

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 ~~August 23, 1956~~

Chicago Railway Equipment Company, Chicago, Ill., filed an application (File 22-1931) with the SEC on August 22, 1956, for qualification of a trust indenture pursuant to which it proposes to issue \$2,500,000 of Cumulative Income Subordinated Debentures, due 1986. According to the application, the debentures are to be issued upon redemption of, and in exchange for, the preferred stock of the issuer; and the offering thereof is considered exempt from registration under the Securities Act of 1933.

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HCA Release No. 13247

Ohio Edison Company (Akron, Ohio) has applied to the SEC for an order authorizing its acquisition of the electric generating plant and distribution facilities of the Village of Plain City, Ohio; and the Commission has issued an order giving interested persons until September 4, 1956, to request a hearing thereon.

Pursuant to a sale agreement dated August 9, 1956, between Ohio Edison and the Village of Plain City, Ohio Edison proposes to acquire, for a cash consideration of \$410,000 (of which \$102,500 has already been paid on account), the Village's generating plant other than land and buildings, and its electric distribution and street lighting systems, including land and land rights necessary for the operation of such systems, together with materials and supplies and all related fixtures and appliances. The property presently serves about 825 customers; and Ohio Edison estimates that operating revenues for the first full year of operation will approximate \$110,000.

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ICA Release No. 2402

Scudder, Stevens & Clark Fund, Inc., Boston investment company, has applied to the SEC for an exemption order under the Investment Company Act with respect to its proposed issuance of Scudder Fund shares for substantially all of the assets of Phillips Investment Company; and the Commission has issued an order giving interested persons until September 5, 1956, to request a hearing thereon.

According to the application, Phillips is a personal holding company which holds a substantial amount of common stock of Phillips Petroleum Company. The

firm of Scudder, Stevens & Clark serves as investment adviser both for the Scudder Fund and Phillips. Pursuant to an agreement between Scudder Fund, Phillips, and the stockholders of Phillips, all the assets of Phillips, less (a) certain Phillips claims for refund of taxes and (b) a cash reserve for certain expenses, are to be sold to Scudder Fund in exchange for Scudder Fund shares on the basis of the net asset value of the Scudder Fund and Phillips shares on the closing day, except that the value of Phillips stock is to be reduced by an amount equal to $12\frac{1}{2}\%$ of the capital gains which would be realized for Federal income tax purposes if the Phillips assets were sold at that time. Phillips will distribute the Scudder Fund shares received for its assets to its stockholders in liquidation. The agreement further provides that Phillips will sell all assets other than investment securities, and will also sell certain investment securities. Assuming no change in market values at the date of closing, Scudder Fund will acquire \$15,368,743 of assets consisting of \$5,437,587 of cash and \$9,931,156 of investment securities with unrealized appreciation of \$4,987,614.

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Poor & Company, Chicago, today filed a registration statement (File 2-12726) with the SEC seeking registration of 213,175 shares of its \$10 par Common Stock. The company proposes to offer these shares for subscription by holders of its Class A Stock and Common Stock on the basis of two shares for each five shares of either class held on the record date. The record date, subscription price and underwriting terms are to be supplied by amendment. Bache & Co. is named as the principal underwriter.

The business of the company is divided broadly into two categories, (1) the development and sale of railway supplies, primarily for track construction and maintenance, and of products for use on freight cars, and (2) products for the highway construction industry and equipment for the aggregate processing and mining industries. Net proceeds from the sale of the 213,175 common shares will be used to redeem and retire on December 1, 1956, all of the 160,000 issued and outstanding shares of the company's Class A Stock at the redemption price of \$26.25 per share, plus dividends to the date of redemption in the amount of 50¢ per share, or an aggregate of \$26.75 per share. In addition, the proceeds will be used to reduce by about \$1,500,000 the principal amount of the company's outstanding debentures. The balance will be added to the working capital of the company.

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The Colorado Springs Aquatic Center, Incorporated, Colorado Springs, Colorado., today filed a registration statement (File 2-12727) with the SEC seeking registration of 500,000 shares of its 10¢ par common stock, to be offered for public sale at \$1 per share on a "best efforts" basis by Arthur L. Weir and Company and Copley and Company. The underwriters are to receive a selling commission of 15¢ per share, plus expenses of \$5,000; and they have been granted an option to purchase 30,000 shares at \$1 per share.

Registrant was organized on June 15, 1955, to "promote, plan, construct and maintain a community wide year around swimming pool, concessions and park in connection therewith." The purpose of the park is to provide a recreational facility in an area where it is felt the need for an outlet of this type is great. Net proceeds of the financing, assuming the sale of the 500,000 shares, are estimated at \$417,500. Of this amount, \$89,000 is slated for a bowling alley building, \$95,000 for land cost, \$56,000 for swimming pool building, \$38,600 for swimming pool structure, \$35,000 for site preparation, and other lesser amounts for plumbing, equipment, fees, etc.

The prospectus lists Gerald P. Wagner as Board Chairman and Carl W. Joslyn as President. The company now has outstanding 46,423 shares of common stock, issued to residents of Colorado. An earlier registration statement, filed June 5, 1956, was withdrawn on August 21, 1956; this statement also had proposed the public sale of 500,000 common shares at \$1 per share. Under its revised plans, the company enlarged the total authorized shares to 750,000, of which 46,423 are now outstanding and 500,000 proposed to be issued.

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Metal Hydrides Incorporated, Beverly, Mass., today filed a registration statement (File 2-12728) with the SEC seeking registration of 85,266 shares of its \$5 par Common Stock. The company proposes to offer these shares for subscription by holders of outstanding common shares at the rate of one new share for each three shares held on the record date. The record date, subscription price and underwriting terms are to be supplied by amendment. White, Weld & Co. is named as the principal underwriter.

The company manufactures for the chemical industry hydrides of calcium, lithium, potassium and sodium and the double hydrides of certain of these elements with aluminum or boron. It produces other related products. Under a contract with the Department of Navy, the company has agreed to install equipment for the production of sodium borohydride for the high energy fuels program at an estimated cost to the Government of \$4,388,290 in facilities to be constructed at the company's expense on its land at Danvers, Mass. The estimated cost to the company of the construction of such facilities is \$939,000. Such amount of the net proceeds of the present financing will be used to construct this plant, and the balance will be used as additional working capital.

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