

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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BURLINGTON INDUSTRIES FILES FOR SECONDARY DEBENTURE OFFERING

Burlington Industries, Inc., 301 N. Eugene St., Greensboro, N. Carolina, filed a registration statement (File 2-14569) with the SEC on December 2, 1958, seeking registration of \$7,051,675 of outstanding 5.4% Subordinated Debentures due 1974, to be offered for public sale by the holders thereof through Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment.

Of the debentures, \$4,864,500 are being offered and sold by the Estate of G. E. Huggins, deceased. An additional amount, to be supplied by amendment, is to be offered by certain other holders of the debentures. The remaining debentures may be offered for sale from time to time by other persons who received such debentures in liquidation of Trimil Corporation or Valfour Corporation.

According to the prospectus, the company in August and November 1957, in partial consideration for the cotton textile assets of The Henrietta Mills (now Trimil Corporation) and Martel Mills Corporation (now Valfour Corporation) issued three 5.4% Promissory Notes in the aggregate amount of \$7,051,675. As of October 1, 1958, these notes were surrendered by such companies in exchange for an equal principal amount of 5.4% subordinated debentures. Trimil and Valfour have advised the company that the debentures have now been distributed by them, as distributions in liquidation, to their stockholders, aggregating about 580 in number, and that the largest single stockholder of Trimil and Valfour is the Estate of G. E. Huggins, deceased, which, as the holder of 80% of the outstanding stock of Trimil and 51% of the outstanding stock of Valfour, received in liquidation thereof an aggregate of \$4,864,500 of the debentures.

GPU TO PURCHASE ADDITIONAL METROPOLITAN EDISON STOCK

General Public Utilities Corporation and its subsidiary, Metropolitan Edison Company, of Reading, Pa., have joined in the filing of an application with the SEC for an order authorizing GPU to purchase an additional \$1,200,000 of the subsidiary's stock; and the Commission has issued an order (Release 35-13872) giving interested persons until December 19, 1958, to request a hearing thereon. The proposal contemplates the purchase by GPU of an additional 12,000 shares of the common stock of the subsidiary at \$100 per share. The subsidiary will use the proceeds to reimburse its treasury in part for construction expenditures.

YANKEE ATOMIC ELECTRIC FILES FINANCING PROPOSAL

Yankee Atomic Electric Company, Boston, has joined with four of its stockholder companies in the filing of a proposal with the SEC for the sale by Yankee Atomic of additional common stock and notes; and the Commission has issued an order (Release 35-13873) giving interested persons until December 17, 1958, to request a hearing thereon.

Yankee Atomic intends to construct and operate a nuclear power plant of approximately 600 KW net electrical capacity. The total capital requirements, including construction costs

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For further details, call ST. 3-7600, ext. 5526

and working capital, are estimated at \$57,000,000. The plant is presently scheduled for completion in 1960. Yankee Atomic now has outstanding \$8,000,000 par value of common stock and \$2,000,000 of non-interest bearing notes held by its eleven stockholder companies; and the sale of an additional \$3,000,000 of the notes was heretofore authorized by the Commission.

Under the current proposal, Yankee Atomic proposes to sell an additional \$5,000,000 of stock to its eleven stockholder companies, the proceeds of which will be used to retire its then outstanding \$5,000,000 of notes. It also proposes, from time to time prior to June 30, 1959, to issue to its stockholder companies up to \$7,000,000 of non-interest bearing notes. Upon completion of this financing, Yankee Atomic's outstanding securities will consist of \$13,000,000 par value of common stock and \$7,000,000 of notes.

The four stockholder companies joining in this filing by reason of the fact that their purchases of Yankee Atomic securities is subject to Commission approval under the Holding Company Act are New England Power Company, Western Massachusetts Companies, Public Service Company of New Hampshire, and Montaup Electric Company.

NEW ORLEANS PUBLIC SERVICE SURPLUS TRANSFER APPROVED

The SEC has issued an order (Release 35-13874) authorizing New Orleans Public Service Company to transfer from earned surplus to capital surplus, as of December 31, 1958, the sum of 50¢ per share of its outstanding common stock, or an aggregate of \$710,264.89. At September 30, 1958, the company's earned surplus amounted to \$11,645,342. The proposed earned surplus transfer will convert a portion of such earned surplus into a more permanent form of capital.

AMERICAN-SOUTH AFRICAN INVESTMENT FILES FOR STOCK PURCHASES

American-South African Investment Company, Limited, of Johannesburg, South Africa, has applied to the SEC for an exemption order permitting its purchase of additional shares of St. Helena Gold Mines Limited and Stilfontein Gold Mining Company Limited; and the Commission has issued an order (Release 40-2799) giving interested persons until December 16, 1958, to request a hearing thereon.

The Investment Company proposes to purchase an additional 35,000 shares of St. Helena stock and an additional 45,000 shares of Stilfontein stock. The purchases are to be made at a price per share one shilling below the average market price of the shares of the respective companies on the Johannesburg Stock Exchange during the week preceding the purchase, provided such price is not in excess of 48/3 shillings per share for the St. Helena stock and 47 shillings per share for the Stilfontein stock.

Such purchases are to be made from certain subsidiaries of Engelhard Industries, Inc., of which company Charles W. Engelhard, board chairman of the Investment Company, owns a majority of the outstanding voting stock. Because of this inter-company affiliation, the purchases are prohibited by the Investment Company Act unless the Commission grants an exemption from the prohibition.

TROUT MINING FILES FOR STOCK OFFERING

Trout Mining Company, 233 Broadway, New York, filed a registration statement (File 2-14570) with the SEC on December 2, 1958, seeking registration of 281,596 shares of its Common Stock. The company proposes to offer 278,376 shares for subscription at \$1 per share by holders of outstanding shares of the company's common stock, on the basis of 3 new shares for each share held.

Of this stock, 89,572 shares are to be distributed pro rata to the holders of record December 5, 1958, of the common stock of American Machine and Metals, Inc. According to the prospectus, American in exchange for 92,792 shares of Trout Mining common will pay to the latter

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\$92,792 and will transfer to Trout Mining all of its interest in the mining properties of its Trout Mining Division, its interest in a lease with Peter Antonioli subject to a reserved production payment, all intangibles directly used in connection with the business of said Trout Mining Division (other than cash, accounts receivable, concentrates and supplies, etc.) and American's interest as leasee with respect to its lease of office space in Philipsburg, Montana. Trout Mining has also agreed to purchase from American (a) the machinery and equipment used in its Trout Mining Division for \$150,000 and (b) concentrates and supplies and other assets for the net book value thereof. Of the stock so received, American will distribute 89,572 shares to its stockholders on the basis of one share of Trout Mining stock for each five shares of American stock. American proposes to sell to those of its employees who hold unexercised restricted stock options on December 5, 1958, a maximum of 3,220 shares of Trout Mining stock (in the ratio of one share of Trout Mining stock for each five shares of American under option), at \$1 per share. Charles W. Anderson, Glenn A. Swennumson and Alphonse Kenison, officers of Trout Mining, will purchase at \$1 per share any of the 3,220 shares not purchased by employees.

Organized on November 14, 1958, Trout Mining will operate the Trout Mining properties acquired from American. These properties, located at Philippsburg, Montana, consist of approximately 193 acres of owned land, 1,400 acres of land covered by the Antonioli Lease, and two mills for the purpose of concentrating ores. Conditioned upon the discovery of commercial quantities of ore, the company intends to mine and concentrate manganese dioxide and zinc, lead and silver bearing ores. Net proceeds to Trout Mining of its sale of stock will be used for the purposes of working capital, further exploration of the mining properties, and for such capital expenditures as may be deemed appropriate.

The prospectus lists Charles W. Anderson of New York as president.

EDMONTON (CANADA) PROPOSES DEBENTURE OFFERING

The City of Edmonton, Province of Alberta, Canada, today filed a registration statement (File 2-14571) with the SEC seeking registration of \$6,000,000 of Sinking Fund Debentures due December 15, 1978, to be offered for public sale through an underwriting group headed by The First Boston Corporation, The Dominion Securities Corporation, and five other firms. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the debentures are to be applied to the payment of utilities extensions (\$2,000,000) and sewer construction (\$4,000,000), or for the repayment of bank loans incurred therefor.

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