

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 February 8, 1957

Securities Exchange Act Release No. 5449

The Securities and Exchange Commission has instituted proceedings under the Securities Exchange Act of 1934 to determine whether to revoke the broker-dealer registration of Murray Securities Corporation, New York City. A hearing therein is scheduled for March 25, 1957, in the Commission's New York Regional Office. The hearing also will concern itself with the question whether Murray Securities Corporation ("Registrant") should be suspended or expelled from membership in the National Association of Securities Dealers, Inc., and whether, if withdrawal from registration is permitted, as requested by Registrant, any terms or conditions should be imposed upon such withdrawal.

In its order authorizing the proceedings the Commission states that information reported by its Staff and obtained as a result of an investigation "tends to show" that, during the period May 1 to July 1, 1956, Registrant and William Murray Zwang, its president and controlling stockholder, offered and sold to various persons shares of the common stocks of certain companies and, in connection therewith, made false and misleading representations of material facts concerning prospective increases in the market values of such stocks, the earnings of the issuing companies, and the comparability of such companies to other established and well known companies. This information, if true, the order asserted, tends to show that Registrant and Zwang "employed devices, schemes and artifices to defraud, and obtained money and property by means of untrue statements of material facts, and omissions to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading, and engaged in transactions, practices and a course of business which would and did operate as a fraud and deceit upon the purchasers."

At the March 25th hearing, inquiry will be conducted into the foregoing matters for the purpose of determining whether the reported information is true and, if so, whether Registrant and Zwang have wilfully violated provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934, whether it is necessary and appropriate in the public interest or for the protection of investors to revoke the broker/dealer registration of Murray Securities Corporation or to suspend or expel it from membership in the NASD, or whether, if withdrawal from registration is to be permitted, any terms or conditions should be imposed upon such withdrawal.

Holding Company Act Release No. 13379

The Southern Company (New York, N. Y.) has joined with two of its subsidiaries, Alabama Power Company (Birmingham) and Georgia Power Company (Atlanta) in the filing of financing proposals with the SEC; and the Commission has issued an order giving interested persons until February 27, 1957, to request a hearing thereon.

According to the application, Southern proposes to issue and sell 1,507,304 additional shares of its \$5 par common stock. These shares are to be offered for subscription by holders of outstanding common on the basis of one additional share for each 13 shares held on the record date. The subscription price will be determined by Southern; and it will invite competitive bids for the underwriting of the offering.

Southern proposes to apply the proceeds of the stock sale to the purchase during 1957 at \$100 per share of up to 92,500 additional shares of the common stock of Alabama and up to 197,500 additional shares of the common stock of Georgia. Alabama and Georgia propose to use the proceeds from the sales of their stock to provide a portion of the funds required to complete their initial aggregate \$2,000,000 investment in the capital stock of Southern Electric Generating Company, to finance their programs of property additions and improvements, and, in the case of Georgia, to pay off any bank loans up to \$11,000,000 which may be made in connection with the contemplated purchase of the assets of Georgia Power and Light Company and a transmission line of Florida Power Corporation.

* * * *

Hilo Electric Light Company, Limited, Hilo, filed a registration statement (File 2-13074) with the SEC on February 7, 1957, seeking registration of 51,390 shares of its Common Stock, \$20 par (dividends subject to a 2% Hawaiian withholding tax). The company proposes to offer the 45,320 shares to its common stockholders, any unsubscribed shares plus the remaining 6,060 shares are to be offered to employees, and the balance, if any, to the general public. The subscription prices to stockholders and employees are to be supplied by amendment. The offering to the general public will be at the then prevailing market price on the Honolulu Stock Exchange. No underwriting is involved. The record date for stockholders' subscriptions is March 5, 1957; and the rate of subscription is to be two shares for each seven shares then held.

Net proceeds, estimated at \$1,227,450, are to be applied to the company's expansion and improvement program, or to repay its short-term bank loans incurred for that purpose. Bank loans amounted to \$1,000,000 at December 31, 1956. Capital expenditures are estimated at \$3,100,000 for the years 1956, 1957 and 1958.

* * * *

Minnesota Power & Light Company, Duluth, Minn., today filed a registration statement (File 2-13075) with the SEC seeking registration of \$12,000,000 of First Mortgage Bonds, Series due 1987, to be offered for public sale at competitive bidding. Net proceeds will be used for property additions and improvements, for payment of bank loans in the amount of \$3,350,000 borrowed to meet construction expenditures, and for other corporate purposes. The company's construction program is expected to result in expenditures of \$15,565,000 in 1957, \$6,800,000 in 1958, and \$14,000,000 in 1959.

* * * *

Manning, Maxwell & Moore, Incorporated, Stratford, Conn., today filed a registration statement (File 2-13076) with the SEC seeking registration of 71,390 shares of its \$12.50 par Common Stock. The company proposes to offer this stock for subscription by stockholders of record March 1, 1957, at the rate of one additional share for each ten shares then held. The subscription price and underwriting terms are to be supplied by amendment. Clark, Dodge & Co. is named as the principal underwriter. Net proceeds will be added to the general funds of the company and used from time to time for such corporate purposes as the management may determine. The company's growth in recent years, according to the prospectus, has created a need for additional permanent capital. Accordingly, it is expected that the net proceeds will be used to provide additional working capital for increased inventories and accounts receivable resulting from expansion of the company's business, and for other corporate purposes, which might include the payment of \$1,500,000 of short-term bank loans.

---000000---