

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.

July 22, 1957

FOR RELEASE

Statistical Release No. 1468

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended July 19, 1957, for the composite and by major industry groups, compared with the preceding week and with the highs and lows for 1957, is as follows:

	<u>(1939 = 100)</u>		<u>Percent Change</u>	<u>1957</u>	
	<u>7/19/57</u>	<u>7/12/57</u>		<u>High</u>	<u>Low</u>
Composite	360.9	365.0	- 1.1	365.0	322.5
Manufacturing	466.9	472.5	- 1.2	472.5	405.7
Durable Goods	433.2	438.7	- 1.3	438.7	382.7
Non-Durable Goods	498.0	503.5	- 1.1	503.5	427.1
Transportation	303.6	307.1	- 1.1	317.5	286.1
Utility	157.5	159.7	- 1.4	163.5	156.2
Trade, Finance & Service	292.1*	291.5	+ 0.2	292.1*	274.8
Mining	381.6	383.1	- 0.4	402.3	340.5

* New High

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Apache Oil Corporation, Minneapolis, Minn., filed a registration statement (File 2-13484) with the SEC seeking registration of 200 participating units in Apache Oil Program 1958. The units are to be offered for public sale at \$10,000 per unit; and the offering is to be made on a best efforts basis by Apache and by APA, Incorporated, its wholly-owned subsidiary, for which a 4% selling commission is to be paid. Funds will be returned undiminished to subscribers unless 75 program units are subscribed.

Apache proposes to use the proceeds of the offering to evaluate, acquire, hold, test, develop and operate oil and gas leaseholds, to pay all expenses reasonably necessary to accomplish these purposes, and to pay to Apache compensation due it under the program contract. Apache will act as the investor's agent, will propose the expenditure of program funds in the manner which, in its judgment, offers the best chance of ultimate returns, and will propose developing productive properties in 1958 as rapidly as prudence permits in order to provide oil and gas income to finance subsequent development costs.

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Texas Eastern Transmission Corporation, Shreveport, Louisiana, today filed a registration statement (File 2-13483) with the SEC seeking registration of

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(OVER)

1,000,000 shares of its \$7 par Common Stock, to be offered in exchange, on a share for share basis, for shares of the capital stock of La Gloria Oil and Gas Company of Corpus Christi, Texas. The exchange offer is conditioned upon the deposit for exchange of at least 810,000 shares (81% of the outstanding shares) of La Gloria. If at least 810,000 shares of La Gloria stock are so deposited for exchange prior to September 6, 1957, or during any extension of the exchange period, then the period of the exchange offer may be continued at the election of Texas Eastern from time to time but not beyond December 5, 1957. If less than 810,000 shares of La Gloria stock are so deposited during the initial or extended exchange period, no shares will be exchanged and all shares will be returned to the depositing stockholders.

The exchange offer is being made pursuant to an agreement dated June 26, 1957, entered into among Texas Eastern, La Gloria, and four of La Gloria's stockholders (John F. Lynch, Paul R. Haas, T. S. Scibienski, and Binford Arney) owning in the aggregate approximately 328,000 shares of the 1,000,000 shares outstanding of La Gloria's stock and comprising four of the five members of its board of directors.

La Gloria Oil and Gas Company was incorporated in Delaware on January 8, 1954. As of May 1, 1954, it acquired in liquidation the assets, subject to a substantial reserved production payment, of La Gloria Corporation, a Texas corporation incorporated in 1940. The company owns all of the outstanding capital stock of McMurrey Refining Company and of McMurrey Pipe Line Company and 25% of the outstanding capital stock of Great Southern Chemical Corporation, as well as McMurrey Refining's \$1,402,907 of 5% Subordinated Notes.

Securities Exchange Act Release No. 5549

The SEC today announced the issuance of a decision revoking the broker-dealer registration of Daniel & Co., Ltd., of Washington, D. C., for violation of the fraud prohibitions of the Securities Exchange Act of 1934 and for failure to maintain its books and records in accordance with Commission regulations. Daniel Price, its president, director and sole stockholder was found to be a cause of the revocation order, which also expelled Daniel & Co. from the National Association of Securities Dealers, Inc.

According to the Commission's decision, Daniel & Co. sold Republic Electronics Industries Corporation stock to two customers in September and October, 1956, upon the representations by its salesman to one customer that the price charged the customer was the price of the stock in the over-the-counter market and to the other that the price charged was the price quoted in the daily sheets published by the National Quotation Bureau, Inc. In thus quoting prices to purchasers and referring to the sheets, it was represented, in effect, that the stock was being sold at a price related to and determined in a market that was free, open and competitive. This was not true, the Commission stated, for the market in Republic stock during the period in question was maintained and dominated by Daniel & Co.

The Commission also found that Daniel & Co.'s general ledger was not posted up-to-date at the time of an inspection in November, 1956; that it had not preserved confirmations of its transactions for the period July 13 to August 14, 1956; and that its books do not reflect an exchange of stock made between Daniel & Co. and a customer in July, 1956.

(Continued)

Price became the sole stockholder, president and board chairman of a predecessor company, Seaboard Securities Corporation, on June 26, 1956, and continued in such capacities after the name was changed to McDaniel & Co., Ltd. The latter closed its offices and apparently discontinued its business at the end of October, 1956. The Commission's proceedings resulting in the decision were uncontested.

Securities Act Release No. 3814

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 stock by Profile Mines, Inc., Boise, Idaho. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

Regulation A provides a conditional exemption from registration with respect to public offerings of securities not exceeding \$300,000 in amount. Profile, in a Regulation A notification filed on January 28, 1957, and subsequently amended, proposed the public offering of 2,000,000 shares of its 10¢ par common stock at 10¢ per share pursuant to such an exemption.

The Commission in its suspension order asserts that it has reasonable cause to believe that the terms and conditions of Regulation A were not complied with by Profile, in that use was made of certain written communications which were not filed with the Commission; written offers of securities of Profile were made without compliance with applicable requirements for delivery of the offering circular; and the offering circular failed to state the price, terms, and conditions on which securities of Profile were to be offered, and the number of units to be offered, as required.

In addition, according to the order, the Commission has reasonable cause to believe that Profile's offering circular and other sales literature contained false and misleading information with respect to (1) the minerals and ores on properties of Profile, (2) the operations conducted and to be conducted on the properties of Profile, (3) the exploratory and development work performed on the properties of Profile and the results thereof, and (4) the price, terms, and conditions on which securities of Profile had been, were being, and would be offered and sold, and the number of units which had been, were being, and would be offered and sold. Furthermore, according to the order, the stock offering by Profile has been, is being and would be made in violation of Section 17 of the Act, in that the offering circular and other sales literature contain false and misleading statements of material facts, as set forth above.

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Jim Walter Corporation, Tampa, Fla., today filed a registration statement (File 2-13485) with the SEC seeking registration of \$1,250,000 of 9% Subordinated Bonds, due December 31, 2000, and 50,000 shares of Common Stock, 50¢ par. These securities are to be offered for public sale in units, each consisting of \$25 principal amount of bonds and one common share. The public offering price for each such unit is to be \$48.50. The offering is to be made by Carl M. Loeb, Rhoades & Co. and Prescott, Shepard & Co., Inc., for which an underwriting commission of \$5 per unit is to be paid.

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Organized under Florida law in August, 1955, the company acquired all of the assets of the partnership known as Walter Construction Company from James W. Walter, James O. Alston, and Arnold F. Saraw in exchange for various securities. Its business consists of the construction of "shell" homes; and, more recently, it has also engaged in the placing of insurance on these homes. It offers a series of shell homes ranging in price, on cash sales, from \$995 to \$2,895. Walter, Alston and Saraw are directors and president, secretary and treasurer, respectively.

Walter, Alston and Saraw, together with Ferro Machine & Foundry, Inc., are selling to the underwriters an aggregate of 10,000 "A" Warrants and 40,000 "A" Warrant Options, conditioned upon the exercise by the underwriters of the 10,000 "A" Warrants and of the 40,000 "A" Warrant Options and the underlying "A" Warrants. As a result of such exercise, the underwriters will pay \$2,044,000 to the corporation for \$1,250,000 of the 9% Subordinated Bonds and 50,000 shares of common stock, which constitute the securities to be offered. Ferro has agreed to exercise 15,000 "A" Warrant Options and the underlying "A" Warrants, upon which it will pay \$616,500 to the company for \$375,000 of 9% Subordinated Bonds and 15,000 common shares. The company intends to apply the net proceeds in arranging for credit sales of additional shell homes constructed by it.

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CORRECTION: In the SEC News Digest of July 19, 1957, page 1, it was erroneously reported that the \$20,292,000 of debentures filed by J. Ray McDermott & Co., Inc., was due August 1, 1957. The correct due date is August 1, 1972.