

# 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.

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FOR RELEASE

## Holding Company Act Release No. 13375

The West Penn Electric Company (New York) and The Potomac Edison Company (Frederick and Hagerstown, Md.), its subsidiary, have joined in the filing of financing proposals with the SEC; and the Commission has issued an order giving interested persons until February 15, 1957, to request a hearing thereon.

West Penn Electric proposes to issue and sell an additional 528,000 shares of its common stock, to be offered for subscription by its stockholders at the rate of 1 additional share for each 16 shares held of record February 26, 1957. The company will invite competitive bids for the underwriting of the offering after having specified the subscription price therefor. Net proceeds are to be used to purchase additional common stock from its subsidiary companies in the aggregate amount of about \$13,400,000. The subsidiaries will use such funds together with other cash resources and the proceeds from the issue in 1957 of about \$34,000,000 of senior securities, to finance their construction programs, estimated at about \$101,500,000.

Potomac Edison proposes to amend its charter to increase its authorized Common Stock from 800,000 to 1,500,000 shares (no par); and thereafter, on or before June 30, 1957, it proposes to issue and sell to West Penn Electric 100,000 additional shares of such stock for \$2,000,000. The funds will be used by Potomac Edison for the construction programs of itself and its subsidiaries, or to reimburse its treasury for expenditures in connection therewith.

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Merchants Acceptance Corporation, Worcester, Mass., filed a registration statement (File 2-13053) with the SEC on January 30, 1957, seeking registration of 44,318 shares of its no par Class A Common Stock. Merchants proposes to offer these shares for subscription by holders of its outstanding Class A Common Stock at the rate of one additional share for each three shares held of record February 15, 1957. The subscription price and underwriting terms are to be supplied by amendment. G. H. Walker & Co. is named as the principal underwriter.

Net proceeds of this financing will be placed in the company's general funds and used primarily to expand its business in the existing thirty-eight loan offices of its subsidiaries or to open or acquire additional offices. To the extent that the balance of the net proceeds is not so used, the remainder, if any, will be used to reduce bank loans temporarily.

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(Over)

Indianapolis Water Company, Indianapolis, Ind., today filed a registration statement (File 2-13054) with the SEC seeking registration of 250,000 outstanding shares of its \$10 par Common Stock, to be offered for public sale by the holders thereof through an underwriting group headed by Glore, Forgan & Co. and Raffensperger Hughes & Co., Inc. The public offering price and underwriting terms are to be supplied by amendment.

The 250,000 shares constitute slightly less than 24% of the company's outstanding common stock. The selling stockholders, Clint W. Murchison, Jr., and John D. Murchison, of Dallas, each now owns 168,224 shares, or 15.8% of the outstanding stock. After sale of the 250,000 shares, each will own 43,224 shares, or 4.1% of the outstanding stock.

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Loomis-Sayles Mutual Fund, Incorporated, Boston investment company, filed an amendment on January 30, 1957 to its registration statement (File 2-10653), seeking registration of an additional 200,000 shares of common stock, \$1 par value.

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