

# 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 October 16, 1956

Dodge Manufacturing Corporation, Mishawaka, Ind., filed a registration statement (File 2-12854) with the SEC on October 15, 1956, seeking registration of not to exceed 72,000 shares of its Cumulative Preferred Stock (convertible) to be offered for public sale through a group of underwriters headed by Central Republic Company, Inc. The dividend rate and stated value of the preferred, public offering price and underwriting terms are to be supplied by amendment. The exact number of shares will be determined with a view to providing the company with net proceeds of approximately \$2,000,000.

Net proceeds of the financing will be used in part to pay the cost of presently planned additions to plant, buildings, machinery and equipment at the company's Mishawaka plant, with the balance to be added to working capital. It is estimated that approximately \$1,250,000 will be used for additions. The company is a manufacturer of machinery for the mechanical transmission of power.

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Life Insurance Company of South Carolina (Columbia) filed a registration statement (File 2-12855) with the SEC on October 15, 1956, seeking registration of 339,600 shares of its Common Capital Stock (no par). The company proposes to offer these shares for subscription by its common stockholders of record September 12, 1956, at the rate of two shares of additional stock for each one share then held. The subscription price is to be \$10 per share. Shares not subscribed by stockholders will be offered for public sale at \$15 per share. The public offering will be made by employees of the company and qualified licensed dealers, for which a 10% selling commission is to be paid. Net proceeds of the stock sale will be added to the company's general funds to aid its further growth and expansion.

## Holding Company Act Release No. 13283

The SEC today announced the issuance of a decision approving an allowance of \$4,000 to James P. McGranery for his services to Standard Gas and Electric Company in connection with its defense against a \$3,500,000 fee claim asserted by Guggenheimer & Untermyer for legal services rendered in connection with proceedings for the reorganization of Standard Gas under the Holding Company Act. (The Guggenheimer & Untermyer claim subsequently was settled on the basis of a compromise fee of \$861,000.)

Originally, McGranery had asserted a claim in the amount of \$10,000 for his services. Standard Gas refused to allow such a fee; and it filed a petition with the Commission requesting it to fix an appropriate allowance. McGranery neither filed an application for an allowance nor appeared at the original hearing, believing that the

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Commission had no jurisdiction as to his claim. Upon the basis of the then record, the Commission determined that "\$500 would be adequate compensation to McGranery for his services."

When this matter came before the United States District Court for the District of Delaware, the Court held that the Commission had jurisdiction over McGranery's fee and that the record was inadequate to sustain the Commission's finding as to the proper amount. The matter was thereupon remanded to the Commission for further proceedings; and a further hearing was held by the Commission at which McGranery participated. According to his testimony, he devoted practically all of his available time to a study of the Guggenheimer & Untermyer fee application and related hearing record between November 23, 1954, when he was engaged by Standard Gas, and December 1, 1954, when his services were ended. During the course of the rehearing negotiations were undertaken between the parties looking to a settlement of the McGranery fee. An agreement was reached, subject to Commission approval, that Standard Gas would pay and McGranery would accept \$4,000.

Upon a review of the additional evidence, the Commission concluded that McGranery had "devoted himself conscientiously and assiduously in a matter of considerable importance to Standard during a period of about a week, applying himself on Thanksgiving Day and the following weekend. In view of McGranery's impressive background and experience, the work which he did under a tight time schedule, and Standard's agreement to pay him \$4,000--a fact which the Commission must give considerable weight--we find that the fee proposed to be paid is reasonable." Accordingly, the Commission approved the payment of the \$4,000 fee by Standard Gas to McGranery.

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