

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 July 25, 1958

SEC ADOPTS CANONS OF ETHICS

Edward N. Gadsby, Chairman of the Securities and Exchange Commission, today announced that the Commission has adopted Canons of Ethics setting forth the standards of conduct to which it subscribes. The Commission emphasized that these Canons are merely a concrete statement of the principles which it has always believed are applicable to its executive, legislative, and judicial responsibilities and do not represent any departure from current procedures.

The preamble to the Canons emphasizes that the Commission's powers and duties are of great social and economic significance to the American people and that it is imperative that the official and personal conduct of members of the Commission be such as to command the respect and confidence of their fellow citizens.

The Canons include statements of principles with respect, among other things, to personal conduct, maintenance of independence, relationship with persons subject to agency regulation, avoidance of appearances of influence, etc.

The Commission also pointed out that these Canons, which affect only the members of the Commission, are supplementary to its overall Conduct Regulations which have been in effect for many years and which prescribe standards of conduct for members, employees, and former employees appearing before the Commission.

UTAH POWER & LIGHT FINANCING CLEARED

The SEC has issued an order authorizing Utah Power & Light Company, Salt Lake City, to issue and sell, at competitive bidding, \$20,000,000 of First Mortgage Bonds due 1988. Part of the net proceeds from the sale of the bonds will be used to redeem \$15,000,000 principal amount of 5-1/4% Series Bonds due 1987, at 107.54% of their principal amount plus accrued interest and to pay bank loans aggregating \$4,000,000, and the remainder of the proceeds will be applied toward Utah's construction program. The construction program of Utah and its two subsidiaries for the three-year period 1958 through 1960 calls for the expenditure of an aggregate of \$43,000,000, of which \$39,800,000 applies to Utah.

INVESTORS REALTY MORTGAGE AND FINANCIAL CORPORATION FILES FOR OFFERING OF SECURITIES

Investors Realty Mortgage and Financial Corporation, Aiken, S. C., filed a registration statement (File 2-14265) with the SEC on July 24, 1958, seeking registration of \$250,000 of Investors Income Certificates (6% - Ten Year Maturities) and 125,000 shares of its Class A common Stock. The Certificates will be offered for public sale in various denominations at a price of 100% per Certificate, and the Class A Common Stock will be offered for public sale at a price of \$2 per share. The stock and certificates will be offered initially on a best efforts basis by the company and by John E. Morton, president. It is also expected that the stock and certificates will be sold by officers, directors, and employees of the company.

The company was incorporated on March 26, 1958, and proposes to engage generally in matters pertaining to owning and dealing in real estate and real estate financing. It has an authorized capitalization of 250,000 shares of Class A Common Stock, 10¢ par value; 250,000 shares

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of Class B Common Stock, 10¢ par value; and \$250,000 of Investors Income Certificates. The company was sponsored and devised by John E. Morton of Aiken. Mr. Morton, in addition to being president of the company, is a director and a holder (of record and beneficially) of 98% of the company's Class B Common Stock.

Proceeds of the offering (less expenses estimated at \$50,000 if the entire offering is sold) will be used by the company or by others dealing with the company for the purpose of owning, buying and selling, and otherwise dealing in real estate, or matters pertaining to real estate and the improvement thereof, in the areas in which the company will operate.

PUBLIC SERVICE ELECTRIC AND GAS PROPOSES BOND OFFERING

Public Service Electric and Gas Company, Newark, N. J., filed a registration statement (File 2-14266) with the SEC on July 24, 1958, seeking registration of \$60,000,000 of First and Refunding Mortgage Bonds, Series due 1988, to be offered for public sale at competitive bidding.

Proceeds from the sale of the bonds will be added to the general funds of the company and will be used by it for its general corporate purposes, including payment before maturity of \$10,000,000 principal amount of unsecured short-term bank loans made to the company on June 30, 1958, and payment of a portion of the cost of its current construction program. As of May 31, 1958, the company's current construction program, based upon recent prices, amounted to approximately \$290,000,000, of which \$270,000,000 was for electric facilities and \$20,000,000 was for gas facilities. The proceeds of the \$10,000,000 of unsecured bank loans were added to the general funds of the company and were used by it for its general corporate purposes, including payment of a portion of the cost of its current construction program. Expenses of the sale of the new bonds are estimated at \$153,000.

The prospectus states that it is presently contemplated that in order to finance its current construction program the company will be required in 1958 to borrow additional funds on a short-term basis or to sell additional securities and in subsequent years to undertake further financing. The amounts, types, and times of issuance of any additional securities have not been determined.

INDUSTRIAL MINERALS CORPORATION PROPOSES STOCK OFFERING

Industrial Minerals Corporation, Washington, D.C., filed a registration statement (File 2-14267) with the SEC on July 24, 1958, seeking registration of 600,000 shares of Common Stock, 1¢ par value, to be offered for public sale at a price of \$1.00 per share through Dearborn and Company and Carr-Rigdon and Company, underwriters, on a best efforts basis. The underwriters will receive a commission of 15¢ for each share sold together with a cash allowance of \$60,000 for expenses. In addition the company has given the underwriters an option to purchase 400,000 shares of the stock, at 1¢ per share, on the basis of two shares for each three shares sold.

Industrial Minerals was incorporated under Maryland law on March 11, 1957, and proposes first to explore and, if warranted, to develop and operate graphite and mica properties in Alabama acquired from Joseph O. Wall, Marshall I. Stewart, and Tony D. Pittman, Jr. The company has a capitalization of 25,000,000 shares of Common Stock, 1¢ par value, of which 390,810 shares are outstanding. Joseph O. Wall, President and Chairman of the Board of the company, is the owner (of record and beneficially) of 22.2% of the outstanding shares of Common Stock. He also is sole owner of Carr-Rigdon and Company. Marshall I. Stewart, Secretary and Director of the company, and Tony D. Pittman, Jr., Treasurer and Director, own (of record and beneficially) 15.4% and 13.2%, respectively, of the outstanding shares.

Proceeds of the offering will be used as follows: \$90,000 for the company's explorat program, \$150,000 for operating capital, and the remainder for repairs, equipment, etc.