

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 October 14, 1957

Statistical Release No. 1488

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended October 11, 1957, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1957, is as follows:

	<u>(1939 = 100)</u>		Percent <u>Change</u>	<u>1957</u>	
	<u>10/11/57</u>	<u>10/4/57</u>		<u>High</u>	<u>Low</u>
Composite	304.3*	320.2	- 5.0	365.0	304.3
Manufacturing	384.5*	407.3	- 5.6	472.5	384.5
Durable Goods	354.8*	372.6	- 4.8	438.7	354.8
Non-Durable Goods	411.8*	439.1	- 6.2	503.5	411.8
Transportation	239.8*	256.6	- 6.5	317.5	239.8
Utility	149.0*	152.0	- 2.0	163.5	149.0
Trade, Finance & Service	269.3*	276.7	- 2.7	292.1	269.3
Mining	294.5*	321.2	- 8.3	402.3	294.5

* New Low

SHARON CLAY RISK APPOINTED TO SEC STAFF

Chairman Edward N. Gadsby of the Securities and Exchange Commission announced the appointment of Sharon Clay Risk as Associate Director of the Division of Corporation Finance, succeeding Mr. George A. Blackstone, who resigned to return to the private practice of law.

Mr. Risk was born in Chicago, Illinois on November 20, 1919. He received his Bachelor of Arts Degree from Princeton University in June, 1947, magna cum laude, and his Bachelor of Laws Degree from Yale University Law School in June, 1950. He was admitted to the New York Bar in 1951.

Since 1950, Mr. Risk has been associated with the law firm of Shearman & Sterling & Wright, New York City, where he gained a broad experience covering a wide variety of matters. He has had considerable experience in corporate matters and experience in the field of Federal and State taxation.

In February, 1942, he was called to active duty as an Aviation Cadet and served in the Army Air Force. Upon his release in 1946, he held the rank of First Lieutenant.

Mr. Risk is a member of the Association of the Bar of the City of New York and has been active in alumni and community affairs. He is married to the former Louise Gillies Brown of New York City and they have three children. (See Release No. U-253.)

PACIFIC PETROLEUMS FILES FOR COMMON STOCK OFFERING

Pacific Petroleum, Ltd., Calgary, Alberta, Canada, filed a registration statement (File 2-13679) with the SEC on October 11, 1957, seeking registration of 1,603,998 shares of its \$1 par Common Stock. According to the prospectus, this stock is to be issued "in connection with a proposed amalgamation . . . of Merrill Petroleum Limited with Pacific Petroleum." Upon consummation thereof, up to 1,588,998 shares of Pacific Petroleum stock will be issued to the holders of then outstanding common shares of Merrill Petroleum at the rate of 1 share of Pacific Petroleum common for each 2 shares of Merrill Petroleum common. The remaining 15,000 shares of Pacific Petroleum common will become issuable upon the exercise, subsequent to such consummation and prior to November 30, 1958, of presently outstanding options granted by Merrill Petroleum, which options will be assumed by Pacific Petroleum.

Both companies are said to be presently engaged in the active exploration for and development of petroleum and natural gas areas and own substantial interests in producing wells in Alberta and British Columbia. The managements of the two companies believe that the amalgamation will greatly assist their respective projects, will bring together operations which complement each other and will effect significant economies, thus establishing a better competitive position in the industry. The amalgamation is subject to various terms and conditions, including approval of not less than a majority of the shareholders of Merrill Petroleum and representing at least three-quarters of the issued and outstanding shares of that company voted at the meeting of stockholders. Upon such approval Merrill Petroleum will transfer its assets to Pacific Petroleum (which will assume the liabilities of Merrill Petroleum), in exchange for which Pacific Petroleum will issue 1 share of its common stock for each 2 outstanding shares of Merrill Petroleum, whereupon Pacific Petroleum will become the sole stockholder of Merrill Petroleum.

RITTER FINANCE FILES FINANCING PROPOSAL

Ritter Finance Company, Inc., Wyncote, Pa., filed a registration statement (File 2-13680) with the SEC on October 11, 1957, seeking registration of \$900,000 of 6% Debentures due 1977 (with Class B common stock warrants attached), together with 240,000 shares of its Class B common stock. It is proposed to offer the \$900,000 of debentures (with warrants) and 150,000 shares of the Class B stock for public sale through an underwriting group headed by Stroud & Company, Inc. The public offering prices and underwriting terms are to be supplied by amendment. The Class B common stock warrants will entitle the holders to acquire 90,000 Class B shares; and these shares constitute the balance of the Class B shares being registered.

Net proceeds of this financing will be added to the general funds of the company. The company may have an excess of cash not immediately required for making loans to customers, in which event the excess may be used to reduce bank borrowings. The company intends to acquire the assets or securities of other finance companies, although there are no negotiations therefor.

CALIFORNIA INTERSTATE TELEPHONE PROPOSES COMMON STOCK FINANCING

California Interstate Telephone Company, Victorville, Cal., today filed a registration statement (File 2-13681) with the SEC seeking registration of 150,000

(Continued)

shares of its \$5 par Common Stock, to be offered for public sale through an underwriting group headed by William R. Staats & Co. The public offering price and underwriting terms are to be supplied by amendment. Net proceeds will be used (a) to discharge current short term bank borrowings aggregating \$850,000, all of which have been used to finance the company's construction program, and (b) the balance for the purposes of carrying out its continuing construction program. Gross property additions are estimated at \$2,445,000 for the fiscal year ending March 31, 1958.

SAN JOSE WATER WORKS FILES FOR PREFERRED STOCK OFFERING

San Jose Water Works, San Jose, Cal., today filed a registration statement (File 2-13682) with the SEC seeking registration of 40,000 shares of its Cumulative Preferred Stock, Series E (convertible), \$25 par, to be offered for public sale through an underwriting group headed by Dean Witter & Co. The dividend rate, rate of conversion into common stock, public offering price and underwriting terms are to be supplied by amendment. Net proceeds are to be used as follows: (a) \$100,000 to pay bank loans obtained to defray a portion of the cost of the company's construction program; and (b) the balance to defray a further portion of the cost of such construction program. It is estimated that gross expenditures for construction will total \$1,100,000 for the year 1957.

STEIN ROE & FARNHAM FUND AUTHORIZED TO ACQUIRE MILIUS SHOE STOCK

The SEC has issued an order of exemption under the Investment Company Act permitting The Stein Roe & Farnham Fund, Inc., Chicago, Ill., investment company, to issue shares of the Fund for substantially all of the assets of Milius Shoe Company. Milius is a private investment company having 26 shareholders, its assets consisting substantially of a diversified portfolio of investment securities. (See Investment Company Act Release No. 2615.)

HERCULES TANKERS EXEMPTED FROM INVESTMENT COMPANY ACT

The SEC has granted a conditional exemption of Hercules Tankers, Inc., Philadelphia, Pa., from provisions of the Investment Company Act. According to the application filed by the company, it will issue and sell 100 shares of its \$10 par capital stock at \$10 per share to Hercules Tankers Corporation, a Liberian Corporation which will be a wholly-owned subsidiary of Barber Oil Corporation and which is engaged in the oil business. It will participate in a program for financing the construction of three tankers, which are to be built by Bethlehem Steel Company and owned by Hercules Tankers Corporation. Construction costs will be financed largely by the issuance of bonds to Metropolitan Life Insurance Company. The exemption order was conditioned upon the annual filing with the Commission of a balance sheet, income and surplus statement and other related information. (See Investment Company Act Release No. 2614.)

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