

# 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 September 17, 1956

## Statistical Release No. 1404

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended September 14, 1956, for the composite and by major industry groups, compared with the preceding week and with the highs and lows for 1956, is as follows:

	<u>(1939 = 100)</u>		Percent <u>Change</u>	<u>1956</u>	
	<u>9/14/56</u>	<u>9/7/56</u>		<u>High</u>	<u>Low</u>
Composite	348.6	353.3	- 1.3	366.2	319.0
Manufacturing	445.4	451.7	- 1.4	468.6	398.6
Durable Goods	427.6	430.1	- 0.6	437.6	369.4
Non-Durable Goods	462.3	471.9	- 2.0	500.8	425.2
Transportation	316.9	316.9	0.0	353.0	312.8
Utility	156.2	158.3	- 1.3	161.5	152.4
Trade, Finance & Service	305.8	309.1	- 1.1	325.5	294.7
Mining	352.9	359.5	- 1.8	383.2	326.8

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## SEC REGIONAL ADMINISTRATORS' CONFERENCE IN WASHINGTON

A five-day conference of the nine Regional Administrators of the Securities and Exchange Commission commenced today in the Commission's Home Office in Washington. The names of the Administrators and the offices represented follow:

Atlanta Regional Office  
William Green

New York Regional Office  
Paul Windels, Jr.

Boston Regional Office  
Philip E. Kendrick

San Francisco Regional Office  
Arthur E. Pennekamp

Chicago Regional Office  
Thomas B. Hart

Seattle Regional Office  
James E. Newton

Denver Regional Office  
Milton J. Blake

Washington Regional Office  
Daniel J. McCauley, Jr.

Fort Worth Regional Office  
O. H. Allred

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

In announcing the conference, Chairman J. Sinclair Armstrong commented:

"Conferences such as this are most helpful in the furtherance of the Commission's law enforcement activities in behalf of the investing public.

"In the first place, they afford an opportunity for first-hand discussions and interchange of ideas between Regional Office personnel and the Members of the Commission and its Home Office personnel, with respect to the important problems which arise in the day to day administration of the Securities Laws and concerning policies, practices and procedures adopted by the Commission to further the objective of investor protection. This is important, in that it provides for a more effective and uniform administration and application of the laws in the several Offices of the Commission.

"Secondly, the Regional Offices are in close touch with changing developments in our securities markets throughout the country; and they are able to bring their experience to bear on current problems of administration, thus contributing to the development of new policies which keep pace with changing conditions.

"Finally, the Regional Offices are the investigating arms of the Commission and play a most important part in its law enforcement activities. The importance of this work is evidenced by the fact that a large part of the 84 additional personnel permitted under the Commission's 1957 budget have been and are being recruited for assignment to broker-dealer inspection and securities violation investigative work. This conference will permit an interchange of ideas and suggestions with respect to the Commission's stepped-up enforcement program which should contribute greatly to the success of this program."

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United Funds Inc., Kansas City, Mo. investment company, filed an amendment on September 14, 1956 to its registration statement (File 2-11527) seeking registration of the following additional shares:

1,500,000 United Income Fund shares  
 500,000 United Accumulative Fund shares  
 \$25,000,000 Periodic Investment Plans without insurance and the underlying shares  
 of United Accumulative Fund

\* \* \* \*

Southern Union Gas Company (Dallas) filed a registration statement (File 2-12782) with the SEC on September 14, 1956, seeking registration of 171,187 shares of its \$1 par Common Stock. The company proposes to offer these shares for subscription by its common stockholders of record September 26, 1956, at the rate of one additional share for each twelve shares then held. The subscription price is to be \$18 per share. No underwriting is involved.

Net proceeds of the financing will be added to the general funds of the company and used from time to time to defray a portion of the cost of its 1957 program for

property additions and improvements. Construction expenditures of \$10,377,478 were budgeted for 1956; and such expenditures for 1957 are not expected to vary significantly.

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Chemical Corn Exchange Bank, New York, filed a registration statement (File 2-12783) with the SEC on September 14, 1956 seeking registration of American Depositary Receipts for 83,333 "B" Ordinary Registered Shares of Swears & Wells Ltd., an English corporation.

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Chemical Corn Exchange Bank, New York, filed a registration statement (File 2-12784) with the SEC on September 14, 1956, seeking registration of American Depositary Receipts for 83,333 "C" Ordinary Registered Shares of Swears & Wells Ltd., an English corporation.

Investment Company Act Release No. 2413

Petroleum Corporation of America, New York, N. Y. investment company, has applied to the SEC for an exemption order permitting its acquisition of Tennessee Gas Transmission Company preferred stock; and the Commission has issued an order giving interested persons until September 27, 1956, to request a hearing thereon.

Tennessee Gas proposes to make a public offering of 200,000 shares of Cumulative Convertible Second Preferred Stock, along with \$50,000,000 of bonds (see News Digest of 8/30/56). Petroleum Corporation proposes to purchase not to exceed 2,000 shares of such preferred stock, subject to consideration of the price and other terms of the offering when they have been made public. Because of intercompany affiliations (three directors of Petroleum Corporation are associated with certain of the underwriters), such purchase is prohibited by the Investment Company Act unless exempted by the Commission on the basis of a finding that the transaction is consistent with the investment policy of Petroleum Corporation and that it is reasonable and fair and does not involve overreaching on the part of any person concerned.

Holding Company Act Release No. 13264

American Gas and Electric Company has received SEC authorization to acquire all of the outstanding shares of common capital stock of Seneca Light and Power Company, consisting of 1,000 shares, in exchange for an aggregate total of shares of American Gas common equal to a market value of \$500,000. The 1,000 shares of Seneca's common capital stock are held by three individuals in a single family, none of whom is affiliated with American Gas. Seneca operates an electric power distribution system in Seneca and Crawford Counties, Ohio. Its service area is surrounded by the service areas of subsidiaries of American Gas and all Seneca's electric energy is purchased from Ohio Power Company, a subsidiary of American Gas.

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Douglas Oil Co. of California (Paramount), today filed a registration statement (File 2-12785) with the SEC seeking registration of \$3,500,000 of Debentures due 1968, with Warrants to purchase 350,000 shares of Common Stock, \$1 par. The debentures are to be offered for public sale at 100% of principal amount through an underwriting group headed by Shearson, Hammill & Co. The interest rate and underwriting terms are to be supplied by amendment.

Net proceeds of the financing, estimated at \$3,400,000, are to be used as follows: approximately \$1,200,000 to retire the company's outstanding 5% secured notes; \$1,000,000 will be used for the repayment of short-term bank loans; \$350,000 will be used to construct a unifining unit and a new 12,000 barrel per day topping unit for the company's Bakersfield refinery; and the remaining \$350,000 will be added to net operating capital.

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