

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 December 9, 1958

CONTINENTAL CASUALTY FILES EMPLOYEE STOCK PLAN

Continental Casualty Company, 310 South Michigan Ave., Chicago, filed a registration statement (File 2-14588) with the SEC on December 8, 1958, seeking registration of 82,405 shares of its \$5 par Capital Stock, to be offered under the company's Employee Share Option Plan.

WHEELING ELECTRIC PROPOSES BANK BORROWINGS

Wheeling Electric Company, Wheeling, West Virginia, has applied to the SEC for an order authorizing it to extend through 1959 the time within which it may borrow from banks the \$950,000 balance of \$4,250,000 of previously-authorized bank borrowings, for which short-term promissory notes of Wheeling will be issued, and to issue new notes in renewal of maturing notes previously issued; and the Commission has issued an order (Release 35-13881) giving interested persons until December 23, 1958, to request a hearing thereon. The \$950,000 of additional borrowings are required to carry Wheeling's construction program through 1959.

IHES FEE ARGUMENT SCHEDULED

The SEC has issued an order scheduling an oral argument before the Commission on January 13, 1959, upon requested final allowances of fees for services requested by the parties in the Holding Company Act proceedings for the reorganization of International Hydro-Electric System, of Boston (Release 35-13882).

GERMAN SAVINGS BANKS SEEKS INDENTURE ACT EXEMPTION

Deutscher Sparkassen-Und Giroverband (German Savings Banks and Clearing Association), of Berlin, Germany, has made application to the SEC under the Trust Indenture Act of 1939 for an exemption under that Act with respect to certain provisions of an indenture covering debt adjustment debentures, due January 1, 1967, to be issued by it under the indenture, to be dated as of January 1, 1953, between the company and The First National City Bank of New York, as Trustee, and Kreditanstalt fur Wiederaufbau, as co-trustee, in connection with the company's offer of settlement to be made pursuant to Annex II of the London Agreement on German External Debts of February 27, 1953, between the Government of the Federal Republic of Germany, the United States of America, and other countries. The application also seeks an order declaring that such trusteeship under the new indenture, and trusteeship by the co-trustee under the indenture pursuant to which the old dollar bonds of the company were issued, is not likely to involve such a material conflict of interest as to disqualify the co-trustee from acting as co-trustee under the new indenture. The Commission has issued an order (Release 39-126) giving interested persons until December 17, 1958, to request a hearing upon the application.

PURCHASE OF HUNTINGTON ELECTRIC STOCK PROPOSED

Western Massachusetts Companies, Boston, an exempt holding company, has applied to the SEC in order permitting its acquisition of the outstanding capital stock of Huntington Electric Company, of Huntington, Mass., and the continuance of its exempt status under the Holding

OVER

Company Act; and the Commission has issued an order (Release 35-13880) giving interested persons until December 23, 1958, to request a hearing upon the application.

Under the agreement with the five stockholders of Huntington, which distributes electric energy to approximately 775 customers in a small rural section of western Massachusetts, Western proposes to issue and exchange 3,111 shares of its capital stock at an agreed value of \$45 per share, or \$140,000, for all the 340 outstanding common shares of Huntington. Western now owns all the outstanding common stocks of Western Massachusetts Electric Company and The Quinnehtuck Company, together with certain real estate and 7% of the common stock interest in Yankee Atomic Electric Company.

WOODWARD & LOTHROP PROPOSES STOCK OFFERING

Woodward & Lothrop Incorporated, 10th & F St., N. W., Washington, D.C., today filed a registration statement (File 2-14590) with the SEC seeking registration of 50,000 shares of its Common Stock, to be offered for public sale through an underwriting group headed by Alex. Brown & Sons. The public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the stock sale will be added to the general funds of the company. In late 1959 the company intends to begin operations at a new leased branch store in the Wheaton Plaza Regional Shopping Center, Wheaton, Md. This store will require the employment of approximately \$2,500,000 for merchandise inventories, accounts receivable, furniture and special fixtures. It is anticipated that the capital so required will be obtained from the general funds of the company, as increased by the net proceeds of this financing.

WASHINGTON WATER POWER PROPOSES BOND OFFERING

The Washington Water Power Company, East 1411 Mission Ave., Spokane, Wash., today filed a registration statement (File 2-14589) with the SEC seeking registration of \$15,000,000 of First Mortgage Bonds, Series due 1989, to be offered for public sale through an underwriting group headed by Kidder, Peabody & Co., Blyth & Co., Inc., White, Weld & Co. and Laurence M. Marks & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of the sale of the bonds will be applied in part to the repayment of \$8,000,000 of outstanding notes and the remainder will be used in carrying forward the company's construction program. Proceeds of the said notes were used to the extent of approximately \$6,765,000 for property additions and improvements and to the extent of about \$1,235,000 in the purchase from Cascade Natural Gas Corporation of that latter's Lewiston-Clarkston gas properties. The company estimates its expenditures in 1959 and 1960 for its Noxon Rapids Hydro-electric Project in western Montana and other additions and improvements will amount to \$23,500,000 and \$10,500,000 respectively.

SEC ADOPTS MODIFIED "CONSENT TO SERVICE" RULE

The SEC has adopted a modified rule (Release 33-4000 and 34-5827) requiring non-resident broker-dealers, and other specified non-resident persons associated with a broker-dealer registered or applying for registration, to furnish irrevocable consents and powers of attorney designating the Commission as an agent upon whom process may be served in certain civil actions founded on the federal securities laws.

The amendment makes the consent to the service of process applicable only to causes of action which accrue during the period beginning when the broker-dealer becomes registered with this Commission and ending either when the registration is terminated or the Commission receives a notice to withdraw from registration, whichever is earlier.