

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 December 30, 1957

Statistical Release No. 1503.

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended December 27, 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:

	1939 = 100		Percent Change	1957	
	12/27/57	12/20/57		High	Low
Composite	294.5	292.3	+0.8	365.0	292.3
Manufacturing	370.2	366.6	+1.0	472.5	366.6
Durable Goods	329.5	325.2	+1.3	438.7	325.2
Non-durable Goods	407.5	404.4	+0.8	503.5	404.1
Transportation	211.4	210.8	+0.3	317.5	210.8
Utility	152.2	151.8	+0.3	163.5	146.1
Trade, Finance & Service	254.4*	255.4	-0.4	292.1	254.4
Mining*New Low	264.1*	266.3	-0.8	402.3	264.1

CONSUMER FINANCE OF DENVER FILES FOR NOTE OFFERING

Consumer Finance Corporation of America (formerly People's Finance Corporation,) Denver, Colorado, filed a registration statement (File 2-13826) with the SEC on December 27, 1957, seeking registration of \$1,000,000 of Capital Notes, due February 1, 1973, with detachable Class A Common Stock Purchase Warrants. The notes (with warrants) are to be offered for public sale through an underwriting group headed by S. D. Fuller & Co. and Paul C. Kimball & Co. The interest rate, conversion rate, public offering price and underwriting terms are to be supplied by amendment.

Net proceeds of this financing will be added to the company's working funds. It is expected that, at least initially, a major portion or all thereof will be used by the company for the purpose of reducing, at least temporarily, then outstanding bank loans.

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

(OVER)

MANILA ELECTRIC EXCHANGE OF SECURITIES WITH PARENT APPROVED

The SEC has issued an order (Holding Company Act Release No. 13641) authorizing Manila Electric Company to issue 8,000,000 pesos principal amount of a new issue of first mortgage bonds, due December 31, 1972, in exchange for a like amount of its 5-3/4% unsecured debentures, due January 1, 1960, now held by its parent, General Public Utilities Corporation, plus a cash payment by GPU as an interest adjustment. The proposed exchange of new bonds for debentures is part of a program whereby all of Manila Electric's outstanding 24,000,000 pesos principal amount of debentures will be exchanged for new bonds or redeemed. In order to facilitate exchanges for the holders of the 8,000,000 pesos principal amount of 6½% Series B debentures, publicly held in the Philippines, Manila Electric will offer to make a cash payment to such holders of 31.84 pesos for each 1,000 pesos debenture exchanged for a like amount of new bonds. Manila Electric also has outstanding 8,000,000 pesos principal amount of 6% Series C debentures due 1969 held in the Philippines.

MONTAUP ELECTRIC BANK BORROWINGS CLEARED

Montaup Electric Company, Fall River, Mass., has received an SEC order (Holding Company Act Release No. 13642) authorizing borrowings from The First National Bank of Boston during the period ending December 31, 1958, in amounts not exceeding \$12,000,000 of borrowings outstanding at any one time. Proceeds will be used to pay outstanding short-term bank indebtedness, expected to total \$1,600,000 at December 30, 1957, and to provide funds for temporary financing of Montaup's 1958 construction program.

PACIFIC GAS PROPOSES BOND ISSUE

Pacific Gas and Electric Company, San Francisco, Calif., filed a registration statement (File 2-13827) with the SEC on December 27, 1957, seeking registration of \$75,000,000 of First and Refunding Mortgage Bonds, Series CC, due December 1, 1978, to be offered for public sale at competitive bidding. Net proceeds of this financing will become part of the treasury funds of the company and will be applied toward the cost of property additions. Following the sale of the bonds the company proposes to retire short term bank loans obtained for temporary financing of such additions and expected to approximate \$74,000,000 at the time the net proceeds are received. The company is said to be continually extending and enlarging its facilities to meet the increasing demands on its system. Gross expenditures for construction for the year 1957 amounted to approximately \$215,000,000. It is estimated that such expenditures for the year 1958 will amount to approximately \$180,000,000.

CONSOLIDATED CUBAN PETROLEUM FILES FOR STOCK ISSUE

Consolidated Cuban Petroleum Corporation, Havana, Cuba, today filed a registration statement (File 2-13829) with the SEC seeking registration of 500,000 shares of its 20¢ par Common Stock. The company proposes to

offer its existing stockholders the right to subscribe for additional common shares at the rate of one new share for each four shares held on the record date. The record date, subscription price and underwriting terms are to be supplied by amendment. H. Kook and Co., Inc., is named as the underwriter.

Net proceeds of this financing will be added to the general funds of the company and be available for any of its corporate purposes, including capital expenditures and expenditures for exploration activities. The company may also retire all or part of its outstanding debentures now totalling \$174,000. Capital expenditures and expenditures for exploration activities in 1958 are estimated at \$350,000. By an exchange of stock, the company has acquired control of two Cuban subsidiaries which own shallow producing wells. It intends to continue drilling other shallow wells on adjacent areas.

SHERATON PROPERTIES FILES FOR BOND ISSUE

Sheraton Properties, Inc., Boston, Mass., today filed a registration statement (File 2-13828) with the SEC seeking registration of \$990,000 of First Mortgage Sinking Fund Bonds, due December 1, 1973. The bonds are to be offered for public sale at 100% of principal amount (less a discount for quantity purchases). The offering is to be made on a "best efforts" basis by Sheraton Securities Corporation, a wholly-owned subsidiary, for which it will receive a selling commission of from \$2 to \$6 per \$100 bond.

Sheraton Properties is a wholly owned subsidiary of Sheraton Corporation of America. On October 1, 1957, it acquired from Sheraton Corporation of America all of the capital stock of Sheraton Niagara Corporation and 99.9% of the capital stock of Baltimore Sheraton Corporation, which owned and operated respectively the Sheraton Hotel in Buffalo, N.Y., and the Sheraton-Belvedere Hotel in Baltimore, Md. As a result of the subsequent liquidation of the latter two companies, Sheraton Properties became the owner directly and in fee of the hotel properties, subject to outstanding mortgages of approximately \$364,000 on the Buffalo property and an outstanding mortgage of \$675,000 on the Sheraton-Belvedere Hotel. Prior to the proposed bond offering, the mortgages in the amount of \$364,000 on the Buffalo property will be paid, the company using for this purpose \$300,000 of its own funds and part of a loan of \$70,000 from its parent.

In consideration of the said loan and the transfer to Sheraton Properties of the capital stocks of the two companies, Sheraton Properties has issued to Sheraton Corporation of America its note for \$1,470,000. The entire proceeds of the sale of the bonds by Sheraton Properties will be applied by it on this indebtedness.

PYRAMID MINING GRANTED HEARING
ON SUSPENSION OF OFFERING

At the request of Pyramid Mining and Metal Corporation, Lubbock, Texas, the Securities and Exchange Commission has scheduled a hearing for February 3, 1958, in its Denver Regional Office on the question whether a Commission order temporarily suspending an exemption from registration under the Securities Act of 1933 with respect to a proposed public stock offering by Pyramid Mining should be vacated or made permanent.

In a Regulation A notification filed on October 28, 1957, Pyramid Mining proposed the public offering of 236,000 common shares at \$1.25 per share, or \$295,000 in the aggregate. The Commission under date of December 3, 1957, ordered the temporary suspension of such exemption on the grounds (1) that the terms and conditions of Regulation A were not complied with and (2) that Pyramid Mining's offering circular was false and misleading in respect of various material facts (for details, see Securities Act Release No. 3870).

At the February 3rd hearing, inquiry will be conducted into these and related questions for the purpose of determining whether the suspension order should be vacated or made permanent.

RED ROCK OIL AND GAS OFFERING SUSPENDED

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 proposed stock offering by Red Rock Oil & Gas Company of Las Vegas, Nevada.

Regulation A provides a conditional exemption from registration under the Securities Act with respect to stock offerings not exceeding \$300,000 in amount. In its Regulation A notification, filed December 28, 1956, Red Rock Oil proposed the public offering of 27,330 shares of stock at \$1 per share pursuant to such an exemption.

The Commission's order asserts that Red Rock Oil failed to comply with the terms and conditions of Regulation A, in that it failed to file (1) the required semi-annual report of stock sales and (2) definitive copies of the company's offering circular, despite requests of the Commission's staff for such filings. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

TRADING IN BELLANCA STOCK SUSPENDED

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, December 31, 1957 to January 9, 1957, inclusive.

The action was based upon 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. These proceedings are still pending.

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