



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)

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FOR RELEASE February 9, 1973

COMMISSION ANNOUNCEMENTS

PROCEDURES ANNOUNCED FOR MUTUAL FUND DISTRIBUTION HEARINGS. Persons who wish to suggest questions for a particular witness are invited to submit them in writing to Lewis J. Mendelson, Assistant Director, Division of Investment Regulation not later than 4:00 P.M. on the day before the witness is scheduled to testify. Witnesses are also requested to make available 25 copies of their written comments at the hearing room for the convenience of the press. The schedule of appearances for the first week was announced in yesterday's News Digest. The following week's schedule will be announced as the hearings progress. Copies of statements already filed are available for inspection in the Commission's Public Reference Room.

MEETING OF BROKER DEALER MODEL COMPLIANCE PROGRAM ADVISORY COMMITTEE. The Commission's Advisory Committee on a Model Compliance Program for Broker-Dealers, established on October 25, 1972 (Rel. 34-9835), will hold meetings open to the public at the office of the National Association of Securities Dealers, Inc., 1735 K St., N.W., Washington, D. C. at 10:00 a.m., EST, February 13-14, 1973 and First Southwest Company, 927 Mercantile Bank Bldg., Dallas, Tex. at 10:00 a.m., CST, March 1-2, 1973.

This Advisory Committee was formed to assist the Commission in developing a model compliance program to serve as an industry guide for the broker-dealer community. Assisted by this Committee's work the Commission plans to publish a guide to broker-dealer compliance under the securities acts in order to advise broker-dealers of the standards to which they should adhere if investor confidence in the fairness of the market place is to be warranted and sustained. The Committee's recommendations are not intended to result in the expansion of Commission rules governing broker-dealers but to inform broker-dealers as to the existing requirements and how they may comply with them.

The Committee's scheduled meetings will be for the purpose of reviewing drafts and proposals concerning the Committee's proposed report to the Commission on these compliance guidelines for broker-dealers.

These meetings are open to the public. Any interested person may attend and appear before or file statements with the Advisory Committee -- which statements, if in written form, may be filed before or after any meeting or, if oral, at the time and in the manner and extent permitted by the Advisory Committee.

ORDER PERMANENTLY SUSPENDING REGULATION A EXEMPTION OF AMERICAN TRUCK SERVICE CLUB, INC. The SEC's order of April 18, 1972, temporarily suspending a Regulation A exemption from the registration requirements under the Securities Act of 1933 with respect to a public offering of common stock and warrants of American Truck Service Club, Inc. (ATSC) of Delaware has become permanent. Kenneth Bove & Co., New York, was named as underwriter for the offering.

Pursuant to a notification filed on May 1, 1968, ATSC offered 50,000 units, each unit consisting of one share of common stock and four warrants at an offering price of \$6.00 per unit. According to the order, the Commission had reason to believe that: (a) the notification and offering circular contained untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, with respect to: (1) the names of the actual promoters, affiliates and principal stockholders of ATSC, (2) the criminal records of two of the affiliates and principal stockholders of ATSC, (3) the sale of unregistered securities of ATSC by its affiliates, (4) liabilities of ATSC which arose as a result of loans made to ATSC by and on behalf of its control persons, (5) the use of proceeds of its public offering to repay loans made to it by and on behalf of its controlling persons, (6) the number of its shares owned by its principal stockholders, and (7) the actual method of distribution for its offering pursuant to Regulation A; (b) the Regulation A exemption was not available to ATSC because Martin Clare, a promoter and affiliate of ATSC connected with it at that time, had been convicted of a crime specified in Rule 252(d)(1) within ten years of the filing of ATSC's Notification; and (c) the offering was made in violation of Sections 5 and 17 of the Securities Act of 1933.

ORDER PERMANENTLY SUSPENDING REGULATION A EXEMPTION OF AMERICAN SCIENTIFIC INDUSTRIES INTERNATIONAL. The SEC's order of August 29, 1972, temporarily suspending a Regulation A exemption from the registration requirements under the Securities Act of 1933 with respect to a public offering of common stock of 4 Spectra, Inc. by American Scientific Industries International (ASII) (formerly C V 100 Products, Inc.; formerly 4 Spectra, Inc.) a Utah corporation has become permanent. Centaur Securities, Ltd., Salt Lake City, Utah was designated as the underwriter of the offering which was completed on April 7, 1971, all shares offered having been sold.

Pursuant to a notification filed on July 27, 1970, ASII offered 2,000,000 shares of \$.01 par value common stock of 4 Spectra, Inc. at \$.10 per share. According to the order, the Commission had reasonable cause to believe that: (a) the terms and conditions of Regulation A had not been complied with in that the Issuer filed a Form 2-A which failed to disclose the use of \$20,000 of the proceeds of the offering to purchase common stock and the use of \$12,000 of the proceeds of the offering to make a loan to one of its officers and directors; (b) the ASII's offering circular omitted to state material facts necessary in order to make the statements made,

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in light of the circumstances under which they were made, not misleading, particularly with respect to the failure to disclose that ASII would (1) loan \$12,000 from the proceeds of the Regulation A offering to David R. Nemelka, the secretary-treasurer and a director of the ASII, for his personal use, and (2) purchase 20,000 shares of a speculative and unseasoned security and disburse \$20,000 for such purchase from the proceeds of the Regulation A offering; and (c) the offering was made in violation of Section 17(a) of the Securities Act of 1933, as amended.

CENTRAL ENERGY CORP. The SEC has issued a notice giving interested persons until February 25 to request a hearing upon an application of Central Energy Corporation, subsidiary of the Sam P. Wallace Company, Inc., pursuant to Section 12(h) of the Securities Exchange Act of 1934 for an order exempting Central from the registration provisions of Section 13 of the Act. Central is engaged in a plan of complete liquidation and has sold substantially all of its assets to Lone Star Energy Company. There is no public market for the company's common stock and there has not been such a market for more than a year. The company's stock transfer books have been permanently closed in contemplation of completion of the liquidation.

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

ATLANTIC SECURITIES, INC. AND OFFICERS SUSPENDED. The SEC has issued an order suspending the broker-dealer registration of Atlantic Securities, Inc., New York, for 30 days, and David Ohl and Stanley Schwartz, its officers, from association with any broker or dealer for 45 days. Such suspensions are effective February 15, 1973. During its suspension, registrant, foregoing all commission, mark-ups and mark-downs, may, through registered broker-dealers, engage in unsolicited liquidating transactions in existing positions for existing customers and transactions to cover existing short positions for such customers.

The sanctions imposed were based on findings that from about October 1970 to April 1971, registrant, aided and abetted by Ohl and Schwartz, failed to maintain adequate net capital and to remit or escrow promptly proceeds received in connection with a best-efforts distribution of securities of Newport Controls Corporation.

The Commission's action was taken pursuant to an offer of settlement in which respondents, without admitting or denying the charges, consented to the findings and suspensions. (Rel. 34-9986)

COURT ENFORCEMENT ACTIONS

RESTITUTIONS TO SKAGIT VALLEY TELEPHONE SHAREHOLDERS COMPLETED. The SEC Seattle Regional Office announced that on January 4 the Federal court in Seattle entered a final order completing payment from the \$484,000 Fund for the Benefit of Shareholders of the Skagit Valley Telephone Co. of Mount Vernon, Wash. The fund for restitution of shareholders of Skagit Valley Telephone Co. originated in 1966 as a result of an action brought by the Seattle Regional Office of the Commission under Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Deposits totalling \$158,000 were made into the fund as restitution by directors, officers, insiders, and certain employees of Skagit Valley Telephone Co. who were said to have acquired Skagit stock at prices of \$5 to \$10 a share while omitting or misstating facts to shareholders, the stock being later sold for \$300 a share to Telephones, Inc. a corporate defendant. In addition, Telephones, Inc., a holding company with headquarters in Chicago, Ill., deposited \$235,000 into the fund for restitution to settle allegations of acting with Skagit officials to purchase Skagit stock at \$300 per share while concealing from shareholders the fact that higher offers for the stock were being made by other telephone holding companies. (LR-5704)

COURT RULES IN MUNICIPAL BOND CASE. The SEC announced that on February 2 the Federal court for the Western District of Tennessee, after a five day hearing on the Commission's motion for a preliminary injunction, preliminarily enjoined Charles A. Morris & Associates, Inc. formerly known as Morris-Darley and Associates, Inc. and Tax Free Bonds, Inc., Charles A. Morris, Michael Patrick McTighe, Claude Dean Dillard, Edward Disbrow Morris, Ray Thomas Bauman, Charles T. Chicorelli, Jim Walker Cunningham, Jr., Ronald Lee Epperson, John William Ferrell, Steven Adams Lancaster, Roy G. Lovelace, Malcolm E. Ratliff, Donald Bryan Smith and Roy Langston White from engaging in further violations of certain of the anti-fraud provisions of the Federal securities laws in connection with transactions in certain securities commonly referred to as municipal bonds. Earlier, the defendants Ted L. Cutshaw, Roger Charles Russell and Gary Crizer Hottum had consented to similar injunctions. (LR-5728)

COMPLAINT NAMES PLASTIC PRODUCTS DEVELOPMENT, INC., OTHERS. The SEC Atlanta Regional Office on Feb. 8 announced the filing of a complaint in the Federal court in Miami, Fla. charging Plastic Products Development, Inc., John C. Bertelsen and William L. Dickson, Jr., all of Ft. Lauderdale, Fla., with violations of registration and antifraud provisions of the Federal securities laws in the offer and sale of unregistered preorganization subscriptions, common stock and options for common stock of Plastic. (LR-5730)

INJUNCTION OF GLENN W. TURNER ENTERPRISES UPHELD. The SEC announced that on February 1 the Court of Appeals for the Ninth Circuit affirmed the decision of the Federal court in Oregon which has preliminarily enjoined Glenn W. Turner Enterprises, Inc. and Dare To Be Great, Inc., from offering and selling participations in the Dare To Be Great pyramid promotion "and any security of the same type" without conforming to the registration and other applicable provisions of the Federal securities laws. The Court of Appeals characterized the defendants' pyramid promotion scheme as "a gigantic and successful fraud," and held that the interests offered are investment contracts within the meaning of the Securities Act and the Securities Exchange Act of 1934. (LR-5729)

SECURITIES ACT REGISTRATIONS FILED

ALLEGHENY PEPSI-COLA BOTTLING COMPANY, 2216 N. Charles St., Baltimore, Md. 21218 - 600,000 shares of common stock, of which 300,000 are to be offered for sale by the company and 300,000 by Allegheny Beverage Corporation, a selling shareholder at \$22 per share. No underwriting is involved. The company produces and markets Pepsi-Cola and other soft drinks. Of the net proceeds, \$100,000 will be used to repay long-term indebtedness and the balance for working capital and other corporate purposes. (File 2-46989 - Feb 6)

DATA PROCESSING SECURITY, INC., 1674 Wolf Rd., Wheeling, Ill. 60090 - 180,000 shares of common stock, to be offered for sale at \$3 per share by Jay W. Kaufmann & Co., 111 Broadway, New York 10006. The company provides a broad range of products and services relating to the security of data processing facilities. Net proceeds will be used for working capital and other corporate purposes. (File 2-46991 - Feb 7)

WESTERN TRIO CATTLE COMPANY (the general partner), 118 W. 6th St., Guymon, Okla. 73942 - \$10 million of partnership interests, to be offered for sale in minimum amounts of \$5,000. A series of partnerships are to be formed to engage in the purchasing, grazing, feeding and marketing of cattle. (File 2-46993-Feb 7)

LOUISVILLE BEDDING COMPANY, 250 E. Liberty St., Louisville, Ky. 40202 - 265,000 shares of common stock, to be offered for sale (*at \$14 per share maximum) through underwriters headed by J. J. B. Hilliard, W. L. Lyons, Inc., 545 S. Third St., Louisville. The company manufactures quilted mattress protector pads, fashion bedroom products and ready-made draperies and curtains. (File 2-46994 - Feb 7)

GREATER JERSEY BANCORP., 1184 Main Ave., Clifton, N. J. 07011 - \$20 million of debentures, due 1998, to be offered for sale through underwriters headed by E. F. Hutton & Co. Inc., One Battery Park Plaza, New York 10004, and John J. Ryan & Co. Inc., 744 Broad St., Newark, N. J. 07102. A bank holding company, Bancorp owns all the outstanding capital stock of New Jersey Bank. Of the net proceeds, \$5 million will be advanced to New Jersey Mortgage and Title Company, which company Bancorp proposes to acquire, to enable it to reactivate and expand its mortgage banking operations and the balance for expansion and other corporate purposes. (File 2-46996 - Feb 7)

HATTERAS INCOME SECURITIES, INC., 212 S. Tryon St., Charlotte, N. C. 28202 - 3,000,000 shares of capital stock, to be offered for sale at \$20 per share through underwriters headed by Salomon Brothers, One New York Plaza, New York 10004. The company is a closed-end, diversified management investment company, whose primary objective is to seek as high a level of current income as is consistent with prudent investment. North Carolina National Bank is investment adviser. (File 2-46997 - Feb 7)

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:

North American Rockwell Corporation, Pittsburgh, Pa. (File 2-46988) - 145,229 shares

Tejon Ranch Co., Lebec, Calif. (File 2-46990) - 53,000 shares

Liberty National Corporation, Oklahoma City, Okla. (File 2-46992) - 45,000 shares

Alco Standard Corporation, Valley Forge, Pa. (File 2-46995) - 100,000 shares

MISCELLANEOUS

UNLISTED TRADING. The SEC has issued an order under the Securities Exchange Act of 1934 giving interested persons until February 24 to request a hearing upon an application of the PBW Stock Exchange, Inc., for unlisted trading privileges in the common stock of Fritronics Inc.

An order has also been issued granting an application of the PBW Stock Exchange for unlisted trading privileges in the common stock of the following companies: Puritan Fashions Corporation, Colonial Penn Group, Inc. and Cubic Corporation. (Rel. 34-10001)

OVER-THE-COUNTER REGISTRATIONS REPORTED. The following issuers of securities traded over-the-counter have filed registration statements with the Commission pursuant to requirements of Section 12(g) of the Securities Exchange Act (companies which currently file annual and other periodic reports with the SEC are identified by "***"):

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NO.	O-REGISTRANT	LOCATION
6796	American Bankshares, Inc**	North Miami, FL
6803	Amoskeag Co**	Boston, MA
6794	Autobale America Corp	San Leandro, CA
6602	Casco Northern Corp**	Portland, OR
6592	Clinical Sciences, Inc**	Gladstone, NJ
6795	Coastal Ind., Inc	Akron, OH
6606	Decrafoam, Inc	Ft. Lauderdale, FL
6798	Exchange Intl. Corp	Chicago, IL
6789	Hamilton Digital Controls, Inc	Utica, NY
6603	Imperial Land Invest. Co**	Atlanta, GA
6604	Ingress Mfg. Co Inc**	Crawfordsville, IN
6600	International Hydronics Corp**	Princeton, NJ
6791	Mass. Bay Bancorp, Inc	Lawrence, MA
6605	Multivest, Inc(NEW)	Southfield, MI
6825	NFC Corp	Oklahoma City, OK
6776	National Detroit Corp	Detroit, MI
6593	Natl. Distributing Co Inc**	Atlanta, GA
6594	Rapidata, Inc**	Fairfield, NJ
6797	Service Corp of America	Bergenfield, NJ
6599	Teletronics Intl., Inc	New York, NY
6596	Texas First Mortgage Reit**	Houston, TX
6607	Weco Devel. Corp	Denver, CO

TRADING SUSPENSIONS 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 February 9-18, inclusive, and in the securities of Meridian Fast Food Services, Inc. and Monarch General, Inc. for the further ten-day period February 10-19, inclusive.

SECURITIES ACT REGISTRATIONS. Effective February 8: Advance Investors Corp., 2-44643 (May 9); Piedmont Industries, Inc., 2-46682; Public Service Co. of Colorado, 2-46780; Timeplex, Inc., 2-45808 (90 days); Whittaker Corp., 2-46791.

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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The SEC News Digest is for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402. All other referenced material, except registration statements, is available in the SEC DOCKET which may be ordered from the GPO. Copies of registration statements may be ordered from the Commission's Public Reference Section.