of the indictment and the charges as to Philip Bonodono were severed prior to trial. (LR-5655)

SECURITIES ACT REGISTRATIONS FILED

ECC OIL COMPANY, INC., Suite 1125 Del Webb Center, Fresno, Calif. 93721 - \$380,000 of units of fractional undivided interests in oil and gas leases, to be offered for sale at \$5,000 per unit. The company engages in oil and gas operations. (File 2-46389 - Nov 24)

BINKS MANUFACTURING COMPANY, 9201 W. Belmont Ave., Franklin Park, Ill. - voting trust certificates for 355,000 shares of capital stock. Burke B. Roche, William W. Roche and Jess Halsted, as trustees under a voting trust agreement dated December 15, 1948, as extended to December 14, 1972, offer to extend the agreement to December 14, 1974 and solicit the deposit of up to 355,000 shares of capital stock of Binks. (File 2-46390 - Nov 24)

ADRs FILED. First National City Bank, 111 Wall St., New York 10015 - 100,000 American Depositary Receipts each for ordinary shares of International Computers (Holdings) Limited and The British Oxygen Company Limited, both United Kingdom corporations. (File 2-46391 & 2-46392 - Nov 24)

CONTINUED

AMERICAN MEDICAL INTERNATIONAL, INC., 660 S. Bonnie Brae St., Los Angeles, Calif. 90057 - 249,062 shares of common stock, to be offered for sale by William H. B. Chan (the selling shareholder) from time to time at prices current at the time of sale (* \$43 per share maximum). (File 2-46384 - Nov 24)

BANKAMERICA CORPORATION, Bank of America Center, 555 California St., San Francisco, Calif. 94104 - \$100,000,000 of notes, due 1980 - to be offered for sale through underwriters headed by Blyth, Eastman Dillon & Co. Inc. The company is a one-bank holding company, whose principal asset is the capital stock of Bank of America National Trust and Savings Association. Net proceeds will be applied toward the acquisition of the outstanding common stock of GAC Finance Inc. (File 2-46385 - Nov 24)

SPANISH ADVERTISING AND MARKETING SERVICE, INC., 1501 Broadway, New York 10036 - 200,000 shares of common stock, to be offered for sale at \$2.50 per share by Jay W. Kaufmann & Co., 111 Broadway, New York 10006. The company principally operates a full-service advertising agency catering exclusively to the Spanish-speaking market. Net proceeds will be used for working capital and other corporate purposes. (File 2-46386 - Nov 24)

MCCLELLAN INDUSTRIES, INC., 40730 Mound Road, Box M, Utica, Mich. 48087 - 200,000 shares of common stock, to be offered for sale (*at \$7 per share maximum) by Roney-Marantette Inc., 850 Penobscot Bldg., Detroit, Mich 48226. The company manufactures and sells containers and compactors for use in handling refuse. Of the net proceeds, \$550,000 will be used to reduce indebtedness and the balance for working capital and other corporate purposes. (File 2-46387 - Nov 24)

Abt ASSOCIATES, INC., 55 Wheeler St., Cambridge, Mass. 02138 - 161,624 shares of common stock, of which 100,000 are to be offered for sale by the company and 61,624 by certain shareholders. The offering is to be made (*at \$15 per share maximum) through underwriters headed by Herzfeld & Stern, 30 Broad St., New York 10004. The company engages in research and consulting services primarily in the social sciences field. Net proceeds will be used to reduce bank borrowings and to increase working capital. (File 2-46393 - Nov 24)

COIT INTERNATIONAL, INC., 5200 E. Grand Ave., Dallas, Tex. 75223 - 22,500 shares of common stock issuable pursuant to warrants. Coit principally engages in the wholesale of retail sale of sewing fabrics and the retail sale of sewing notions and accessories. (File 2-46394 - Nov 24)

QUEBEC HYDRO-ELECTRIC COMMISSION, Province of Quebec (U.S. Agent: Guy Poliquin, 17 W. 50th St., Rockefeller Center, New York 10020) - \$125 million of debentures, Series CC, due 2003, to be offered for sale through underwriters headed by The First Boston Corporation, 20 Exchange Pl., New York 10004. Net proceeds will be added to the general funds of the Commission and applied toward the cost of its construction program and its investment in the James Bay project. (File 2-46396 - Nov 24)

BECKWITH CARBON CORPORATION, 16140 Raymer St., Van Nuys, Calif. 94106 - 300,000 shares of common stock, to be offered for sale at \$6 per share through underwriters headed by Agio Capital Corporation, Two Broadway, New York 10004. The company develops, produces and sells products made from vitreous carbon. Of the net proceeds, \$750,000 will be used for redemption of debentures and the balance for working capital and other corporate purposes. (File 2-46402 - Nov 24)

NATIONAL BANNER COMPANY, INC., 11938 Harry Hines Blvd., Dallas, Tex. 75234 - 250,000 shares of common stock, of which 62,500 are to be offered for sale by the company and 187,500 by certain shareholders. The offering is to be made (*at \$12 per share maximum) through underwriters headed by R. W. Pressprich & Co. Inc., 80 Pine St., New York 10005. The company manufactures and sells retail advertising and promotional products. Net proceeds will be used to renovate and expand the company's plant facilities and production equipment. (File 2-46403 - Nov 24)

ADRs FILED. First National City Bank, 111 Wall St., New York 10015 - 100,000 American Depositary Receipts each for ordinary shares of The Great Universal Stores Limited and Allied Breweries Limited, both United Kingdom corporations. (File 2-46397 and 2-46398, respectively - both Nov 22)

CIGOL INTERNATIONAL LTD., wholly-owned subsidiary of Canadian Industrial Gas & Oil Ltd., 640 8th Ave., S.W., Calgary 2, Alta., Can. - \$30 million of 4% convertible subordinated (guaranteed) debentures, due 1983, and 1,200,000 shares of common stock, to be offered for sale in units, each consisting of a \$1,000 debenture and 40 shares. The offering is to be made (*at \$1,000 per unit maximum) through underwriters headed by Bear, Stearns & Co., One Wall St., New York 10005. Cigol intends to engage in oil and gas exploration and related activities. Net proceeds will be used to repay advances made to the parent to cover costs incurred to finance Cigol's current exploration and other activities. (File 2-46401 - Nov 24)

AR COMMUNICATIONS CORPORATION, 5350 W. 78th St., Edina, Minn. 55435 - 150,000 shares of common stock, to be offered for sale at \$3 per share by Midland Securities Corp., 5329 Wooddale, Edina, Minn. 55424. The company engages in the ownership and operation of radio stations and providing design and promotional services to various communications media. Of the net proceeds, \$335,000 will be used for payment due on closing of acquisition of Radio Station KSOM and the balance for working capital purposes. (File 2-46404 - Nov 27)

MARCOR INC., Edgemart Bldg., 4 Denny Rd., Wilmington, Del. 19809 - 32,000 shares of common stock, which may be offered for sale from time to time by the selling stockholder (*at \$29.125 per share maximum). (File 2-46405 - Nov 27)

POE & ASSOCIATES, INC., 110 N. Franklin St., Tampa, Fla. 33602 - 200,000 shares of common stock, of which 50,000 are to be offered for sale by the company and 150,000 by certain stockholders. The offering is to be made at \$5 per share through underwriters headed by First Equity Corporation of Florida, 100 W. Kennedy Blvd., Tampa, Fla. 33602. Net proceeds will be used for working capital and other corporate purposes. (File 2-46406 - Nov 27)

GENERAL SCANNING DEVICES, INC., 750 Lee St., Elk Grove, Ill. 60007 - 400,000 shares of common stock, to be offered for sale at \$1 per share by Davis Securities Co., Inc., 50 Broadway, New York 10004. The company is in its promotional stage and intends to manufacture and market a wireless pool alarm device. Net proceeds will be used for working capital and other corporate purposes. (File 2-46409 - Nov 27)

INTERNATIONAL GROWTH FUND, INC., 7400 S. Alton Ct., Box 5061, Denver, Colo. 80217 - 5,000,000 shares, to be offered initially only to persons who are employed by ITT or a subsidiary or division thereof through a payroll deduction plan with a required minimum purchase of \$25. The Fund's objective is capital appreciation through investment in common stocks. Hamilton Management Corporation, wholly-owned subsidiary of ITT, is investment adviser. (File 2-46411 - Nov 24)

MUNICIPAL INVESTMENT TRUST FUND, TENTH MONTHLY PAYMENT SERIES - \$68,250,000 of units. The Fund is a unit investment trust created under a trust agreement between Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, Bache & Co. Incorporated and Walston & Co., Inc., as sponsors, United States Trust Company of New York as trustee and Standard & Poor's Corporation as evaluator. The Fund was formed for the purpose of obtaining tax exempt income through investment in a portfolio of interest-bearing state, municipal and public authority bonds, the interest on which is, in the opinion of recognized bond counsel to the issuing authorities, exempt from all Federal income tax under existing law. (File 2-46379 - Nov 22)

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:

- Bertea Corporation, Irvine, Calif. (File 2-46383) - 150,000 shares
- Herman Miller, Inc., Zeeland, Mich. (File 2-46388) - 30,000 shares
- American Television and Communications Corp., Denver, Colo. (File 2-46380) - 250,000 shares and (File 2-46381) - 150,000 shares
- American Financial Corporation, Cincinnati, Ohio (File 2-46395) - 250,000 shares
- International Paper Company, New York, N. Y. (File 2-46399) - 1,500,000 shares
- Peoples Gas Company, Chicago, Ill. (File 2-46400) - 10,000 shares
- First National Holding Corp., Atlanta, Ga. (File 2-46407) - \$30,000 3-1/2% convertible capital notes and 35,000 shares
- LVO Cable, Inc., Tulsa, Okla. (File 2-46410) - 75,000 shares

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of Meridian Fast Food Services, Inc. and Monarch General, Inc. for the further ten-day period December 2-11, inclusive, and in the securities of Tidal Marine Corporation for the further ten-day period December 3-12, inclusive.

SECURITIES ACT REGISTRATIONS. Effective December 1: American Crystal Sugar Co., 2-46377; Community Banks of Florida, Inc., 2-45213 (90 days); Compuknit Industries, Inc., 2-40986 (Mar 1); Crum and Forster, 2-46217; Crystal Grower's Corp., 2-44860; Lacy Management Co., 2-45787 (Mar 1); Porta Systems Corp., 2-45589 (Mar 1); Spanish Oaks Apartments II, Ltd., 2-45963 (90 days); System Development Corp., 2-46418; Tia Maria, Inc., 2-46011; United Funding Corp. of America, 2-45527.

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.

---ooo0ooo---

ONLY the SEC News Digest is for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402. All other referenced material must be ordered from the Securities and Exchange Commission, Washington, D. C. 20549. In ordering full text of releases from SEC Publications Unit cite number.