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CHAIRMAN COOK OUTLINES STEPS TO AID MUTUAL FUND INDUSTRY

In an address yesterday before the Investment Company Institute, Chairman Cook noted that the "fund industry is still in the throes of an unprecedented period of net redemptions" as a result of small investors staying out of the markets, competing products and financial services. Some of the areas in which the SEC will act were outlined by Mr. Cook.

He said:

- ..Advertising restrictions will be relaxed to the fullest extent possible,
- ..Revisions in current restrictions against providing quantity discounts to groups purchasing mutual fund shares will be considered,
- ..Mutual fund sales paperwork requirements will be simplified where possible, and
- ..An NASD rule package designed to assure reasonable sales loads to investors will probably become operative.

In one area vital to the industry, Chairman Cook told the group that the SEC has not yet formulated its position on the question of the repeal of Section 22(d)--the uniform offering price provision of the Investment Company Act. With respect to the recently completed mutual fund hearings, Cook said he hopes to see the Commission's recommendations spelled out by this summer and the completion of any discussions and necessary changes in the distribution area this year.

Mr. Cook said the SEC is concerned that "a number of money management vehicles and services have been developed and are being sold without sufficient regulatory protection."

In this respect, Chairman Cook has asked the staff to review the underwriting and selling techniques employed in distributing the closed-end funds, as well as their subsequent operation, including the portfolio management practices. He expressed the possibility of the Commission sponsoring legislation requiring the registration of bank trust departments and their money management activities under the Advisers Act.

The mini-account (the non-pooled investment management arrangement designed to provide professional investment advice to the smaller individual investors) was one of the topics of an Advisory Committee report in January. The recommendations of the Committee, including one that the mini-account should not be treated as an investment company and that the offer of small account investment management services should not have to register under the Securities Act, are now under consideration by the SEC staff and in the near future the SEC expects to announce general conclusions about the direction it will follow in this area.

Chairman Cook said that mini-account services will only be encouraged in a "manner consistent with the protection of investors."

In the area of tax shelters, Chairman Cook pointed out that the SEC has already proposed remedial legislation in the area of oil and gas programs calling for a separate statute which would require registration of oil programs and provide special regulation of their activities. He also called attention to the proposed NASD rules of fair practice which deal not only with oil programs but also with other tax-sheltered programs, including those in real estate and cattle. Chairman Cook suggested federal legislation might be needed to provide adequate investor protection in the tax shelter area as well as the oil and gas area.

In the area of variable life insurance, Chairman Cook said the Commission has instructed its staff "to monitor the development of state insurance laws regulating variable life insurance and have taken steps to establish necessary liaison with the National Association of Insurance Commissioners in order to provide technical assistance in developing more comprehensive regulation of variable life insurance."

COMMISSION ANNOUNCEMENTS

SEC ORDER CITES G. M. CLARK AND CO., INC. The SEC has ordered administrative proceedings against G. M. Clark and Co., Inc., Minneapolis, Minnesota, and Gerald M. Clark, Lyman W. Cole, Jr., and Jeffrey L. Follett, officers and directors. The order is based on allegations by the staff that the Registrant, aided and abetted by the individual respondents, violated provisions of the Federal securities laws and rules thereunder relating to net capital, bookkeeping, extension of credit (including Regulation T of the Federal Reserve Board), financial reporting, safeguarding customers' funds and securities, reporting of bookkeeping or net capital violations, disclosure of possible common control of the Registrant and an issuer of securities in which the Registrant makes a market. The staff also charged that the Registrant and the individual respondents failed reasonably to supervise with a view to preventing such violations.

A hearing will be scheduled by further order to take evidence on the staff charges and afford 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 is necessary or appropriate in the public interest. (Rel. 34-10141).

TRADING SUSPENDED IN JEROME MACKEY'S JUDO, INC. STOCK. The SEC announced the temporary suspension of over-the-counter trading in the securities of Jerome Mackey's Judo, Inc. of New York, New York for a ten day period commencing on May 10 and continuing through May 19, 1973.

The suspension was initiated because of questions concerning the market activity in Mackey stock. Management of the company has indicated to the Commission's staff that there have not been any unusual corporate developments or public announcements to justify the recent rise in the price of Mackey stock. (Rel. 34-10143)

SUSPENSION OF TRADING IN TOPPER CORPORATION SECURITIES TERMINATED. The SEC today announced that the suspension of trading in the securities of Topper Corporation of Elizabeth, New Jersey, will terminate at midnight (EDT) on May 13, 1973. Topper was until recently engaged in the manufacture and distribution of toys for children.

The Commission initially suspended trading in the securities of Topper on February 9, 1972 because of the unavailability of adequate and accurate information concerning the company's operations and financial condition. The Commission's records indicate that Topper has not filed with the Commission its annual reports on Form 10-K for 1971 and 1972. On February 26, 1973 Topper filed in the United States District Court for the Southern District of New York a petition under Chapter XI of the Bankruptcy Act listing assets of \$14.2 million and liabilities of \$32.8 million as of November 30, 1972. On May 4, 1973 Topper was declared bankrupt. Its operations and assets are being liquidated by the trustee, William Otte. (Rel. 34-10144)

COURT ENFORCEMENT ACTIONS

JOHN EUSTICE SENTENCED FOR PERJURY. The SEC Chicago Regional Office announced that on May 4, John Eustice, of Oak Park, Illinois, was sentenced to three years probation and fined \$2,000 in connection with an earlier guilty plea to one count of perjury in an indictment returned on August 1, 1972. The indictment alleged Eustice gave false testimony under oath, during an investigation by the staff of the Commission into the offer and sale of securities of U. N. Industries, Inc. (LR-5883)

FRANK H. JONES ENTERS NOLO CONTENDERE PLEA. The SEC Forth Worth Regional Office announced that the Federal court in El Dorado, Arkansas, on May 4 accepted a plea of nolo contendere by Frank Hunter Jones of Monroe, Louisiana, following the entry of an order to show cause why he should not be held in criminal contempt of an order of preliminary injunction entered by the court in June 1971 prohibiting the offer and sale of fractional undivided working interests in oil and gas wells in violation of the registration and anti-fraud provisions of the federal securities laws. The court suspended sentence and ordered Jones placed on supervised probation for a period of three years. (LR-5884)

RECEIVER FOR IMC INTERNATIONAL NAMED. The SEC Fort Worth Regional Office announced that the Federal court in Dallas, on May 8 appointed James S. Mahon as receiver for IMC International, Inc., also of Dallas. IMC International, Inc. consented to the appointment of a receiver without admitting or denying the allegations in the Commission's complaint. (LR-5885)

EDDIE L. MACLAIN INDICTED. The SEC Denver Regional Office announced on May 8 that the Federal Grand Jury at Denver, Colorado, returned a five-count indictment charging Eddie L. MacClain of Lakewood, Colorado with fraud in the sale of securities of Cherry Creek International, Ltd. and its successor, House of Knowledge, Inc. (LR-5886)

COMPLAINT NAMES EQUITY SECURITIES CORP. The SEC Chicago Regional Office announced the filing of a complaint in the Federal court in Columbus, Ohio on May 10 seeking to enjoin Equity Securities Corporation, a registered broker-dealer of Columbus, from further violations of the net capital, record keeping, and reporting provisions of the Securities Exchange Act of 1934. In addition, the complaint charged Equity Securities Corporation with filing with the Commission, false and misleading information about its financial condition and sending to its customers, false and misleading statements of its financial condition. (LR-5887)

INVESTMENT COMPANY ACT RELEASES

DEAN WITTER & CO. The SEC has issued a notice giving interested persons until May 23 to request a hearing upon an application of Dean Witter & Co., Inc., a New York broker-dealer, for an order exempting it, its co-underwriters and selling dealers from certain provisions of the Act in respect of their transactions incidental to the proposed distribution of shares of common stock of Overland Income Securities, Inc., a newly-registered closed-end investment company. (Rel. IC-7809)

TRANSATLANTIC FUND. The SEC has issued an order on an application of Transatlantic Fund, Inc., of New York, declaring that James H. Walker shall not be deemed an "interested person" of the Fund within the meaning of Section 2(a)(19) of the Act solely by reason of his status as a director of the Equitable Life Assurance Society of the United States, a broker-dealer registered under the Securities Exchange Act of 1934. (Rel. IC-7810)

E. I. DU PONT DE NEMOURS AND COMPANY. The SEC has issued a notice giving interested persons until June 4 to request a hearing on an application of E. I. du Pont de Nemours and Company (28.1% of the stock of which is owned by Christiana Securities Company, a registered closed-end investment company) for an order under Section 17(b) permitting Du Pont to grant to Desarrollo Quimico Industrial, S. A., a Spanish corporation, and an affiliate of Du Pont, an exclusive license to certain patents, and to sell related technical information. (Rel. IC-7811)

GROUP SECURITIES. The SEC has issued an order on an application of Group Securities, Inc., of Jersey City, New Jersey, declaring that Robert H. Craft, a director of Group Securities, shall not be deemed an "interested person" of the company, within the meaning of the Act solely by reason of his status as a director of a life insurance company which is a registered broker-dealer. (Rel. IC-7812)

HOLDING COMPANY ACT RELEASES

THE COLUMBIA GAS SYSTEM, INC. The SEC has issued an order authorizing The Columbia Gas System, Inc., Wilmington, Delaware holding company, to issue and sell at competitive bidding \$50,000,000 of debentures, due 1998. Net proceeds, together with the general funds of Columbia, will be used to finance, among other things, the 1973 capital expenditures program of Columbia's subsidiary companies (estimated at \$225,000,000). (Rel. 35-17957)

MIDDLE SOUTH UTILITIES. The SEC has issued an order authorizing Middle South Utilities, Inc., New York City holding company, to issue and sell to banks \$20,000,000 of unsecured nine-month notes, and to use the proceeds to acquire 1,600,000 shares of common stock aggregating \$20,000,000 in par value of its wholly-owned subsidiary, Arkansas Power & Light Company. (Rel. 35-17958)

NATIONAL FUEL GAS COMPANY. The SEC has issued an order authorizing financings by National Fuel Gas Company, New York, New York and three subsidiaries, Iroquois Gas Corp., United Natural Gas Co. and Pennsylvania Gas Co. National proposes to issue and sell up to \$14.5 million of promissory notes to a bank. National will use the proceeds to purchase similar notes of Iroquois, United and Pennsylvania in aggregate principal amounts of \$12,000,000, \$2,000,000, and \$500,000, respectively. The subsidiary companies will use these proceeds to make utility plant additions and to increase and replenish working capital. Iroquois, United and Pennsylvania will also issue and sell from time to time during 1973 to a group of local banks short-term promissory notes in aggregate amounts of \$8,000,000, \$7,000,000 and \$4,000,000, respectively. These proceeds will be used by the subsidiary companies to finance the cost of gas purchased and stored underground for inventory purposes. (Rel. 35-17960)

SECURITIES ACT REGISTRATIONS FILED

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 "**"):

FILE NO. 0-REGISTRANT	LOCATION
6872 A-I Kotzin Co**	Los Angeles, CA
6889 C P Products Corp**	Elkhart, IN
6855 Confax Communications Ind., Inc**	New York, NY
7021 Commonwealth Doctors Hospital, Inc	Fairfax, VA
6867 Deair Corp**	Spring Valley NY
6851 Delta Ind., Inc**	Wadsworth, OH
6887 Emersons. Ltd**	Rockville, MD
6898 First Continental Realty Fd., Inc**	El Paso, TX
6888 Funtime, Inc**	Aurora, OH
6884 Glenco Scientific, Inc**	Houston, TX
6857 Wm. Glucklin Co Ltd**	Hamilton, NR
6885 Grantree Corp**	Portland, OR
6865 Great Southern Corp**	Wilmington, DEL
6859 Heights Finance Corp**	Peoria, IL
6870 Kaibab Industries, Inc**	Phoenix, AR

7008	Litco Corp of New York	Garden City, NY
6873	Mann Mfg., Inc**	El Paso, TX
7035	Mountain Banks, Ltd**	Colorado Springs, CO
6876	National Tel. Co, Inc	East Hartford, CT
6875	Opcoa, Inc**	Edison, NY
6860	Patents Intl. Affiliates, Inc	NYC, NY
6874	Phoenix Candy Co Inc**	Borrklyn, NY
6856	Polarad Electronics Corp	Lake Success, NY
7000	Purifications, Systems, Inc**	Lathrup Village, MI
6895	Reybold Homes, Inc**	Wilmington, DEL
6868	Standard Fabrics, Inc**	North Minne, MN
6858	Texas Pacific Missouri Pacific Terminal RR of New Orleans	St. Louis, MI
6854	Universal Instruments Corp**	Birmingham, AL
6850	West Jersey & Seashore RR Co	Camden NJ
6863	Xoller & Danneberg, Inc	Denver, CO

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:

Queen Casuals, Inc., Philadelphia, Pennsylvania (File 2-47720) - 100,000 shares
 General Crude Oil Co., Houston, Texas (File 2-47721) - 475,000 shares
 Revlon, Inc., New York, New York (File 2-47724) - 335,000 shares
 Unionamerica, Inc., Los Angeles, Calif. (File 2-47728) - 200,000 shares
 International Chemical & Nuclear Corp., Irvine, Calif. (File 2-47729) - 732,710 shares
 Coca-Cola Bottling Co. of N. Y., Inc., New York, New York (File 2-47740) - 31,425 shares
 Chubb Corporation, New York, New York (File 2-47741) - 50,000 shares
 Rockwell International Corp., El Segundo, Calif. (File 2-47742) - 632,339 shares
 Ford Motor Co., Dearborn, Michigan (File 2-47743) - 270,000 shares and (File 2-47744) - 2,400,000 shares

TRADING SUSPENSIONS CONTINUED. The SEC has ordered the suspension of over-the-counter trading in the securities of (a) Continental Vending Machine Corporation for the further ten-day period May 10-19, inclusive, (b) Radiation Services, Inc. for the further ten-day period May 11-20, inclusive, and (c) Electronic Concepts Laboratories for the further ten-day period May 13-22, inclusive.

SECURITIES ACT REGISTRATIONS. Effective May 9: ADR's for The Bank of Tokyo, Ltd., 2-47831; American Telephone and Telegraph Co., 2-47736; Atlantic Richfield Co., 2-47768; Avery Products Corp., 2-47617; Combanks Corp., 2-47067; Coral Cliff Limited N. V., 2-45185; Dayton Power and Light Co., 2-47707; General Signal Corp., 2-47695; Hesston Corp., 2-47201; Jervis Corporation., 2-47139; Lenox, Inc., 2-46357; McCord Corp., 2-47622; Municipal Investment Trust Fund, Fifth New York Series, 2-47388; Nebraska Consolidated Communications Corp., 2-45896; Parker Drilling Co., 2-47144; Rockwell International Corp., 2-47742; Vetco Offshore Industries, Inc., 2-47589.

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Copies of registration statements may be ordered from the Commission's Public Reference Section. All other referenced material is available in the issue of the SEC Docket indicated in parentheses below the News Digest Issue No. Both the News Digest (\$33.00 a year, first class mail; \$8.25 additional for foreign mailing; \$25.00 additional for air mail) and the SEC Docket (\$17.00 a year, first class mail; \$4.25 additional for foreign mailing) are for sale by the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402.