

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST

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



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CAVITRON SHARES IN REGISTRATION. Cavitron Corporation, 42-15 Crescent Street, Long Island City, N. Y., filed a registration statement (File 2-18839) with the SEC on September 5th seeking registration of 39,000 shares of common stock. The prospectus lists 457,719 shares of common stock and voting trust certificates representing 37,275 shares, most of which have been covered by previous registration statements. These included 40,000 shares previously sold by the company, from which sale the company received \$600,000. Additional shares are issuable upon conversion of outstanding notes, upon exercise of stock purchase warrants, and upon exercise of restricted stock options. According to the prospectus, the company has outstanding \$683,446 of convertible notes (convertible into 212,095 common shares at current conversion prices of \$2 to \$9.366 per share); stock purchase warrants for 23,000 shares exercisable at \$6.87 per share; and restricted stock options entitling key employees to purchase a total of 41,532 shares at prices ranging from \$2 to \$16.50 per share. Issuance of these shares, according to the prospectus, might have a material diluting effect on the market value of the outstanding common (333,118 shares). The maximum net cash proceeds which the company will receive, if all outstanding warrants and options are exercised, will approximate \$500,000. In addition, if all the convertible notes are converted into common stock, the outstanding debt would be reduced by \$683,446. No part of the proceeds from the sale of the 96,796 shares of common stock or of the voting trust certificates representing 37,275 shares, offered by selling security holders, will be received by the company. According to the prospectus, the company has never paid any dividends and on June 10, 1961, had an accumulated deficit from operations of \$1,756,503 on a consolidated basis. Formerly known as Cobal Corporation, the company is engaged in the development, manufacture and sale of ultrasonic equipment, principally equipment which carries out what is known as the Cavitron process, which is used in industry and dentistry. The prospectus contains a list of some 50 selling stockholders who propose to sell the 97,796 shares, and a further list of holders of convertible notes. The largest amount of the notes is held by Frederick L. Schuster, board chairman.

UTAH POWER BORROWINGS CLEARED. The SEC has issued an order under the Holding Company Act (Rel 35-14506) authorizing Utah Power & Light Company, Salt Lake City, to make bank borrowings aggregating \$24,000,000 during the period ending September 11, 1962. The funds, together with other available cash, will be used to prepay bank notes now outstanding in the amount of \$5,000,000 and to finance, in part, the construction program of the company and its subsidiaries for 1961 and 1962, approximating \$48,500,000.

APEX MINERALS TRADING BAN CONTINUED. The SEC has issued an order under the Securities Exchange Act suspending trading in the common stock of Apex Minerals Corporation on the San Francisco Mining Exchange and over-the-counter market, for a further ten-day period September 8 to 17, 1961, inclusive.

I.R.E. INVESTORS PROPOSES RIGHTS OFFERING. I.R.E. Investors Corp., 3000 Hempstead Turnpike, Levittown, New York, filed a registration statement (File 2-18845) with the SEC on September 6th seeking registration of 47,771 shares of 6% cumulative convertible callable preferred stock, \$10 par value. It is proposed to offer such stock at \$10 per share to common stockholders at the rate of one preferred share for each four common shares held. The record date is to be supplied by amendment. Any unsubscribed shares will be offered for public sale by the company and through broker-dealers, which will receive an 80¢ per share commission.

The company specializes in the sale of mutual funds, is an active broker-dealer in the over-the-counter market, and engages in the life insurance business. A major portion of the net proceeds from the stock sale will be used for working capital in the company's securities, underwriting, and "life funding" operations. A portion may be required to complete financing of a building to be erected on land on Hempstead Turnpike purchased in August 1961.

The company has outstanding 191,087 shares of common stock, of which Peter J. Comerford, president, and George Venezia and P. Gerald DeSimone, vice presidents, own 13% each, and management officials as a group 53.7%.

REVERE MANAGEMENT FILES INVESTMENT PLAN. Revere Management Co., Inc., 123 South Broad Street, Philadelphia, depositor for Revere Investment Plans, filed a registration statement (File 2-18846) with the SEC on September 5th seeking registration of \$1,000,000 of Single Payment Plans and \$6,000,000 of Monthly Investment Plans.

SECURITIES ACT REGISTRATIONS. EFFECTIVE September 7: Austral Oil and Gas Exploration Corporation (File 2-18272); Blackman Merchandising Corporation (File 2-18280); Consolidated Marine Industries Inc. (File 2-18339); The Cosmodyne Corporation (File 2-18282); Gloray Knitting Mills, Inc. (File 2-18441); Kaymarq Consolidated Corporation (File 2-18231); and York Research Corporation (File 2-18397).