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

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FOR RELEASE April 23, 1964

ALCOA SEEKS EXEMPTION ORDER. Aluminum Company of America ("Alcoa"), Pittsburgh, Pa., has applied to the SEC for an order exempting it and its subsidiaries from all provisions of the Holding Company Act on the ground that Alcoa "is only incidentally a holding company;" and the Commission has issued an order (Release 35-15056) giving interested persons until May 20, 1964 to request a hearing thereon. Alcoa is engaged, directly and through subsidiaries, in the production and sale of aluminum products, the mining and processing of raw materials related thereto, and in various other operations. Its electric energy requirements for the aluminum operations are extensive, a portion of which (approximately 2,473,000,000 Kwh in 1963) is generated by Alcoa, a portion is purchased from subsidiaries, and some energy is purchased from nonaffiliated companies. Six of Alcoa's subsidiaries are engaged in the generation, transmission or distribution of electric energy. Alcoa has heretofore been granted an exemption pursuant to Section 3(a)(3) of the Act, by order issued in 1939. Alcoa's stated reason for filing the present application is to update the facts so as to reflect certain changes which have occurred since 1939, and to secure reaffirmation of its exempt status.

CORPORATE OFFERINGS REPORTED. The SEC reports (For April 24th Newspapers) that new securities offered for cash sale during the first quarter of 1964 amounted to \$2.6 billion. Offerings during the period were one-fourth less than in the preceding quarterly period, primarily reflecting reduced securities financing by manufacturing and finance companies, but were only 5 percent less than total offerings in the first quarter of 1963. (Figures for the first quarter of 1964 do not include the record AT&T offering to shareholders, which will be included in the statistics at the expiration of rights in April). (For further details see Stat. Release No. 1971).

FINANCIAL COUNSELLORS SUSPENDED. In a decision under the Securities Exchange Act announced today (Release 34-7296) the SEC suspended the broker-dealer registration of Financial Counsellors, Inc., 90 Church St., New York, pending determination of the ultimate question whether the said firm's registration should be revoked.

The suspension order was based upon the failure to disclose in the firm's registration application that it was controlled by Ernest F. Boruski, thereby making such application false and misleading; and the Commission observed that such non-disclosure "evidences a deliberate attempt" by the firm and Boruski to "circumvent thwart" the regulatory scheme under the said Act. According to the decision, the firm was organized by Boruski specially to enable him to engage in the securities business as an undisclosed principal and receive concessions on the sale of mutual fund securities, particularly in the event of the revocation or withdrawal of his own broker-dealer registration.

Boruski has been registered as a broker-dealer since 1951. Thereafter he entered into an agreement with a mutual fund distributor to participate in the distribution of certificates of participation in certain funds on a concession basis. In March 1962 Boruski was advised by the distributor that it would not accept new business from him; and on July 31, 1962, the Commission instituted proceedings to determine whether his registration should be revoked for alleged violations of the SEC financial reporting requirements. Thereafter, according to the decision, Boruski admittedly conceived the idea of forming Financial Counsellors (which filed for registration in January 1963) to protect future concessions on sales of certificates previously effected by him from being "confiscated" by the distributor in the event Boruski's registration were revoked. He was instrumental in organizing the company and effecting its registration and the initial officers and directors, who occupied those positions at Boruski's request, performed no functions except those of a ministerial nature requested by Boruski.

SEC COMPLAINT NAMES CABEZA PETROLEUM. The SEC Fort Worth Regional Office announced April 21 (LR-2901) the filing of Federal court action (USDC, Oklahoma City) seeking to enjoin the sale of oil interests in Okmulgee properties by Cabeza Petroleum Corp. and Robert T. Pollard, its president, in violation of the Securities Act registration requirement.

INDICTMENT NAMES TENN-TEK LAND & CATTLE, OTHERS. The SEC Fort Worth Regional Office announced April 21 (LR-2902) the return of an indictment (USDC Dallas) charging violations of the Securities Act registration and anti-fraud provisions by Tenn-Tek Land & Cattle Co., Inc., Leighton G. Dotson, Ray Ellis and J. A. Windham, all of Dallas. Named as agents and co-conspirators were Ruth Powell and Kathryn F. Dotson.

SEC ANNUAL REPORT FILED. The SEC today filed with Congress its 29th Annual Report, reviewing its activities in the administration of the Federal securities laws during Fiscal 1963. Copies may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402, at 60¢ each. (Press copies available at SEC Secretary's Office).

WESTERN STATES REAL INVESTMENT TRUST FILES FOR OFFERING. Western States Real Investment Trust, 340 Aurora Bldg., 1470 Emporia St., Aurora, Colorado, filed a registration statement (File 2-22329) with the SEC on April 20 seeking registration of 200,000 shares of beneficial interest in the Trust, of which 150,000 are to be offered for public sale at \$6.50 per share. The offering will be made on a best efforts basis by

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Westco Corporation, 1470 Emporia St., Aurora, Colo., which will receive a selling commission of 60¢ per share. The remaining 50,000 shares will be offered in exchange for fee title to real estate properties.

Organized in 1961 under Colorado law, the company is a business trust offering investors an opportunity to participate, through transferable shares, in diversified real estate properties and interests therein. The net proceeds from this offering will be used to invest in interests in real estate which offer income-producing potential and the possibility of capital gains, and to increase working capital. In addition to indebtedness, the company has outstanding 88,945 shares of beneficial interest, of which 66,345 shares were issued in exchange for the assets and liabilities of Real Investments, Inc., a Colorado corporation, and 22,600 shares were sold for cash at a price of \$6.25 per share. As of January 31, 1964, the Trust had net assets with a book value of \$347,224 or \$3.90 per share. The prospectus lists Kenneth J. Weiler as presiding trustee. The stock of the underwriter is held by former stockholders of Real Investments, Inc., (who at present comprise the majority in number of the holders of the shares of the Trust) and approximately 28% of the underwriter's outstanding common stock is held by the trustees.

LONG ISLAND LIGHTING PROPOSES OFFERING. Long Island Lighting Company, 250 Old Country Road, Mineola, N.Y., filed a registration statement (File 2-22332) with the SEC on April 22 seeking registration of \$25,000,000 of first mortgage bonds, Series N, due 1994, to be offered for public sale at competitive bidding. The company supplies electric and gas service in the Long Island area of New York. Net proceeds from its sale of bonds will be used for construction of utility plant and to pay short-term bank loans made for such purpose. Construction expenditures for 1964 and 1965 are estimated at \$106,000,000. Some of the proceeds may also be used to redeem some or all of the \$3,161,000 principal amount of first mortgage bonds of The Patchogue Electric Light Company, proposed to be consolidated with the company. John J. Tuohy is listed as president of the company.

FINLAND PROPOSES OFFERING. Republic of Finland filed a registration statement (File 2-22333) with the SEC on April 22 seeking registration of \$15,000,000 of 12-year external loan bonds of 1964 (due 1976). The bonds are to be offered for public sale through an underwriting group headed by Harriman Ripley & Co., Inc., 60 Broad St., New York and three other underwriters. The interest rate, public offering price and underwriting terms are to be supplied by amendment. Net proceeds from the bond sale will be used to cover in part Finland's contemplated capital expenditures during 1964.

FIREMAN'S FUND FILES STOCK PLANS. Fireman's Fund Insurance Company, 3333 California St., San Francisco, Calif., filed a registration statement (File 2-22334) with the SEC on April 22 seeking registration of 371,080 shares of common stock, to be offered under its Employees Restricted Stock Option Plan, Incentive Stock Option Plan of the American Insurance Company, and Employees Stock Option Plan of 1964.

ABBOTT LABORATORIES FILES STOCK PLAN. Abbott Laboratories, North Chicago, Ill., filed a registration statement (File 2-22335) with the SEC on April 22 seeking registration of 1,300 participations in its Stock Retirement Plan, together with 57,000 shares of common stock which may be acquired pursuant thereto.

HARBISON-WALKER REFRACTORIES FILES STOCK PLAN. Harbison-Walker Refractories Company, 2 Gateway Center Pittsburgh, Pa., filed a registration statement (File 2-22336) with the SEC on April 22 seeking registration of \$3,875,000 of participation in the company's Thrift Plan, together with 100,000 shares of common stock which may be acquired pursuant thereto.

FRONTIER AIRLINES FILES FOR SECONDARY. Frontier Airlines, Inc., 5900 E. 39th Ave., Denver, Colo., filed a registration statement (File 2-22337) with the SEC on April 22 seeking registration of 130,000 outstanding shares of common stock. The present holder thereof, The Goldfield Corporation, proposes to make a public offering of the shares through an underwriting group headed by Bear, Stearns & Co., One Wall St., New York, N. Y. The public offering price (\$17 per share maximum*) and underwriting terms are to be supplied by amendment.

The company is engaged primarily in the air transportation of persons, property and mail and operates a fleet of 34 airplanes on its route system, which serves 61 cities in 11 states. In addition to indebtedness, the company has outstanding 1,186,819 shares of common stock, of which management officials as a group owns 3.2%; and they also own some 3.5% of the outstanding stock of Goldfield. The latter proposes to sell 130,000 shares of its holding of 781,308 common shares, thereby reducing its holding from 65.8% of the outstanding shares to 55.8%. The prospectus lists Richard C. Pistell as board chairman of the company and Lewis W. Dymond as president.

SECURITIES ACT REGISTRATIONS. Effective April 22: Colorado Interstate Gas Co. (File 2-22254); The Gillette Co. (File 2-22193); Hewlett-Packard Co. (File 2-22202); Marathon Oil Co. (File 2-22161); Pacific Standard Life Insurance Co. (File 2-22128); The Warner & Swasey Co. (File 2-22247). Effective April 23: Space City USA, Inc. (File 2-22083); Sunnyside Telephone Co. (File 2-22050); Swanee Paper Co. (File 2-22207).

*As estimated for purposes of computing the registration fee.

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