



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. 72-204)

FOR RELEASE October 26, 1972

DECISION IN ADMINISTRATIVE PROCEEDING

RICHTER REVOKED, BARRED. The SEC has revoked the investment adviser registration of Irvin Elliot Richter doing business as Amwell Investment Advisory Service, Somerville, N. J., and barred him from association with any investment adviser, broker or dealer and from serving in any capacity listed in Section 9(b) of the Investment Company Act. The action was based on findings that in 1970 respondent had been convicted of the misdemeanor of embezzlement after pleading guilty to a charge of embezzlement, and had not amended his registration application to disclose such conviction. It was also found that in 1971-1972 he had failed to maintain required books and records in an easily accessible place and allow them to be examined by authorized representatives of the Commission. Respondent had failed to file an answer to the allegations in the order for proceedings and was deemed to have defaulted. (Rel. IA-343)

COMMISSION ANNOUNCEMENT

SEC ESTABLISHES B/D COMPLIANCE ADVISORY COMMITTEE. Chairman William J. Casey announced on Tuesday the formation of an advisory committee to assist 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.

It should be emphasized that this will be a cooperative effort with the industry to define systems and procedures of standard compliance conduct to promote the objectives of the securities laws. The Committee is to submit to the Commission its recommendations on a model compliance program for broker-dealer's regulatory responsibilities and obligations to customers as well as the supervision of its personnel. The committee's recommendations are not intended to result in the expansion of Commission rules governing broker-dealers but to educate broker-dealers as to the existing requirements and how they may comply with them.

In describing the Committee's assignment Chairman Casey said: "Voluntary compliance is basic in the securities industry. I am pleased to see an increasingly widespread recognition of that responsibility by the financial community. Development of a model compliance program through a mutually supportive effort will be a significant contribution to the overall effectiveness of the securities markets and the public confidence in them."

The members of the advisory committee are listed below:

- Howard T. Sprow - Chairman
General Counsel, Vice President and Secretary
Merrill Lynch, Pierce, Fenner & Smith, Inc.
- Frank J. Wilson
Senior Vice President (Compliance Regulation)
National Association of Security Dealers, Inc.
- Bryan P. Coughlin, Jr, Vice President
Midwest Stock Exchange
- Earl J. McHugh, Senior Vice President
American Stock Exchange
- Stuart K. Nelson
Department of Member Firms
New York Stock Exchange
- John A. Wing, Vice President and Ass't Secretary
A. G. Becker & Co., Inc.

- Robert G. Cronson
Senior Vice President and Secretary
The Chicago Corporation
- Jon J. Masters
Secretary and General Counsel
Baker, Weeks & Co., Inc.
- C. Rader McCulley
First Southwest Company
- Ms. Judith G. Shepard
Associate House Counsel
Goldman, Sachs & Co.

For the Staff - Sidney T. Bernstein - Secretary
Attorney Adviser, Division of Market Regulation

COURT ENFORCEMENT ACTIONS

GOLDEN WEST UTILITIES CORP., OTHERS PERMANENTLY ENJOINED. The Chicago Regional Office announced that on October 18 the Federal court at Chicago entered an order permanently enjoining Golden West Utilities Corporation and Morton Seltzer, both of Phoenix, Ariz. from violating the registration and anti-fraud provisions of the Federal securities laws with respect to real estate installment purchase agreements and notes secured by mortgages on land of Golden West Utilities Corporation or other securities of any issuer. The defendants consented to the injunction without admitting or denying the allegations. (LR-5578)

JOHN A. REMELIUS ENJOINED. The SEC Chicago Regional Office announced that on October 17 John A. Remelius was permanently enjoined by the Federal court in Cleveland from violating the registration and anti-fraud provisions of the Federal securities laws with regard to the offer and sale of fractional undivided working interests in oil and gas leases or wells of U.S. Gas & Oil Co., an Ohio corporation located in Beachwood. The defendant consented to the court order without admitting or denying the allegations of the complaint. (LR-5579)

OVER

JOHN J. LEIER ENJOINED. The SEC Atlanta Regional Office announced that on October 18 the Federal court in Orlando, Fla. enjoined John J. Leier, Winter Park, Fla., from further violations of the registration provisions of the Federal securities laws in the offer and sale of investment contracts and certificates of interest or participation in profit sharing agreements consisting of land trust agreements, sales agreements and agency agreements representing beneficial interests in seven (7) land trusts. Leier consented to the order without admitting or denying the allegations. (LR-5580)

JACK E. MAURER ENJOINED. The SEC Chicago Regional Office announced that on October 16 Jack E. Maurer was permanently enjoined by the Federal court in Cleveland from violating the registration and anti-fraud provisions of the Federal securities laws with regard to promissory notes and evidences of indebtedness issued by Philip Rivera of San Jose, Calif. The defendant consented to the court order without admitting or denying the allegations of the complaint. (LR-5581)

LAWRENCE J. TACKAS ENJOINED. The SEC Chicago Regional Office announced that on October 12 Lawrence J. Tackas was permanently enjoined by the Federal court in Cleveland from violating the registration and anti-fraud provisions of the Federal securities laws with regard to the offer and sale of fractional undivided working interests in oil and gas leases or wells of U.S. Gas & Oil Co., an Ohio corporation located in Beachwood. The defendant consented to the court order without admitting or denying the allegations of the complaint. (LR-5582)

INVESTMENT COMPANY ACT RELEASES

COLONIAL DISTRIBUTORS, INC. The SEC has issued an order permitting five open-end investment companies for which Colonial Distributors, Inc., of Boston, acts as underwriter, to offer to persons who have redeemed shares of any of the funds a one-time privilege to reinstate their accounts at net asset value without a sales charge within 15 calendar days. (Rel. IC-7450)

THE MCKEE BENCHMARK, INC. The SEC has issued a notice giving interested persons until November 17 to request a hearing on an application filed by The McKee Benchmark, Inc. of Pittsburgh, Pa., for an order declaring that it has ceased to be an investment company. (Rel. IC-7451)

SECURITIES ACT REGISTRATIONS

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION, 300 7th St., S.W., Washington, D. C. 20024, filed a registration statement on October 12 seeking registration of \$50 million of collateral trust bonds, Series A, due 2007, to be offered for public sale through underwriters headed by Kuhn, Loeb & Co., 40 Wall St., New York 10005. The company was organized as a non-profit cooperative association for the purpose of providing its members, rural electric utility systems with a source of financing to supplement the loan program of the Rural Electrification Administration of the Department of Agriculture. Net proceeds will be used to make loans to its members. (File 2-46018)

HUNGRY TIGER INC., 14265 Oxnard St., Van Nuys, Calif. 91401, filed a registration statement on October 12 seeking registration of 250,000 shares of capital stock, of which 175,000 shares are to be offered for public sale by the company and 75,000 (being outstanding shares) by the holders thereof. The offering is to be made (*at \$11 per share maximum) through underwriters headed by Dominick & Dominick, Inc., 14 Wall St., New York 10005. The company is engaged in development and operation of full service "Hungry Tiger" restaurants specializing in fresh Eastern sea food. Of the net proceeds of its stock sale, \$1,100,000 will be used in connection with equipment and construction costs for future restaurants and the balance for working capital and other corporate purposes. (File 2-46019)

DELMARVA POWER & LIGHT COMPANY, 800 King St., Wilmington, Del. 19899, filed a registration statement on October 12 seeking registration of 1,250,000 shares of common stock, to be offered for public sale at competitive bidding. Net proceeds will be applied toward the retirement of unsecured short-term notes, issued primarily for interim financing of the company's construction program and for other corporate purposes. Construction expenditures are estimated at \$136,388,000 for the last four months of 1972 and 1973. (File 2-46020)

SYSCO CORPORATION, 800 Capital National Bank Bldg., 1300 Main St., Houston, Tex. 77002, filed a registration statement on October 12 seeking registration of 26,000 outstanding shares of common stock which may be offered for sale by the holders thereof (*at \$45.125 per share maximum). The company is principally engaged in the wholesale distribution of foods and related products to the food service or "away-from-home" eating industry and the retail food industry. (File 2-46021)

WARNER COMPANY, 1721 Arch St., Philadelphia, Pa. 19103, filed a registration statement on October 11 seeking registration of 23,475 outstanding shares of common stock, which may be offered for sale by the holders thereof (*at \$20 per share maximum). (File 2-46024)

MCI COMMUNICATIONS CORPORATION, 1900 L St., N. W., Washington, D. C. 20036, filed a registration statement on October 13 seeking registration of 650,000 shares of common stock, to be offered from time to time in connection with the acquisition of MCI of additional interests in six of its 17 subsidiary and associated companies. The company plans to construct and operate, through 17 subsidiary and associated companies, a specialized common carrier communications system providing point-to-point private line communication services connecting most major U. S. cities. (File 2-46027)

THE SOUTHERN COMPANY, Perimeter Center East, P. O. Box 720071, Atlanta, Ga. 30346, filed a registration statement on October 13 seeking registration of 8,300,000 shares of common stock, to be offered for public sale at competitive bidding. Of the net proceeds of its stock sale, part will be used to pay outstanding notes (estimated at \$69,600,000) and the balance, together with other funds, for other corporate purposes. Construction expenditures are estimated at \$852,047,000 for 1972. (File 2-46028)

ADRs FOR LRC INTERNATIONAL FILED. First National City Bank, 111 Wall St., New York 10015, filed a registration statement on October 13 seeking registration of 100,000 American Depositary Receipts for ordinary shares of LRC International Limited, a United Kingdom corporation. (File 2-46029)

ADRs FOR CASIO COMPUTER COMPANY FILED. First National City Bank, 111 Wall St., New York, N. Y. 10015, filed a registration statement on October 13 seeking registration of 100,000 American Depositary Receipts for dollar validated common stock of Casio Computer Company Limited, a Japanese corporation. (File 2-46030)

TALLY CORPORATION, 8301 S. 180th St., Kent, Wash. 98031, filed a registration statement on October 13 seeking registration of 419,375 shares of common stock, of which 400,000 are to be offered for public sale by the company and 19,375 (being outstanding shares) by the holder thereof. The offering is to be made (*at \$10 per share maximum) through underwriters headed by Roberts, Scott & Co., Inc., Southern California First National Bank Bldg., San Diego, Calif. 92101. The company manufactures, sells, leases and services computer peripheral equipment and data communications systems. Of the net proceeds of its stock sale, some \$2,100,000 will be used to repay short-term bank borrowings and the balance for working capital and other corporate purposes. (File 2-46031)

B. F. SAUL REAL ESTATE INVESTMENT TRUST, 8401 Connecticut Ave., Chevy Chase, Md. 20015, filed a registration statement on October 13 seeking registration of 192,684 outstanding shares of common stock, to be offered for public sale by the holders thereof. The offering is to be made (*at \$26 per share maximum) through underwriters headed by Clark, Dodge & Co. Inc., 140 Broadway, and Thomas & McKinnon Auchincloss Inc., 2 Broadway, both of New York. The Trust invests in a diversified portfolio of real estate investments. (File 2-46033)

THE REIT INCOME FUND INCORPORATED, 225 Franklin St., Boston, Mass. 02110, filed a registration statement on October 13 seeking registration of 171,600 shares of \$4.38 cumulative preference shares and 1,144,000 shares of common stock, to be offered for public sale (*at \$52 per preference share and \$11 per common share maximum) through underwriters headed by Piper, Jaffray & Hopwood, Inc., 115 S. 7th St., Minneapolis, Minn. 55402. The Fund is a closed-end diversified investment company with a leveraged capital structure. GPM REIT Managers, Inc., a subsidiary of Gardner and Preston Moss, Inc. is investment adviser. (File 2-46034)

SOUTHEAST BANKING CORPORATION, 100 S. Biscayne Blvd., Miami, Fla. 33131, filed a registration statement on October 13 seeking registration of 600,000 shares of common stock. It is proposed to offer these shares in exchange for the outstanding common stock of Manatee National Bank of Bradenton, at the rate of four Southeast shares for each Bank share. Southeast is a bank holding company, which owns substantially all the outstanding stock of 15 Florida banks. (File 2-46035)

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:

The Mentor Corporation, Tulsa, Okla. (File 2-46022) - 150,000 shares
National Patent Development Corporation, New York, N. Y. (File 2-46023) - 456,125 shares
Scientific-Atlanta, Inc., Doraville (Atlanta), Ga. (File 2-46025) - 12,000 shares
Bell Industries, Los Angeles, Calif. (File 2-46026) - 425,000 shares
Bancorporation of Montana, Great Falls, Mont. (File 2-46032) - 15,000 shares

SECURITIES ACT REGISTRATIONS, Effective October 20: Copper Range Co., 2-45629; High Voltage Engineering Corp., 2-45252. **Effective October 24:** Alcon Laboratories, Inc., 2-45047; Broadway-Hale Stores, Inc., 2-45932; ADRs of Casio Computer Co. Ltd., 2-46030; E. H. Crump Companies, Inc., 2-45884; Historic Smithville Inns, Inc., 2-44625 (Jan 22); I.M.S. International, Inc., 2-45878; International Research and Development Corp., 2-45628 (Jan 22); Kysor Industrial Corp., 2-45938; ADRs of LRC International Ltd., 2-46029; Motorola, Inc., 2-46014; Ormont Drug & Chemical Co., Inc., 2-41351 & 2-41377; Sav-on-Drugs, Inc., 2-45934; Sedco, Inc., 2-45801; Thermo Magnetics, Inc., 2-43866 (90 days); Virginia Savshares, Inc., 2-45493 (Jan 23).

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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