

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



Washington 25, D.C.

FOR RELEASE September 4, 1958

GOULD INVESTMENT SERVICE REGISTRATION REVOKED

The SEC today announced the issuance of a decision revoking the registration as an investment adviser of Albert J. Gould, doing business as Gould Investment Service, New York.

The Commission's decision was based upon a June 3, 1958, decree of the U. S. District Court for the Southern District of New York enjoining A. J. Gould & Co., Inc., from inducing or effecting transactions in securities in violation of the Commission's net capital rule. The Court found that A. J. Gould & Co., Inc., of which Albert J. Gould was president and a director, had willfully violated the Commission's net capital rule, in that it engaged in securities transactions when it had deficiencies in its net capital required under that rule which ranged from approximately \$29,000 to \$248,000 on various dates between April and August 1957. The Court further ruled that the issuance of a permanent injunction was necessary to restrain the defendant from selling securities in violation of said rule.

Previously, in November 1957, the Commission revoked the broker-dealer registration of A. J. Gould & Co., Inc.

FLORIDA WATER FILES FINANCING PROPOSAL

Florida Water and Utilities Co., Miami, today filed a registration statement (File 2-4341) with the SEC seeking registration of 55,000 shares of common stock, to be offered for public sale at \$7 per share. The offering is to be made through an underwriting group headed by Beil & Bough, Inc., for which a 77¢ per share commission is to be paid.

The company also is selling \$600,000 of first mortgage bonds to three insurance companies; and, in connection therewith, it is issuing 4,500 common shares to the insurance companies which are also being registered. Furthermore, in exchange for cancellation of indebtedness owing, the company is issuing \$230,000 of 6% convertible debentures to a principal creditor. The debentures are convertible at \$7.50 per share; and an additional 30,666 shares into which the debentures are convertible also are being registered.

Of the net proceeds of this financing, some \$572,500 will be used to reduce the company's indebtedness; \$30,000 will be added to working capital; and the balance of approximately \$268,500 will be used for property additions and improvements.

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