

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



Washington 25, D.C.

September 11, 1957

FOR RELEASE

TRADING IN BELLANCA STOCK SUSPENDED

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, September 12 to September 21, 1957, inclusive.

The action was based upon 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.

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 ordered a hearing pursuant to Section 19(a)(2) of the Act on the question whether the Bellanca stock should be suspended for a period not exceeding 12 months, or withdrawn, from listing and registration on the Exchange. These proceedings are in progress. (See Securities Exchange Act Release No. 5573; also Nos. 5500 and 5544.)

SHAMROCK OIL FILES DEBENTURE FINANCING PROPOSAL

The Shamrock Oil and Gas Corporation, Amarillo, Texas, today filed a registration statement (File 2-13590) with the SEC seeking registration of \$17,500,000 of Convertible Subordinated Debentures due 1982. The company proposes to offer these securities for public sale through an underwriting group headed by The First Boston Corporation. The interest rate, public offering price and underwriting terms are to be supplied by amendment.

Of the net proceeds of the sale of the debentures, \$12,000,000 will be applied to the prepayment of an outstanding bank loan note in that amount. The remaining proceeds will be added to the general funds of the company and will be available, together with retained earnings and other funds of the company, for working capital and general corporate purposes, including construction or completion of additional facilities for processing liquid hydrocarbons, of additions to its sulphuric acid plant, of pipelines and of terminal and other marketing facilities, and the acquisition and development of oil and gas properties.

(OVER)

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

SEC ORDERS STOP ORDER PROCEEDINGS AGAINST TEXAS GLASS

The Securities and Exchange Commission today announced the institution of "stop order" proceedings under the Securities Act of 1933 to determine whether to suspend the effectiveness of a registration statement filed by Texas Glass Manufacturing Corporation, Houston, for alleged failure to comply with the disclosure requirements of that Act. A hearing therein is scheduled for September 28, 1957, in the Commission's Washington office.

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Texas Glass filed its registration statement on May 28, 1957, proposing the public offering of 2,700,000 shares of Common Stock at \$2 per share. An additional 300,000 shares are said to be under option to the original stockholders at their \$1 par value. The public offering was to be made on a best efforts basis by T. J. Campbell Investment Co., Inc., also of Houston, for which it would receive a selling commission of 35¢ per share. In addition, Campbell Investment had an option to purchase, at \$2 per share, fifty shares of stock for every 1,000 shares sold to the public. According to the prospectus, the company proposed to manufacture window and heavy sheet crystal plate glass at a plant to be constructed in Bryan, Brazos County, Texas, at a cost of \$2,000,000 (including equipment). The promoters are C. V. Mulkey (president and board chairman) and Al L. Crystal, both of Houston, and Walter Foltz, of Fort Smith, Arkansas.

In its order for proceedings, the Commission challenges the accuracy and adequacy of various informational disclosures contained in Texas Glass' registration statement and prospectus. Among these are statements concerning the products proposed to be manufactured, the "unique" processes for the manufacture of glass products proposed to be employed and the time-saving effects of such processes, and the strategic competitive location of the proposed plant, as well as the omission of material facts concerning the competition which may be encountered from domestic and foreign producers of identical and similar glass products. The order also questions the adequacy or accuracy of statements which imply and predict annual profits to the company; statements which assure that plant construction costs will not exceed the company's estimates; statements concerning the location and supply of suitable raw materials available to the company; and statements with respect to the demand for the company's products and its proposed market area. Furthermore, it alleges an omission of material facts concerning the capacity of the company's proposed plant and its anticipated production, and a failure to disclose the terms of agreements between the company and L. R. Raitz & Co. and Roy C. McClellan regarding the purchase of Texas Glass stock, and whether such shares should be covered by the registration statement.

In addition, the Commission's order asserts that disclosures with respect to the proposed use of the proceeds of the sale of Texas Glass stock and concerning transactions with the company's officers and organizers are inaccurate and inadequate. (See Securities Act Release No. 3839.)