

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

(In ordering full text of Releases from Publications Unit, cite number)



Washington 25, D.C.

FOR RELEASE January 22, 1959

ARTHUR GILMAN REGISTRATION REVOKED

In a decision announced today (Release 34-5859), the SEC revoked the broker-dealer registration of Arthur R. Gilman, 4517 Greeley St., Houston, Texas, for non-compliance with the Commission's reporting, bookkeeping and registration requirements under the Securities Exchange Act of 1934. Gilman admitted the facts and consented to revocation.

The Commission ruled that Gilman failed to file a report of his financial condition for 1957, failed to make, keep current and preserve certain books and records, and failed to amend his registration application to show changes in his business address, all as required by Commission rules under said Act.

HILBERT BROKER-DEALER REGISTRATION REVOKED

In a decision announced today (Release 34-5860), the SEC revoked the broker-dealer registration of William Harold Hilbert, 1131 Mulberry St., Mt. Carmel, Ill., for stock sales in violation of the registration requirements of the Securities Act of 1933 and for violation of the registration requirements of the Securities Exchange Act of 1934 and certain rules of the Commission under the latter statute. Hilbert consented to revocation of his registration.

Hilbert's registration as a broker-dealer became effective on July 8, 1956. However, for several months prior thereto he had engaged in the conduct of a securities business without registration and in violation of the registration requirements of the Exchange Act. Furthermore, during the period September 1955 to July 1956 Hilbert sold stocks of Great Fidelity Life Insurance Company and Farm & Home Agency, Inc. to residents of Indiana, Illinois and Kentucky; and, since neither stock issue was registered with the Commission and no exemption from registration appeared to be available, the Commission held that Hilbert's sales violated the Securities Act registration requirement. In separate actions by the Commission, the U. S. District Court for the Southern District of Indiana in 1958 permanently enjoined Hilbert (and others) from selling stock of the respective companies in violation of the Securities Act registration requirement.

Moreover, according to the Commission's decision, Hilbert also violated various provisions of the Exchange Act and Commission rules thereunder by reason of his failure to send confirmations of transactions to customers, his failure to maintain or preserve proper books and records, and his failure to amend his registration application to reflect issuance of the court decrees and a change in his business address.

STANWAY OIL HEARING CANCELLED

The SEC has cancelled its hearing, called at the request of Stanway Oil Corporation, of Los Angeles, Calif., to take evidence on the question whether to vacate, or make permanent, prior order of the Commission temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a proposed public offering by Stanway of 300,000 common shares at \$1 per share.

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For further details, call ST. 3-7600, ext. 5526

The hearing was cancelled after Stanway withdrew its request for a hearing. Under the provisions of Regulation A, the suspension order now becomes permanent. The order of temporary suspension, dated November 14, 1958, asserted that Stanway's Regulation A notification failed to disclose that Cadillac Oil Company is a predecessor or to include the required financial statements, and that Stanway's offering circular was false and misleading in respect of certain material facts and omitted to state certain material facts (For details, see Release 33-3993).

PACIFIC PETROLEUMS FILES FOR OPTION SHARES

Pacific Petroleum Ltd., Pacific Building, Calgary, Alberta, Canada, filed a registration statement (File 2-14697) with the SEC on January 21, 1959, seeking registration of 160,792 shares of common stock.

These shares have been, or may be, purchased by various firms and individuals pursuant to presenting outstanding options expiring June 30, 1959 (to the extent of 137,492 shares), or have been purchased pursuant to an option which expired August 29, 1958 (to the extent of 23,300 shares). The company will not receive any proceeds from any sales of these shares.

According to the prospectus, options are held for the purchase of 71,599 common shares at \$18.42 per share by Reynolds & Co., Bear, Stearns & Co., Bingham, Walter & Hurry, Inc., and Norman R. Whittall, Ltd., and by their associates. They represent options first issued in 1951 in connection with a public offering of stock by Canadian Atlantic Oil Company, Ltd., which was amalgamated with Pacific in 1958, at which time Pacific options were issued for the outstanding Canadian options. Various assignees of Eastman, Dillon, Union Securities & Co. hold 9,858 shares and options for the purchase of an additional 56,035 shares at \$12 per share, representing options issued by Atlantic (and assumed by Pacific) in connection with undertakings of Sinclair Canada Oil Company to explore and develop certain oil and gas properties. The remaining 23,300 shares are held by Eastman Dillon or its assignees, obtained by Eastman Dillon upon exercise options acquired from Pacific for \$5,000 to purchase shares of Pacific common at \$6.375 per share.

REMINGTON ARMS PROPOSES LOANS TO EMPLOYEES

Remington Arms Company, Inc., Bridgeport, Conn., has applied to the SEC for an exemption order under the Investment Company Act permitting loans to its employees; and the Commission has issued an order (Release 40-2822) giving interested persons until February 5, 1959, to request a hearing thereon.

According to the application, employees of Remington Arms have been faced with unexpected medical expenses, home repairs, or home financing and moving expenses arising when they are transferred to a new area; and the company believes it would be to its own as well as its employees' best interest if it were able to make the necessary sums of money available to its employees in the few cases where it is impossible or impracticable for employees to obtain financial assistance elsewhere. However, because of intercompany affiliations with a registered investment company, Delaware Realty and Investment Company and Christiana Securities Company, such loans are prohibited by the Investment Company Act unless an exemption order is issued by the Commission.

NEWMAN ASSOCIATES PERMANENTLY ENJOINED

Judge Mendon Morrill of the U. S. District Court for the District of New Jersey on January 19, 1959, entered a final judgment permanently enjoining Philip Newman Associates, Inc., George H. Wagner, Marguerite P. Wagner and Daniel Mintzer, and a preliminary injunction against Martin E. Schor, David Schor, alias David DeShore, Matthew Blade, Brandon Karl Scott and David Feingold, alias David Gould from further violating the registration and anti-fraud provisions of the Securities Act of 1933 in the offer and sale of common stock of Monarch Asbestos Company, Ltd., a Canadian corporation.

The Court noted the default of defendants Monarch Asbestos Company, Ltd., St. Cyr Asbestos Company, Ltd., Jim Newman, William Sullivan, Theodore Krol, Howard Ross, Abe Reiter, alias Allen Reiter, Aaron Silberman, John Jackson, I. J. Chuchem, Robert Trudeau, G. Morin, Henri Crepeau, Jack Cohen, Josette Boulanger, Marie Boulanger, George South, Jack Greenberg, Marie Contin,

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icien Charboneau, John Doe and Richard Roe, and indicated that a preliminary injunction would be entered against these defendants forthwith.

In addition, the Court on January 20, 1959, granted the application of the Commission for appointment of a receiver for Philip Newman Associates, Inc. John M. Kaufman, 60 Park Place, Newark, New Jersey, was appointed receiver of Philip Newman Associates. Inc.

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