

SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST



Washington 25, D.C.

July 12, 1957

FOR RELEASE

Holding Company Act Release No. 13517

Union Electric Company (St. Louis) has joined with its subsidiary, Missouri Edison Company (Louisiana, Mo.) in the filing of an application with the SEC with respect to a common stock financing proposal of the subsidiary; and the Commission has issued an order giving interested persons until July 29, 1957, to request a hearing thereon.

Missouri Edison proposed to issue and sell 71,429 additional shares of its common stock at \$20 per share, or \$1,428,580. Union Electric proposes to acquire such shares, less such number of shares as may be acquired by minority stockholders pursuant to a rights offering. Union Electric now owns 166,495 of the 166,667 outstanding shares of Missouri Edison common, and the remaining 172 shares are held by 7 stockholders. Missouri Edison proposes to offer these stockholders the right to subscribe for additional shares at the \$20 per share price on the basis of 3 additional shares for each 7 shares held.

Securities Exchange Act Release No. 5548

The Securities and Exchange Commission today announced the issuance of an order pursuant to Section 19(a)(4) of the Securities Exchange Act of 1934, suspending trading on the American Stock Exchange in the \$1 par Capital Stock of Bellanca Corporation, New Castle, Delaware, for a further ten-day period, July 14 to July 23, 1957, inclusive.

The action was taken on the basis of Bellanca's failure to comply with the reporting requirements of Section 13 of the Act and the disclosure requirements of the Commission's proxy rules under Section 14.

Upon the basis of a finding by the Commission that such suspension is necessary to prevent fraudulent, deceptive, or manipulative acts or practices in connection with trading in Bellanca stock, trading by brokers and dealers in such stock in the over-the-counter markets also is prohibited during the period of the suspension.

The Commission previously ordered a hearing pursuant to Section 19(a)(2) of the Act on the question whether the Bellanca stock should be suspended for a period not exceeding 12 months, or withdrawn, from listing and registration on the Exchange. This hearing is now in progress (see Release Nos. 5500 and 5544).

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(OVER)

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

Charter Oil Company Limited, Calgary, Alberta, Canada, filed a registration statement (File 2-13470) with the SEC on July 11, 1957, seeking registration of \$2,250,000 of Fifteen Year Subordinated Convertible Debentures due August 1, 1972. The company proposes to offer the debentures for public sale through an underwriting group headed by Lehman Brothers and Bear, Stearns & Co. The interest rate, public offering price and underwriting terms are to be supplied by amendment. A part of the proceeds of this financing will be applied to the payment of \$150,000 of outstanding bank loans and the remainder used from time to time for such corporate purposes as the directors may determine. It is anticipated that a major portion of such remaining proceeds will be used for the exploration and development of the company's undeveloped properties and for rental payments under existing leases, permits and reservations of the company.

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Mon-O-Co Oil Corporation, Billings, Montana, filed a registration statement (File 2-13469) with the SEC on July 11, 1957, seeking registration of 22,474 shares of Class "A" Common Stock and 539,376 shares of Class "B" Common Stock. The company proposes to offer these securities in "stock units," each consisting of 1 Class A and 24 Class B shares, which shall not be separately transferable until May 1, 1960.

Of the stock units, 14,474 are to be issued in exchange for or conversion of 57.95% undivided working interests outstanding in Joint Lease Acreage Operations; and, about 97% in Mon-O-Co #1 Ferguson-Goldin discovery well, held by Non-Operators in the Fertile Prairie Oil Field. 8,000 units are to be offered for subscription by existing stockholders, on a pro-rata basis, at the subscription price of \$75 per unit.

According to the prospectus, the company is engaged in exploration for crude oil and gas, in the acquisition of prospective oil and gas leases, and has done exploratory drilling in Montana and Wyoming. The purpose of the exchange offer is to consolidate and establish title to the working interests and properties under one ownership insofar as possible, in order to simplify management and effect economy in the development of the properties. Net proceeds of the offering for cash will be initially added to the general funds of the company, for allocation to the extent practical to Fertile Prairie Oil and Gas Lease validation, by sinking additional holes to the Red River horizon; to rework recommendations on present wells; and to drilling a test well on the Hidden Dome properties, Petroleum County, Montana. The corporation intends to negotiate with other operators for joint drilling operations, in accordance with common oil field practice, and insofar as practical and possible.

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Diamond Alkali Company, Cleveland, today filed a registration statement (File 2-13471) with the SEC seeking registration of Thrift Certificates evidencing options to purchase 190,000 shares of its common stock, granted pursuant to the company's 1957 Employee Thrift Plan, together with the 190,000 common shares underlying the certificates.

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(Continued)

Sanders Associates, Inc. (Nashua, N. H.) today filed a registration statement with the SEC seeking registration of 110,000 shares of its Class A Common Stock, (Non-Voting, \$1 par). The company proposes to make a public offering of 100,000 shares of this stock through an underwriting group headed by Kidder, Peabody & Co. The public offering price and underwriting terms are to be supplied by amendment. The remaining 10,000 shares are to be offered by the company directly to its employees, the offering price thereof also to be supplied by amendment.

The company is engaged in research, development, engineering, manufacturing and marketing of a variety of electronic, electromechanical and hydraulic systems and devices or components thereof, products whose end-use, directly or indirectly, is primarily by the military forces of the United States. Net proceeds, at least to the extent of \$700,000, will be applied in reduction of an outstanding bank loan incurred for working capital; and the balance will be used for other general corporate purposes, including additional working capital. The company presently has under consideration the enlargement of its program for development and marketing of its flexible printed cabling, primarily for industrial purposes. The amount which may be required for such purpose has not yet been determined but is presently expected, subject to revision, not to exceed \$200,000.

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McKesson & Robbins, Incorporated, New York, today filed a registration statement (File 2-13473) with the SEC seeking registration of 100,000 shares of its \$18 par Common Stock, to be offered for sale to employees of the company under its "Executive Stock Option Plan".

Investment Company Act Release No. 2557

The SEC has issued an exemption order permitting Composite Bond and Stock Fund, Inc., and Composite Fund, Inc., Spokane, Wash., investment companies, to purchase not to exceed \$200,000 each of the \$30,000,000 of 4-7/8% First Mortgage Bonds, due July 1, 1987, being offered for public sale by Washington Water Power Company. Because of intercompany affiliations between the two purchasing companies and one of the underwriters of the bonds, Murphey Favre, Inc., their purchases are prohibited by the Investment Company Act unless an order for exemption is issued by the Commission.

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CORRECTION: In the SEC News Digest of July 5, 1957, page 2, the name of McLouth Steel Corporation, Detroit, was incorrectly reported as McClouth Steel Corporation.

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