

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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SEC ORDER SITES J. B. COBURN ASSOCIATES. The SEC has ordered administrative proceedings under the Securities Exchange Act of 1934 involving the broker-dealer firm of J. B. Coburn Associates, Inc., of 150 Broadway, New York City, N. Y.

The proceedings are based upon staff charges that, during the period August 1962 through September 1962, Coburn, The Polequity Corporation, sole owner of Coburn stock, Bernard W. Berger, president, and James Cohen, former president, engaged in activities violative of the Securities Act registration requirements in connection with their offer and sale of stock of Federated Electronics, Inc. Also named as respondents in the proceedings are two additional broker-dealer firms, Washington Planning Corporation ("WPC"), also of the 150 Broadway address (and 80% owned by Coburn), and Washington Planning Corporation of Maryland ("WPCM"), of 501-13th Street, N. W., Washington, D. C., (80% owned by WPC). The staff contends that Coburn, Polequity, WPC and WPCM have been controlled, directly or indirectly, by Berger and Cohen. Berger is also president of WPC and WPCM and Cohen is vice-president of WPCM. Each owns more than 10% of Polequity stock.

A hearing will be held, at a time and place to be announced, to take evidence on the staff charges and afford respondents an opportunity to establish any defenses thereto, and for the purpose of determining whether the alleged violations occurred and, if so, whether any administrative action of a remedial nature is appropriate in the public interest.

(By order of October 16, 1963, similar proceedings were instituted against these respondents and involving their sale of stock of Champion Industries, Inc. - see Release 34-7159).

ALGONQUIN EXPLORATION PROGRAM FILED. Algonquin Exploration Program 1964, Ltd., 80 Park Ave., New York, filed a registration statement (File 2-22122) with the SEC on March 5th seeking registration of \$1,000,000 of partnership interests (200 units), to be offered for public sale at \$5,000 per unit. The said Program is a limited partnership recently organized by Algonquin Petroleum Company, Incorporated, as general partner, of the 80 Park Ave. address. The latter will make the public offering of units on a best efforts basis. Proceeds will be used to evaluate, acquire, hold, test, develop and operate oil and gas leaseholds. The general partner will be reimbursed for expenses (except officers' salaries) incurred by it in managing the business of the partnership; and it will receive as compensation for its services 5% of the capital subscriptions, an overriding royalty interest, and 25% of the net profit of limited partners from each oil and gas well after the partnership has recovered its entire investment in the oil and gas well. Briggs S. Cunningham, III, is board chairman and Willard I. Emerson, Jr., president of the general partner.

REMANCO PROPOSES OFFERING. Remanco, Inc., 1805 Colorado Ave., Santa Monica, Calif., filed a registration statement (File 2-22123) with the SEC on March 5th seeking registration of 127,492 shares of common stock. Of this stock, 122,492 shares are to be offered for subscription by stockholders of Electronics Capital Corporation ("ECC"), at the rate of one share of Remanco stock for each 20 shares of ECC stock held. The offering price (\$6 per share maximum*) and underwriting terms are to be supplied by amendment. Schwabacher & Co., of 100 Montgomery St., San Francisco, will serve as dealer-manager; and after the subscription period has expired the selling group will offer to the public, on behalf of Remanco, all shares not heretofore sold under the rights offering. ECC will be obligated to purchase for investment from Remanco at \$5 per share all shares not sold by the selling group within 40 days. ECC, a small business investment company, now holds 242,617 shares (71.5%) of Remanco common. The remaining 5,000 shares are to be offered by Remanco to its officers and employees.

Remanco designs, manufactures and sells electronics dynamic radar test systems, voice communication systems, servo-analyzers, solid state microwave systems and other test equipment. Net proceeds of this financing will be used to pay off a \$50,000 bank loan, to retire a \$187,750 8% note payable to ECC, to purchase additional capital assets (\$87,000) said to be required in connection with the company's growth and expansion, and the balance (some \$250,000) for additional working capital. The company now has outstanding 2,294 shares of \$100 par preferred stock and 338,750 shares of common stock. Howard M. Margowsky is president and board chairman; and he owns 15.3% of the outstanding Remanco common.

GULF OIL SHARES IN REGISTRATION. Gulf Oil Corporation, Gulf Bldg., Pittsburgh, Pa., today filed a registration statement (File 2-22124) with the SEC seeking registration of 865,417 shares of capital stock, which are issuable upon exercise of restricted stock options.

SOUTHEASTERN PENN. DEVELOPMENT FUND ORDER. The SEC has issued an order under the Investment Company Act (Release IC-3925) declaring Southeastern Pennsylvania Development Fund, Philadelphia, to be conditionally exempt from Section 3(c)(1) of said Act. The order permits purchases of Fund shares by certain corporations without their shareholders being counted in the 100-shareholder test which would otherwise require the Fund to be registered as an investment company.

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UNITED FUNDS SEEKS ORDER. United Funds, Inc., Kansas City, Mo., has applied to the SEC for an exemption order under the Investment Company Act with respect to its proposed purchase of Consolidation Coal Company stock; and the Commission has issued an order (Release IC-3926) giving interested persons until March 23d to request a hearing thereon. According to the prospectus, M. A. Hanna Company proposes to offer for public sale 300,000 shares of the Coal Company stock; and United seeks authorization to purchase from 9,000 to 30,000 shares thereof. The application is filed because of an affiliation in that one of United's fifteen directors is affiliated with one of the principal underwriters, G. H. Walker & Co.

ALLEGHENY POWER SEEKS ORDER. Allegheny Power System, Inc., New York holding company, has applied to the SEC for an order under the Holding Company Act with respect to a proposed stock split; and the Commission has issued an order (Release 35-15027) giving interested persons until March 26th to request a hearing thereon. Allegheny now has outstanding 9,338,589 shares of \$5 par common stock; and it proposes to effectuate a split of the shares on a two-for-one basis. The charter now authorizes the issuance of 12,500,000 shares of \$5 par stock; and it is proposed to amend the charter to provide for an authorization of 25,000,000 shares of \$2.50 par stock. Stockholders will be asked to vote upon the charter amendment at the company's May 14th annual meeting.

UNLISTED TRADING SOUGHT. The SEC has issued an order under the Securities Exchange Act (Release 34-7262) giving interested persons until March 23d to request a hearing upon an application of the Boston Stock Exchange for unlisted trading privileges in common shares of American Photocopy Equipment Company and Control Data Corporation.

SECURITIES ACT REGISTRATIONS. Effective March 5: United Funds, Inc. (File 2-21867).

*As estimated for purposes of computing the registration fee.

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