

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.

February 27, 1957

FOR RELEASE

Investment Advisers Act Release No. 88

The Securities and Exchange Commission has instituted proceedings under the Investment Advisers Act of 1940 to determine whether the registration as an investment adviser of James Cordas, doing business as The Canadian Stock Letter, East Chicago, Indiana, should be revoked. The hearing therein is scheduled for March 11, 1957, in the Commission's Chicago Regional Office.

Cordas' registration as an investment adviser became effective on April 2, 1955. According to the Commission's order, information reported by its Staff and developed as a result of an investigation tends to show that, in an amendment filed November 29, 1956, to his application for registration, Cordas wilfully made an untrue statement of a material fact, in that he represented in such amendment that his principal place of business is 723 West Chicago Avenue, East Chicago, Indiana, when, in fact, his principal place of business is 19 South LaSalle Street, Chicago 3, Illinois. This information, if true, tends to show that Cordas violated Section 207 of the Investment Advisers Act in that he wilfully made an untrue statement of a material fact in an amendment to his application for registration as an investment adviser.

At the March 11th hearing, inquiry will be conducted for the purpose of determining whether the reported information is true and, if so, whether Cordas wilfully violated the provisions of Section 207 of the Investment Advisers Act and whether it is in the public interest to revoke his registration as an investment adviser.

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El Paso Natural Gas Company, El Paso, Texas, filed a registration statement (File 2-13119) with the SEC on February 26, 1957, seeking registration of (1) 150,000 shares of ___% Cumulative Preferred Stock, Series of 1957, \$100 par, to be offered for public sale through an underwriting group headed by White, Weld & Cox; and (2) 300,000 shares of \$___ Convertible Second Preferred Stock, Series of 1957, no par value, convertible, to be offered for subscription by holders of its outstanding common stock (including Common B stock), also to be underwritten by White, Weld & Co. The dividend rate, public offering price and underwriting terms in respect of the new preferred, and the dividend and subscription rates, record date, subscription price and underwriting terms in respect of the second preferred, are to be supplied by amendment.

Net proceeds of this financing are to be added to the general funds of the company and will be used in its program to enlarge the capacity of its system (including the payment of at least \$25,000,000 of bank loans and the making of loans up

(Over)

to \$15,000,000 in amount to Pacific Northwest Pipeline Corporation for use in its construction program. El Paso estimates that facilities required for the delivery of the first 150 million cubic feet of gas per day under its preliminary agreements with the purchasers thereof will cost approximately \$84,500,000, and for the additional 185 million cubic feet \$105,000,000. It has entered into commitments with institutional purchasers for the sale of \$55,000,000 of First Mortgage Pipe Line Bonds for the purpose of financing part of such costs.

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United States Borax & Chemical Corporation, Los Angeles, filed a registration statement (File 2-13120) with the SEC on February 26, 1957, seeking registration of 150,000 shares of its \$1 par Common Stock. These shares are presently outstanding, and are to be offered for public sale by the present holders thereof. The company will receive no part of the proceeds thereof. The public offering price and underwriting terms are to be supplied by amendment. The First Boston Corporation is named as the principal underwriter.

The company now has outstanding 4,175,000 common shares. Borax (Holdings) Limited, through a wholly-owned Delaware subsidiary, owns 3,100,000 shares, or 74.25%. On June 4, 1956, a group of private investors, headed by Lazard Freres & Co., of New York, purchased for investment from Borax (Holdings) Limited 152,000 common shares for approximately \$3,000,000, and an additional 198,000 shares from the issuer for approximately \$4,000,000. These private investors included the five selling stockholders, who now own in the aggregate 340,940 common shares. They now propose to sell 150,000 shares, as follows: Lazard Freres & Co., 48,722 shares; Model, Roland & Stone, 38,636 shares; Rockefeller Center, Inc., 24,360 shares; F. Eberstadt & Co., 24,360 shares; and Lee Higginson Corporation, 13,922 shares.

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Amendments were filed on February 26, 1957 to the following registration statements, seeking registration of additional securities as indicated:

Century Shares Trust, Boston, Mass. (File 2-11466)
100,000 Century Shares, \$1 par value

General Securities, Incorporated, Minneapolis, Minn. (File 2-11388)
50,000 shares Common Stock, 1¢ par value

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