

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.

FOR RELEASE February 12, 1957

Securities Exchange Act Release No. 5447

The Securities and Exchange Commission today announced the issuance of two orders under Section 19(a)(4) of the Securities Exchange Act of 1934 summarily suspending trading in the capital stocks of Great Sweet Grass Oils Limited and of Kroy Oils Limited, respectively, on the American Stock Exchange, for a period of ten days from February 13, 1957 to February 22, 1957, inclusive; and it declared that such action is necessary and appropriate for the protection of investors and to prevent fraudulent, deceptive or manipulative acts or practices.

The summary suspension orders heretofore entered on February 1, 1957 against trading in the two stocks expire at the close of business February 12, 1957. The result of the new orders is that it will continue to be unlawful under Section 15(c)(2) of the Securities Exchange Act of 1934 and the Commission's Rule X-15C2-2 thereunder for any broker or dealer to make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, such securities otherwise than on a national securities exchange.

The Commission's action was taken because the questions raised in the Commission's orders and notices of hearings under Section 19(a)(2) of the Act as to alleged false statements in reports filed by both companies with the Commission have not been resolved. The Commission ordered the hearings in the two cases consolidated in order to expedite a final determination, and the consolidated hearing is still in progress.

Under these conditions, the Commission is of the opinion that it would be impossible for the investing public to reach an informed judgment at this time as to the value of the companies' securities, or for trading in such securities to be conducted in an orderly and equitable manner.

In light of the foregoing and other factors, the Commission is of the opinion that the public interest requires the summary suspension of trading in such securities on the American Stock Exchange and that such action is necessary and appropriate for the protection of investors and is necessary in order to prevent fraudulent, deceptive or manipulative acts or practices under the Act.

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(Over)

Central and South West Corporation (Wilmington, Del.) filed a registration statement (File 2-13079) with the SEC on February 11, 1957, seeking registration of 600,000 shares of its \$5 par Common Stock, to be offered for public sale at competitive bidding. Net proceeds of the sale of the stock will be used or applied by the company as follows: \$7,500,000 to pay off an equivalent amount of bank borrowings; and \$10,500,000 to purchase additional shares of the common stocks of Central Power and Light Company (\$2,500,000), Public Service Company of Oklahoma (\$4,000,000) and Southwestern Gas and Electric Company (\$4,000,000). Any excess of such net proceeds over \$18,000,000 may be used by the company, together with other funds, to purchase additional shares of the common stock of one or more of the system companies in 1958. The aggregate construction expenditures of the system companies (including a fourth subsidiary, West Texas Utilities Company) are estimated at approximately \$70,400,000 and \$86,600,000 for the years 1957 and 1958, respectively.

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