

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 March 22, 1957

Holding Company Act Release No. 13429

The SEC today ordered effective a proxy declaration filed by Union Electric Company (St. Louis) pursuant to which it proposes to solicit proxies to be voted at the April 20, 1957 annual meeting of Union Electric's stockholders for election of the management's slate of nominees to the company's Board of Directors.

The order was subject to the condition that Union Electric's proxy soliciting material be further revised to include references (a) to the pending investigation by the Commission to determine whether Union Electric has violated the prohibition of Section 12(h) of the Holding Company Act against political contributions and (b) to the fact that the SEC Staff had presented an issue for the Commission's determination as to the appropriateness, under standards of said Act, of a resolution proposed by J. Raymond Dyer (a stockholder) for inclusion of a proposal in Union Electric's proxy statement which, if adopted by stockholders, would authorize, under certain circumstances, the reimbursement by Union Electric of expenses of soliciting proxies by any insurgent group of stockholders which elected a majority of the company's board of directors, and that the Commission did not resolve such issue but reserved jurisdiction with respect thereto.

The Commission also reserved jurisdiction with respect to the allocation proposed by Union Electric of expenditures to be made by it in furtherance of its proxy solicitation.

In taking this action, the Commission rejected various objections made by Dyer to Union Electric's proxy material.

Securities Act Release No. 3766

The Securities and Exchange Commission has issued an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a public offering of securities by Texas Western Oil and Uranium Co., Denver, Colo. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Texas Western filed its Regulation A notification on June 15, 1955, proposing the public offering of 5,960,000 shares of its common stock at 5¢ per share. According to the Commission's order, the company failed to comply with the terms and conditions of Regulation A, in that (a) it failed to file the required semi-annual reports reflecting the amount of shares sold and its use of the proceeds thereof; and (b) the offering circular fails to disclose the correct address of the company; and (c) the offering circular states that Floyd Koster and Company, as underwriter,

will use its best efforts to sell the issue, whereas said firm is not now acting as underwriter for the offering.

Securities Exchange Act Release No. 5479

The Securities and Exchange Commission today announced the issuance of two orders under Section 19(a)(4) of the Securities Exchange Act of 1934 summarily suspending trading in the capital stocks of Great Sweet Grass Oils Limited and of Kroy Oils Limited, respectively, on the American Stock Exchange, for a period of ten days from March 25, 1957 to April 3, 1957, inclusive; and it declared that such action is necessary and appropriate for the protection of investors and to prevent fraudulent, deceptive or manipulative acts or practices.

The summary suspension orders heretofore entered on March 14, 1957 against trading in the two stocks expire at the close of business March 24, 1957. The result of the new orders is that it will continue to be unlawful under Section 15(c)(2) of the Securities Exchange Act of 1934 and the Commission's Rule X-15C2-2 thereunder for any broker or dealer to make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, such securities otherwise than on a national securities exchange.

The Commission's action was taken because the questions raised in the Commission's orders and notices of hearings under Section 19(a)(2) of the Act as to alleged false statements in reports filed by both companies with the Commission have not been resolved. The consolidated hearing in these proceedings has been concluded and the evidence in the record is now under review preliminary to the issuance of a decision therein by the Commission.

Under these conditions, the Commission is of the opinion that it would be impossible for the investing public to reach an informed judgment at this time as to the value of the companies' securities, or for trading in such securities to be conducted in an orderly and equitable manner.

In light of the foregoing and other factors, the Commission is of the opinion that the public interest requires the summary suspension of trading in such securities on the American Stock Exchange and that such action is necessary and appropriate for the protection of investors and is necessary in order to prevent fraudulent, deceptive or manipulative acts or practices under the Act.

* * * *

Harbison-Walker Refractories Company, Pittsburgh, Pa., filed a registration statement (File 2-13175) with the SEC on March 21, 1957, seeking registration of \$1,950,000 of Participations in its Thrift Plan for employees, together with 30,000 shares of the company's common stock which may be purchased pursuant thereto.

* * * *

Kerr-McGee Oil Industries, Inc., Oklahoma City, Okla., filed a registration statement (File 2-13176) with the SEC on March 21, 1957, seeking registration of

(Continued)

1,866 participations in its Thrift Plan, 468 participations in its Savings Plan, and 6,203 shares of the company's common stock which may be purchased pursuant thereto.

* * * *

Florida Steel Corporation (Tampa) today filed a registration statement (File 2-13177) with the SEC seeking registration of 300,000 shares of its \$1 par Common Stock. All of these shares are presently outstanding, and are to be offered for public sale by the holders thereof through an underwriting group headed by McDonald & Company and Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment.

The prospectus lists eleven selling stockholders, who own in the aggregate 531,131 shares (72.64%) of the outstanding common stock of the company. Of these, D. F. Taylor, president, is selling 53,697 of his holdings of 102,519 shares; S. L. Flom, vice president and treasurer, is selling 45,799 of his holdings of 88,896 shares; B. E. Bushnell, Board Chairman, is selling 46,230 of his holdings of 90,155 shares; W. P. Bushnell, vice president, is selling 47,293 of his holdings of 91,831 shares; Estelle B. Bushnell (wife of N. E. Bushnell) is selling 31,670 of her holdings of 61,496 shares; and Bushnell Steel Company is selling 12,725 of its holdings of 24,708 shares.

* * * *

The George Putnam Fund of Boston, Boston investment company, filed an amendment on March 21, 1957 to its registration statement (File 2-10816) seeking registration of an additional 1,500,000 shares of beneficial interest in the Fund.

* * * *

The United Illuminating Company, New Haven, Conn., today filed a registration statement (File 2-13178) with the SEC seeking registration of 311,557 shares of its no par Common Stock. The company proposes to offer the shares for subscription at \$22 per share by stockholders of record April 10, 1957, and at the rate of one additional share for each eight shares then held. No underwriting is involved. However, the company will pay dealers 25¢ for each share, the exercise of which by stockholders was obtained by a dealer.

United is an operating public utility engaged in generating and distributing electricity in Connecticut. It proposes to use the proceeds of the stock sale to finance in part its 1957-58 construction program, including the payment of \$4,250,000 of bank loans incurred in connection therewith. The 1957-58 construction program is estimated at \$19,500,000.

* * * *

United States Leasing Corporation (San Francisco) today filed a registration statement (File 2-13179) with the SEC seeking registration of 800,000 shares of its \$1 par Capital Stock, to be offered for public sale through an underwriting

(Continued)

group headed by Schwabacher & Co. The public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of this financing will be added to the company's cash funds and initially will constitute additional working capital. The company in the normal course of business purchases machinery and equipment upon order of prospective lessees and then leases this equipment at fixed rentals for periods ranging from one to ten years. The additional funds will assist the company in purchasing machinery and equipment promptly, take cash discounts and give its customers faster commitments and service.

---000000---