

# 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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FOR RELEASE June 19, 1964

**SEC PHOTOCOPY SCHEDULE.** The SEC has entered into a new contract with Cooper-Trent, Inc., covering the period July 1, 1964, to June 30, 1965, for the reproduction of financial and other information and reports contained in the public files of the Commission. The cost of this service is as follows:

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<u>Page Size</u>	<u>Per Page</u>
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Cooper-Trent is a service organization and can act only on the authority of the Commission. Accordingly, all requests for copies of material in the Commission's files should be directed to the Public Reference Section, Securities and Exchange Commission, Washington, D. C., 20549. Cost estimates will be supplied by Cooper-Trent on request. Orders generally will be filled within five days of their receipt (if additional time is required, advice to that effect will be given).

Cooper-Trent will include an invoice with requested material, when mailed. An additional \$2 charge will be made by the Commission for each official "certification" of any document; and instructions for payment thereof will accompany the certified material.

**CORPORATE WORKING CAPITAL.** The SEC announces (For June 22d Newspapers) that the net working capital of U. S. Corporations, excluding banks and insurance companies, rose by \$3.5 billion in the first quarter of 1964, and at the end of March totaled \$154.7 billion. The first quarter rise compares with increases of \$2.4 billion in the fourth quarter of 1963 and \$900 million in the corresponding quarter of last year. The increase in corporate working capital in the first quarter of this year resulted from a gain of about \$600 million in current assets and a decline of \$2.9 billion in current liabilities. For further details, see Stat. Release No. 1983.

**ELBEL SENTENCED.** The SEC Chicago Regional Office announced June 15th (LR-2967) that Donald R. Elbel had received a 15-year sentence and was assessed trial costs (USDC, Topeka, Ks.) upon his conviction of fraud in the sale of securities issued by Coffeyville Loan and Investment Co., Coffeyville, Ks. Sentence stayed five days to allow Elbel to post appeal bond.

**CONTINENTAL VENDING, TASTEE FREEZ TRADING BAN CONTINUED.** The SEC has issued orders under the Securities Exchange Act suspending exchange and over-the-counter trading in securities of Continental Vending Machine Corporation and Tastee Freez Industries, Inc., for a further ten-day period, June 21-30, 1964, inclusive.

**COLUMBIA GAS SEEKS ORDER.** The Columbia Gas System, Inc., New York holding company, and its subsidiary, Atlantic Seaboard Corporation, have joined with Consolidated Natural Gas Company, a nonaffiliated registered holding company, in the filing of an application with the SEC for an order under the Holding Company Act with respect to Atlantic Seaboard's proposed purchase of certain properties from certain non-affiliates, including Hope Natural Gas Company, a subsidiary of Consolidated; and the Commission has issued an order (Release 35-15092) giving interested persons until July 13 to request a hearing thereon. According to the application, Atlantic Seaboard will acquire the underground storage properties and certain gas reserves for an aggregate of \$8,528,070 and will expend \$3,082,000 to activate underground storage facilities thereon. Some \$1,500,000 is payable to Hope. To finance the purchase and activation of the facilities through 1964, Atlantic Seaboard proposes to issue and sell to Columbia 72,000 shares of its common stock for an aggregate of \$1,800,000 and unsecured installment promissory notes totaling \$7,100,000.

**COLUMBIA GAS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15093) with respect to a system financing proposal of The Columbia Gas System, Inc., (New York holding company) and its subsidiaries. The order authorizes seven of the subsidiaries to sell to the parent prior to March 31, 1965 installment notes aggregating \$32,225,000, and four of the subsidiaries to issue and sell \$1,900,500 of additional stock to the parent. The funds will be used by the subsidiaries for their construction programs, anticipated rate refunds, and/or other 1964 cash requirements. In addition, Columbia is authorized to make 1964 open-account advances aggregating \$20,000,000 to United Fuel Gas Company, as needed for the purchase of current inventory gas.

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**MAGNA 1965-B EXPLORATIONS PROPOSES OFFERING.** Magna 1965-B Explorations, Ltd., 1000 Mercantile Continental Bldg., Dallas, filed a registration statement (File 2-22523) with the SEC on June 18 seeking registration of 360 limited partnership interests, to be offered for public sale at \$5,000 per unit. The offering will be made through officials and employees of Magna Management Company (the General Partner), who may employ certain registered broker-dealers to aid in soliciting subscriptions. Unless subscriptions aggregating \$600,000 are received by July 1, 1965, all subscriptions will be refunded in full.

The limited partnership will engage in explorations for and development and operation of oil and gas properties in the United States. The limited partners will bear all costs of acquiring and testing the oil and gas properties, and receive 75% of the benefits. Each limited partner may also be assessed for up to 75% of his subscription cost for development and producing operations. The General Partner will manage the operation and contribute unlimited liability and 25% of funds needed for development and producing operations. For such services, it will receive (a) management fees of 10% of the total of all subscriptions (less any commission paid to broker-dealers) and 5% of all amounts expended for development and producing operations and (b) a 25% interest in all properties acquired by the partnership. The General Partner has outstanding 50,000 shares of common stock, all of which were acquired by its parent, Magna Oil Corporation. G. B. Howell is board chairman and W. G. Halloway, Jr., is president.

**OLSON CONSTRUCTION PROPOSES DEBENTURE OFFERING.** Olson Construction Company, 410 S. 7th St., Lincoln, Nebr., filed a registration statement (File 2-22524) with the SEC on June 18 seeking registration of \$600,000 of 6% subordinated sinking fund debentures (due 1974), to be offered for public sale in denominations of \$1,000 and \$5,000. The offering will be made through the underwriter, Ellis, Holyoke & Co., 144 N. 13th St., Lincoln, Nebr., which will receive a 5% commission.

The company is primarily engaged in construction and remodeling of commercial, institutional and government buildings. Of the net proceeds from its debenture sale, about \$300,000 will be employed to replace working capital used to retire the company's \$300,000 of 6% subordinated debentures which became due in 1964; approximately \$60,000 will be invested in further development of a technological center near Denver; and the balance will be allocated to working capital for use during the 1964 construction season. In addition to indebtedness, the company has outstanding 4,655 shares of common stock, of which management officials as a group own approximately 99% (including 70.6% owned by Carl W. Olson, president).

**UNITED FAMILY LIFE INSURANCE FILES STOCK PLAN.** United Family Life Insurance Company, 494 Spring St., N. W., Atlanta, Ga., filed a registration statement (File 2-22525) with the SEC on June 17 seeking registration of 194,326 shares of common stock, to be offered to company employees under restricted stock option plans.

**NATIONAL FUEL GAS ORDER.** The SEC has issued an order under the Holding Company Act (Release 35-15094) approving a financing proposal by National Fuel Gas Company, New York holding company, and three of its gas utility subsidiaries. Under the proposal, the parent would issue bank notes during the last half of 1964 in amounts not to exceed \$12,500,000 in the aggregate. It also would acquire the notes of two subsidiaries, Iroquois Gas Corporation and Pennsylvania Gas Company, in the respective amounts of \$10,900,000 and \$1,600,000, or an aggregate of \$12,500,000. In addition, Pennsylvania Gas proposes to borrow sums directly from banks in amounts not exceeding \$2,200,000. A third subsidiary, United Natural Gas Company, also proposes to engage bank borrowings in an amount not to exceed \$3,700,000. The additional money will be used by the subsidiaries, together with other available funds, for construction or reimbursement of their treasuries for past construction expenditures, and for underground storage gas inventories.

**SECURITIES ACT REGISTRATIONS.** Effective June 18: Budget Finance Plan (File 2-22515); Duke Power Co. (File 2-22508); Scientific Data Systems, Inc. (File 2-22496); Signal Oil and Gas Co. (File 2-22455); Technicolor, Inc. (File 2-22384); Thompson Ramo Wooldridge Inc. (File 2-22475); U. S. Natural Gas Corp. (File 2-22373).

Effective June 19: Coastal Chemical Corp. (File 2-22442); Newark Electronics Corp. (File 2-22153).

**NORTHERN ILLINOIS GAS PROPOSES BOND OFFERING.** Northern Illinois Gas Company, Aurora, Ill., today filed a registration statement (File 2-22526) with the SEC seeking registration of \$20,000,000 of first mortgage bonds (due 1989), to be offered for public sale at competitive bidding. The company is a public utility engaged principally in the purchase, distribution and sale of natural gas in Illinois. Net proceeds from its bond sale will be added to working capital available for construction expenditures (estimated at \$185,000,000 through 1968). Marvin Chandler is president.

**ORAL ARGUMENT, COMING WEEK.** June 24, 2:30 P.M. Nassau Securities Service (NASD case).

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