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 May 14, 1957

Securities Exchange Act Release No. 5517

The Securities and Exchange Commission today announced the issuance of an order pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934 suspending trading on the American Stock Exchange in the $1 par Capital Stock of Bellanca Corporation, New Castle, Delaware, for a further ten-day period, May 15 to 24, 1957, inclusive.

The action was taken on the basis of Bellanca's failure to comply with the reporting requirements of Section 13 of the Act and the disclosure requirements of the Commission's proxy rules under Section 14, as well as its failure to file an annual report for the year ended December 31, 1956, due on or before April 30, 1957.

Upon the basis of a finding by the Commission that such suspension is necessary to prevent fraudulent, deceptive, or manipulative acts or practices in connection with trading in Bellanca stock, trading by brokers and dealers in such stock in the over-the-counter markets also is prohibited during the period of the suspension.

The Commission previously scheduled a hearing for May 8, 1957, pursuant to Section 19(a)(2) of the Act, on the question whether Bellanca stock should be suspended for a period not exceeding 12 months, or withdrawn from listing and registration on the Exchange. This hearing is now in adjournment until June 19, 1957.

Holding Company Act Release No. 13422

Delaware Power & Light Company (Wilmington) has applied to the Securities and Exchange Commission for authorization to issue and sell $15,000,000 of bonds at competitive bidding; and the Commission has scheduled the matter for hearing on May 29, 1957.

Delaware Power proposes to offer for sale at competitive bidding $15,000,000 of First Mortgage and Collateral Trust Bonds, Series due 1987. Net proceeds are to be applied toward the cost of the construction program of the company and its subsidiaries and to the retirement of any bank loans which might be incurred prior to sale of the bonds.

Securities Exchange Act Release No. 5514

The Securities and Exchange Commission today announced the issuance of a decision denying registration as a broker-dealer to The Western Trader, Inc., of Washington, D. C., and revoking the registration as an investment adviser of Clifford A. Greenman, doing business as The Western Trader and Investor, of Salt Lake City, Utah.

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Greenman is president and controlling stockholder of Western Trader.

The Commission's action was based upon a decree of the U. S. District Court for the District of Utah, issued May 15, 1956, enjoining Western Trader and Greenman from engaging in certain conduct or practices involving the purchase and sale of securities in violation of the registration and anti-fraud provisions of the Securities Act of 1933 and the anti-fraud provisions of the Securities Exchange Act of 1934 and the Investment Advisers Act of 1940. Greenman was also enjoined by this decree from engaging in certain conduct or practices in connection with his activities as an investment adviser, broker, or dealer.

The Court's decree, the Commission stated, "was issued with respondents' consent upon the basis of a complaint by this Commission, which alleged, among other things, that Greenman sold and offered to sell unregistered stock of a uranium company by means of representations that the company had ore reserves in the amount of $70,791,000, without disclosing that this estimate was predicated on only 4 samplings, 3 of which were taken more than a decade ago; that applicant and Greenman took undisclosed profits in discretionary accounts in connection with the purchase and sale of securities and converted to their own use funds deposited with them by persons to whom representations were made that such funds would be kept in a special trust fund not to be used except for the accounts of such customers; and that Greenman effected principal and agency transactions with customers without disclosing in writing to such customers before the completion of such transactions the capacity in which he was acting and obtaining their consent to such transactions."

Under the circumstances, the Commission concluded that it is in the public interest to deny the application for broker-dealer registration filed by Western Trader and to revoke Greenman's registration as an investment adviser.

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American Mutual Fund, Inc., Los Angeles, Calif., filed an amendment on May 13, 1957 to its registration statement (File 2-10607) seeking registration of an additional 1,500,000 shares of Capital Stock, $1 par value.

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The Sire Plan, Inc., New York, today filed a registration statement (File 2-13339) with the SEC seeking registration of $1,000,000 of Nine-month 8% Fund Notes. The company proposes to offer the notes for public sale at $100, with a $5 commission to Sire Plan Portfolios, Inc., underwriter. Sire Plan is said to be one of a group of affiliated New York corporations engaged in the business of purchasing and marketing rental income real estate to the public under what is called the SIRE (Small Investors Real Estate) Plan. Albert Mintzer owns or controls all of the outstanding capital stock of various affiliated companies comprising the Sire Plan group, including this registrant.

According to the registration statement, the amount of cash deposit required to be made under a real estate purchase contract is a matter of negotiation in each case. Where no more than sixty days are expected to expire between contract date a closing date, 10% of the total cash payable at closing is conventional. However, because of the time necessarily required for compliance with applicable securities laws and for the marketing of securities to the public, SIRE Plan transactions have

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quired longer periods; therefore, larger cash deposits.

To provide working capital with which to make such deposits, and where feasible, to take title to properties, registrant offered and sold to the public an issue of 9-month 8% (per annum) Funding Notes and received subscriptions therefor totalling $946,628.56. These represented $674,515 of notes sold and delivered prior to January 11, 1957, and $272,113.56 of monies received but notes not delivered. The 9-Month Note offering was made without registration in reliance upon advice of counsel that such notes were "exempt securities" under Section 3(a)(3) of the Securities Act of 1933, being notes "...the proceeds of which have been or are to be used for current transaction" having "...a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace..." The SEC on January 18, 1957, instituted a court action in New York challenging the availability of such exemption and seeking to enjoin the further sale of notes without registration. The action was settled by written stipulation under which Registrant agreed, without prejudice to its contention that the note offering was exempt from registration, to register an appropriate issue of its securities and to offer to the holders of or subscribers to its notes an opportunity, for a period of three weeks after the effective date of the registration statement, to exchange their notes for registered securities or to rescind their purchase and obtain a refund of the purchase price. The new notes will be offered in exchange for the notes previously sold and to the extent not so accepted will be sold for cash. That cash, together with the remaining proceeds of exchanged or unmatured notes or subscriptions therefor, if any, will be used to provide the working funds for making cash deposits and, where feasible and appropriate, to acquire title to properties pending resale of properties either through the public offering of securities or by private sale.

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Philadelphia Electric Company, Philadelphia, Pa., today filed a registration statement (File 2-13340) with the SEC seeking registration of 609,815 shares of its no par Common Stock. The company proposes to offer its stock for subscription by its common stockholders of record June 4, 1957, at the rate of one additional share for each 20 shares then held. Drexel & Co and Morgan Stanley & Co. are listed as the principal underwriters.

A part of the net proceeds from the sale of the additional stock will be used to repay a portion of the $28 million in bank loans outstanding March 31, 1957, obtained in connection with the interim financing of the company's expansion program. The remainder of the proceeds will be applied toward the expansion program which is estimated to require $95 million in 1957. It is expected that the additional funds to finance this program during 1957 will be obtained from internal sources, further bank loans and the sale of bonds later in the year.

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