SECURITIES AND EXCHANGE COMMISSION

NEWS DIGEST

A brief summary of financial proposals filed with and actions by the S.E.C.

(In ordering full text of Releases from Publications Unit, cite number)

Washington 25, D.C.

FOR RELEASE April 13, 1959

Statistical Release No. 1596

The SEC Index of Stock Prices, based on the closing prices of 265 common stocks for the week ended April 10, 1959, for the composite and by major industry groups compared with the preceding week and with the highs and lows for 1959, is as follows:

	1939 = 100			1959	
	4/10/59	4/3/59	Percent Change	High	Low
Composite	412.6	414.7	-0.5	417.2	400.1
Manufacturing	504.8	508.8	-0.8	512.3	490.7
Durable Goods	471.5	477.2	-1.2	481.0	457.8
Non-Durable Goods	525.6	528.0	-0.5	534.8	510.5
Transportation	356.9	354.7	+0.6	357.9	340.7
Utility	223.5	223.5	0.0	223.5	208.6
Trade, Finance, & Service	404.3	399.6	+1.2	409.5	382.7
Mining	338.3*	343.5	-1.5	360.4	338.3

*New Low

CROWN SELF-SERVICE STORES PROPOSES OFFERING

Crown Self-Service Stores, Inc., 368 E. 87th St., Chicago, filed a registration statement (File 2-14969) with the SEC on April 10, 1959, seeking registration of 250,000 Units, each unit consisting of one share of common stock and two common stock purchase warrants. One warrant, exercisable at $5.50 per share, is to expire eighteen months from its date; and one warrant, exercisable at $6.00 per share, is to expire thirty months from its date. Warrants are not exercisable for one year from their date. It is proposed to offer the Units for public sale at $5 per share. The offering is to be made on a best efforts basis by Charles Plohn & Co., for which it will receive an 85¢ per share selling commission. The underwriter owns 70,000 common shares and 140,000 warrants, acquired from promoters and initial stockholders, the stock for $70 and the warrants at 1 mill per warrant.

Crown operates, through separate subsidiaries, fourteen self-service shoe stores in Chicago, Milwaukee, and Gary and Hammond, Ind.; and it has executed leases for, and plans to open, 2 additional stores in Milwaukee and 1 in Chicago. The company owns no real estate, its operating outlets being on premises leased by the operating subsidiaries from various unaffiliated entities. The officers and directors of the company, and the underwriter, have acquired a total of 250,000 common shares for a cash investment of $16,000; and for an additional $500 in cash have acquired warrants (identical to those constituting part of the Units) to purchase 500,000 additional shares. Thus, they will hold 50% of the then outstanding stock and warrants, at an investment of $16,500, and the public will own 50% of the then outstanding stock and warrants, at an investment of $1,250,000, assuming all the units are sold.

The company plans to use $90,000 of the proceeds of this financing as the initial investment in the 3 new stores to be opened in May 1959; $180,000 will be allocated as the initial

OVER

investment in the 6 proposed stores in Chicago the leases for which it is presently negotiating; and of the remainder of the funds, $91,000 will be used to pay accounts payable (trade), $41,673 will be applied to extinguish long and short-term loans, and the balance will be added to working capital.

The prospectus lists Benjamin F. Weinberg as board chairman and Robert L. Wolf as president.

VIOLATIONS CHARGED TO BERRY & COMPANY

The Securities and Exchange Commission has ordered proceedings under the Securities Exchange Act of 1934 to determine whether Berry & Company, 240 West Front St., Plainfield, N. J., its president and controlling stockholder, Robert K. Berry, and seven of its salesmen, defrauded investors in the offer and sale of Great Western Oil & Gas Company stock and, if so, whether Berry & Company's broker-dealer registration should be revoked and/or whether it should be suspended or expelled from membership in the National Association of Securities Dealers, Inc.

Berry & Company became registered with the Commission as a broker-dealer on November 30, 1956. Berry is listed as its president, director, and controlling stockholder. The salesmen referred to are Bert D'Armand, Michael H. Bassell, Reginald M. Bevan, Sebastian Fortugno, Larry Grossman, David Winston and David Weitz.

According to the Commission's order, information developed in an investigation conducted by its staff, if true, tends to show that during the period May 1, 1958, to December 31, 1958, Berry & Company, Berry and the salesmen "engaged in acts, practices and a course of business which operated as a fraud and deceit" upon certain persons, in that they offered and sold Great Western common stock to such persons by means of false and misleading statements of material fact. The misrepresentations related, among other things, to the future price of the stock, the earnings of and future dividends to be paid by Great Western, the present and future oil and gas production of Great Western, and the possibility of a reverse split reducing the number of outstanding shares of Great Western.

A hearing for the purpose of taking evidence on the foregoing matters will be held, at a time and place to be announced later. The hearing also will concern itself with the question whether Berry and the salesmen should each be found to be a cause of any order of revocation, suspension or expulsion which may be issued by the Commission.

SOUTHWESTERN ELECTRIC PROPOSES BOND OFFERING

Southwestern Electric Power Company (formerly Southwestern Gas and Electric Company), of Shreveport, La., has applied to the SEC for an order under the Holding Company Act authorizing the issuance and sale at competitive bidding of $16,000,000 of First Mortgage Bonds, Series H, due May 1, 1989; and the Commission has issued an order (Release 35-13978) giving interested persons until April 27, 1959, to request a hearing thereon. According to the application, net proceeds of the sale of the bonds will be used by Southwestern to finance a part of its construction expenditures and to pay or prepay its bank loans incurred or to be incurred in connection therewith. Bank loans amounted to $7,800,000 at March 16, 1959, and may be increased by $4,200,000 prior to the sale of the bonds.

NATIONAL FUEL GAS FILES FINANCING PROPOSAL

National Fuel Gas Company, New York, has applied to the SEC for an order under the Holding Company Act authorizing bank borrowing of $8,100,000 and the loan of the funds to two subsidiaries; and the Commission has issued an order (Release 35-13979) giving interested persons until April 27, 1959 to request a hearing thereon. Of the proceeds of National's proposed bank borrowings, to be represented by National's promissory notes, it proposes to loan $6,900,000 to Iroquois Gas Corporation and $1,200,000 to Pennsylvania Gas Company, for which the subsidiaries will issue their own promissory notes. The funds will be used by the subsidiaries, together with funds available from current operations, to make additions to their utility plans during 1959, estimated at $9,400,000, to purchase additional gas for underground storage, estimated at $1,000,000, and for other corporate purposes.

CONTINUED

METROPOLITAN EDISON STOCK SALE CLEARED

The SEC has issued an order under the Holding Company Act (Release 35-13980) authorizing Metropolitan Edison Company, Reading, Pa., subsidiary of General Public Utilities Corporation, to issue and sell from time to time during 1959 not to exceed 60,000 additional shares of its common stock at $100 per share. Meted proposes to apply the proceeds as follows: (1) $1,000,000 to repay a bank loan the proceeds of which were used for construction purposes prior to January 1, 1959; (b) $2,750,000 to reimburse its treasury, in part, for construction expenditures; and (c) the balance of $2,250,000 towards its post-1958 construction program, or to reimburse its treasury for such expenditures, or to repay bank loans made for such purposes.

DUNHILL INTERNATIONAL APPLIES FOR EXEMPTION

Dunhill International, Inc., of New York, has applied to the SEC for an order exempting it from provisions of the Investment Company Act; and the Commission has issued an order (Release 40-2861) scheduling the application for hearing on May 5, 1959.

Exemption is sought by Dunhill on the ground that it is primarily engaged in a business or businesses other than that of an investment company, as defined by the Act. Pursuant to a plan of merger effective December 31, 1958, New York Dock Company, a registered closed-end investment company, was merged into Dunhill. According to the figures supplied at the time of the merger (as of June 30, 1958), the market value of Dock's securities portfolio was approximately $10,207,978 constituting about 80% of that company's total assets exclusive of cash of approximately $2,100,324. A substantial portion of the assets of Dunhill and its subsidiaries also consisted of investment securities, the market value of which, as of June 30, 1958, amounted to $2,217,107 or about 64% of Dunhill's total assets. The present application states that as of December 31, 1958 the market value of securities held by Dunhill and its subsidiaries, including those owned by Dock at the time of the merger was $15,336,796 which it is conceded represents more than 40% of Dunhill's total assets (exclusive of cash and Government securities).

Dunhill's wholly owned subsidiaries, other than New York Dock Railway, are engaged in the sale at retail and at wholesale of tobacco, tobacco products and accessories, pipes,gift items, cosmetics, toiletries and other merchandise. New York Dock Railway is engaged in the operation of a railway freight terminal in Brooklyn, New York. Dunhill has also acquired through the merger certain real estate in Brooklyn, New York, and in Reading, Pennsylvania, which is occupied principally by commercial tenants.

SCIENCE & NUCLEAR FUND GRANTED EXEMPTION

The SEC has issued an order (Release 40-2862) granting an application of Science & Nuclear Fund, Inc., from exemption from the Investment Company Act on the ground that it has ceased to be an investment company. The Fund was merged into and with Nucleonics, Chemistry & Electronics Shares, Inc., in April 1958.

MORTGAGE CORP. OF AMERICA FILES FINANCING PROPOSAL

Mortgage Corporation of America, 100 St. Paul St., Baltimore, filed a registration statement (File 2-14970) with the SEC on April 10, 1959, seeking registration of $1,000,000 of 4-5/8% Collateral Trust Notes, due May 1, 1969-79, to be offered for public sale at 100% of principal amount. No underwriting is involved.

Organized in November 1958, the company has no operating history but proposes to engage in the business of originating, investing in and servicing insured mortgages. It has issued 2,000 common shares to its sponsors for cash at $50 per share; and it also recently borrowed $1,000,000 from a bank, the proceeds of which were used to purchase mortgages, which were pledged as collateral for the loan. The entire amount of the proceeds of the sale of the notes will be used, together with other capital funds, to repay the loan.

The prospectus lists Edward K. Jones of Washington, D. C. as president. The 2,000 outstanding common shares are owned by 19 stockholders, including 240 shares each by Jones and Sidney H. Tinley, Jr., of Baltimore, senior vice-president and treasurer.

OVER

U. S. STEEL FILES EMPLOYEE SAVINGS PLAN

United States Steel Corporation, 71 Broadway, New York, filed a registration statement (File 2-14971) with the SEC on April 10, 1959, seeking registration of $70,000,000 of interests in the United States Steel Corporation Savings Fund Plan for Salaried Employees, together with 396,000 shares of its common stock which may be acquired pursuant to the said Plan.

AMERICAN AGRICULTURAL CHEMICAL PROPOSES OFFERING

The American Agricultural Chemical Company, 100 Church St., New York, filed a registration statement (File 2-14972) with the SEC on April 10, 1959, seeking registration of 216,093 shares of common stock, to be offered for public sale through an underwriting group headed by Hayden, Stone & Co. The initial public offering price will be related to the current market price of outstanding shares at the time of such offering; and the underwriting terms are to be supplied by amendment.

Net proceeds of the stock sale are to be added to the general funds of the company and will be available for any corporate purpose. For the period July 1, 1953, to March 1, 1959, the company made capital expenditures of about $31,000,000, of which $20,123,000 was provided by depreciation, depletion and retained earnings. Additional capital expenditures of about $19,000,000 are planned during the next three years. The company believes that the proceeds of the stock sale, together with internally generated funds, will be sufficient to cover estimated capital expenditures during the next three years.

PHILIPPINE OIL DEVELOPMENT PROPOSES RIGHTS OFFERING

Philippine Oil Development Company, Inc., Soriano Bldg., Plaza Cervantes, Manila, filed a registration statement (File 2-14973) with the SEC on April 10, 1959, seeking registration of 221,883,614 shares of capital stock. The company proposes to offer the stock for subscription by holders of outstanding stock at the rate of one new share for each two shares held. The record date and subscription price are to be supplied by amendment. The offering is not underwritten.

The company's business is exploration and testing for oil, gas and other hydrocarbons in areas in which it holds concessions and leases granted by the Philippine Government. No oil or gas in commercial quantities has yet been found in the Philippines, and the company's business is said to be highly speculative. Net proceeds of the stock sale will be added to working capital. The company's present plans call for the drilling of a 6,000 foot test hole at San Isidro, Leyte; and, following this test, the company contemplates the drilling of additional deep test holes either in the Calubian and Malebale formations in Leyte, or in central Luzon, or in the Cagayan Valley in Luzon, or in such other locations as may seem most promising in the light of further geological and geophysical information. The total cost of this 1959 drilling program is estimated at "₱" 2,500,000.

The company has outstanding 443,767,228 shares of stock. Col. Andres Soriano is listed as president and board chairman. He and members of his family own, directly or indirectly, 31,871,778 shares, or 7.2%. A. Soriano y Cia, a corporation wholly owned by Colonel Soriano and members of his family, has served as general manager of the company for the past 20 years.

RAPID-AMERICAN PROPOSES DEBENTURE-RIGHTS OFFERING

Rapid-American Corporation, 711 Fifth Ave., New York, today filed a registration statement (File 2-14976) with the SEC seeking registration of $7,209,640 of Convertible Subordinated Debentures due April 30, 1964. The company proposes to offer the debentures for subscription at 100% of principal amount by common stockholders, in the ratio of $100 of debentures for each 10 common shares held. The interest rate and record date are to be supplied by amendment. No underwriting is involved. Net proceeds will be applied in part to the repurchase and retirement of the company's 5-3/4% Convertible Subordinated Debentures presently outstanding, in full, at par plus accrued interest to the date of payment. The balance will be used for general corporate purposes.

SOUTHWESTERN ELECTRIC POWER PROPOSES BOND OFFERING

Southwestern Electric Power Company, 428 Travis St., Shreveport, La., today filed a registration statement (File 2-14977) with the SEC seeking registration of $16,000,000 of First Mortgage

CONTINUED

[illegible], Series H, due May 1, 1989, to be offered for public sale at competitive bidding. Net proceeds will be used to finance a part of the company's construction expenditures and to prepay and discharge some $12,000,000 of bank loans made and to be made for that purpose, of which $4,800,000 was borrowed in 1958. The company estimates its 1959 construction expenditures at $20,600,000.

PANDOLFO AND OTHERS REINDICTED IN INSURANCE STOCK SALE

The SEC Denver Regional Office reported April 7, 1959, that Samuel Parker Pandolfo, Universal Securities, Inc., and six other individuals have been reindicted (USDC, Bismarck, N.D) on charges of fraud in the sale of securities of Great Northern Investment Company, Inc., and certain other corporations.

WESTERN FACTORS OFFERING SUSPENDED

The Securities and Exchange Commission has adopted an order temporarily suspending a Regulation A exemption from registration under the Securities Act of 1933 with respect to a stock offering by Western Factors, Inc., 212 Beason Bldg., Salt Lake City.

Regulation A provides a conditional exemption from Securities Act registration for public offerings of securities not exceeding $300,000 in amount. In a notification filed August 19, 1958, Western Factors, which was organized for the purpose of engaging in the business of factor financing proposed the public offering of 200,000 common shares at $1.50 per share. The Commission's suspension order asserts that Regulation A has not been complied with in that the notification fails to contain certain required information, and that Western Factors' offering circular is false and misleading in respect of certain material facts and the stock offering would violate Section 17 (the anti-fraud provision) of the Securities Act. The order provides an opportunity for hearing, upon request, on the question whether the suspension should be vacated or made permanent.

The alleged misrepresentations related to (a) the failure to disclose the acquisition of majority interests in companies whose business is different from that in which Western Factors represented it would engage and the failure to disclose that proceeds of the stock sale would be used to acquire such interests; (b) the failure to disclose the past and present officers and directors of the company; (c) the listing of persons holding stock or having subscribed to stock of Western Factors; and (d) the offer and sale of its stock at a price different from that stated in the offering circular. The notification is also said to have failed to disclose each affiliate of the issuer, the names of its officers, directors and promoters, all sales of uregistered stock within one year of the filing, and the offer and sale of stock prior to the expiration of the Regulation A waiting period.

---oooOooo---