

ACC 055/PWU

10000/150/7

SOCIETA M
ELETTRIC
(JUN. 1943)

10000/150/7

SOCIETA MERIDIONALE DI
ELETTRICITA, NAPOLI
(JUN. 1943); APR. - AUG. 1944

Tel: 489081

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

WML/gf

ACC/055/PTU

12 Aug 44

SUBJECT: Address.
TO : Societa Meridionale di Elettricit 

1. As considerable confusion has been caused by the frequent use of the abbreviation S. M. E., you are requested to use your full address in all correspondence. Will you be good enough to pass this information on in all communications.

W. M. LAFTER
Lieut. Col.
Chief, Util. & Admin. Div.

CC to:
Commandant Eng. Eng. Establishment.

850

11 AUG Recd

126 Cals

*Econ / Sec*Subject. Unit Addresses.Ref. ETE/8/3/317

H.Q.

A.C.C.

7 Aug. 44.

Due to the fact that Societa Meridionale di Elettrocita (Via E.P. Imbriani, NAPLES) frequently use the abbreviation S.M.E. considerable confusion has been caused for some time.

Letters have been received addressed to the Societa and vice versa.

Please may the Societa be asked to ensure its full address is used on all occasions.

C.M.F.
ICH/RG.Colonel.
Commandant Engineer Training Establishment

De Col Roper
1/2

10 Aug
81

849

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

67
CWA/mc
File

ACC/055/PWU

23 June 1944

Subject: Release of material for S.M.E.

To : Ing. Guglielmo di Napoli
Corso Malta, 111, Napoli.

Ref. your letter dated 24 May 1944.

Approval has now been obtained for the release of 40 quintals of coal metallurgic coke; will you please call at the offices of A.C.C. Region III in Piazza Bovia for the authority. It will be necessary for you to pay for the coke at the same time.

Please take this letter with you as a proof of identity.

Copy to Major Stockman, Region III.

W.M. LAPPER,
Lieut-Colonel,
Chief, Utilit. & Adm. Div.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works & Utilities Sub-Commission
APO 394

CWA/in

ACC/055/PWU

9 June 1944

Subject : Release of Material for S.M.E.

TO : D.W. A.A.I.

The firm of Ing. Guglielmo Di Napoli, of Corso
Malta, III, Naples are carrying out urgent and essential work
of public utility for the Società Meridionale di Elettricità,
and require the undermentioned raw material to enable them
to complete such work.

1. 240 quintals of coal metallurgic coke in large
size (available at S.A. Ilva Bagnoli).

Will you please issue the necessary authority to
enable the above named contractors to draw this material.

W.M. LAPPER
Lieut-Colonel,
Chief Public Utilities & Admin?D?

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

WML/ccb
File

ACC/055/FWU

10 June 1941.

SUBJECT: Stores Demand.
TO : Col. G.R. Crowdon, C.E.B.

1. Your letter of 2 June together with requisitions and drawings which was sent to the Industry and Commerce Sub-Commission, A.C.C., has been passed to this Sub-Commission for observation and screening.

2. The normal channel through which this Headquarters receives demands for supplies is through its Regional Officers and I shall be glad if you will request the S.M.E. Company should they apply to you again for material which you desire to requisition through A.C.C. to make their request to the Region III Engineer Officer, Lt. Col. Hensley.

3. As our Requisition Department require some further information on the particular item which you have sent in, this is being passed to Col. Hensley with a request that he take the matter up with the Company concerned to obtain the necessary information.

W.M. Lappe
for W.M. LAPPE,
Lt.Col.

Chief, Util. & Adm. Div.

Copy to: Lt.Col. Lester J. Hensley.

10 June 1944. *64*
*153**File*
Memorandum on S.M.E. Company's Employees.

1. The Societa Meridionale Elettrica Company informed me at 1000 hours on 9 June that the whole of their maintenance workers were on strike. On inquiry it was found that the maintenance workers in their subsidiary companies in Southern Italy had also stopped work.
2. Col. Bains and Col. Smith of the Labor Sub-Commission were informed and at 1100 hours a further message came through to say that the maintenance workers in Naples had prevented other workers attending to a breakdown of supplies to Military Railways Works.
3. The Naples maintenance workers headquarters at 380 Corso Garibaldi was visited by Col. Bains, Col. Smith, myself and Capt. Scicluna and some 300 workers were addressed by Capt. Scicluna.
4. The workers were informed that the men must immediately proceed to the Railway Works and after this was done Capt. Scicluna addressed the men.
5. The workers were informed that A.C.C. were examining the whole of the wage structure and that they must all return to work in order to allow the negotiations to continue.
6. A deputation was received during the afternoon by the Labor Sub-Commission and these leaders were asked to explain the matter to their fellow workers.
7. The whole of the workers returned to their duties and Col. Smith, E. & M. Officer, A.A.I., was informed of the incident.

H. M. Laffin

*Later: The workers were again out
 the following day, but after
 a meeting of their Rep
 have now all returned to
 work.*

845

h.m.l.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

GWA/mg

ACC/055/PWU

2 June 1944

Subject: Release of Material for S.M.E.

To : Ing. Guglielmo Di Napoli,
Corso Malta, III, Napoli.

Ref. you letter dated 24 May 1944.

Approval has been obtained for the release of the
cast iron; will you please call at the H.Q. for the this
authority.

844

W.M. LAPPER,
Lieut-Colonel,
Chief, Utilities & Adm.Div.

1)

Cap. Sec (P.W. + U.S.)
055
P.O. 515
50

Allied Force
MILITARY RAILWAY SERVICE
Office of Director General

APO 400
30 May 1944

SUBJECT: Release of Material for S.M.E.

TO : Headquarters, Allied Control Commission, Public Works & Utilities
Sub-Commission, APO 394, U.S. Army.

1. Your letter 27 May 1944, reference ACC/055/PWU.
2. Release is authorized to the firm of Ing. Guglielmo Di Napoli,
of Corso Malta, III, Naples, for -
- a. 100 quintals of cast iron in ingots
3. Copy of this letter is being forwarded to Commanding Officer,
786th Base Depot Company, who will release to the above firm on presentation
of proper order. It is presumed that payment will be made to the Italian
State Railways by the above firm for the materials to be furnished to them.
4. The 40 quintals of coal metallurgic coke available at S.A. Ilva
Bagnoli, item #2 in your letter, is not under the jurisdiction of the
Director General.

For the Director General:

E. F. McFadden
E. F. McFADDEN,
Colonel, TC,
Asst. Genl. Mgr. - Stores.

7/6/44
Recd. authority for
release, and issue
of material

Col. Leppin

For necessary action

843

HEADQUARTERS
31 MAY 1944
A. C. C.

W. J. 1/6

1)

Copy Recd (P.W. & U.)
055
10/17/515
50

Allied Force
MILITARY RAILWAY SERVICE
Office of Director General

APC 400
30 May 1944

SUBJECT: Release of Material for S.M.E.

TO : Headquarters, Allied Control Commission, Public Works & Utilities
Sub-Commission, APO 394, U.S. Army.

1. Your letter 27 May 1944, reference ACC/055/PWU.
2. Release is authorized to the firm of Ing. Guglielmo Di Napoli,
of Corso Malta, III, Naples, for -
- a. 100 quintals of cast iron in ingots
3. Copy of this letter is being forwarded to Commanding Officer,
788th Base Depot Company, who will release to the above firm on presentation
of proper order. It is presumed that payment will be made to the Italian
State Railways by the above firm for the materials to be furnished to them.
4. The 40 quintals of coal metallurgic coke available at S.A. Ilva
Bagnoli, item #2 in your letter, is not under the jurisdiction of the
Director General.

For the Director General:

[Signature]
L. F. McFADDEN,
Colonel, TC,
Asst. Genl. Mgr. - Stores.

7/6/44
Recd authority for
collecting and more
Lance P. W. S.

[Signature]
Lt Col. Chappin

For necessary action

843

HEADQUARTERS
31 MAY 1944
A. C. C.
93

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works & Utilities Sub-Commission
APO 394

GWA/in

ACC/ast/PWU

27 May 1944

Subject : Release of Material for S.M.E.

To : Director General, Military Railways
APO 400, U.S. Army.

The firm of Ing. Guglielmo Di Napoli, of Corso
Malta, III, Naples are carrying out urgent and essential work
of public utility for the Società Meridionale di Elettricità,
and require the undermentioned raw material to enable them
to complete such work.

1. 100 quintals of cast iron in ingots (available
at the State Railway Yard at Poggioreale).
2. 40 quintals of coal metallurgic coke in large
sizes (available at S.A. Ilva Bagnoli).

Will you please issue the necessary authority to
enable the above named contractors to draw this material.

W.M. LAPPER
Lieut-Colonel
Chief Public Utilities & Admin.Div.

842

Encl Sec (P.U. & U.)
PWU - 1 J-8845
47

CONFIDENTIAL 26 MAY Recd

Subject: - Removal of Transformers from
LABORATORIO CARICAMENTO PROIETTICI

055
Rlw

Army Sub Commission ACC
Main HQ (MMIA)
LEQUILLE (LEOCE)
RE 7/1
23 May 44

Public Works and Utilities
Sub Commission,
Main HQ ACC

Ref your ACC/055/PWU dated 19 May and further to my
RE 7/1 dated 14 May.

The enclosure referred to is returned herewith.

The omission is regretted.

to Col Rogers
7. May. 1944

R. H. Phillips
RE
Maj Gen
Army Sub Comm ACC *841*

GSH

HEADQUARTERS
26 MAY 1944
A. C. G.

26 May
1944

REC'D - 4 MAG 1944

SP/13.

INTERFERENZA PT. AA. DELLA CAMPANIA

N° 6484/2 di prot.P.M. 120, 11 29 aprile 1944

OGGETTO: Cessione trasformatori. =

AMM. SPOLITIFICIO R. ESERCITO

TORRE ANNUNZIATA

S. PER CORRISPONDENZA

★ AL MINISTERO GUERRA - Dir. Gen. Art.

P. M. 107

AMB' A. C. C.

NAPOLI

La Società Meridionale di Eletticità, a mezzo D'A.C.C. ha fatto richiesta di n°3 trasformatori per energie elettrica che sarebbero giacenti ed inutilizzanti presso il Laboratorio Caricamento Proiettili di Cava del Tirreno.

Codesto Spolitificio faccia conoscere se è possibile cedere il materiale in considerazione che lo stesso attualmente non è adoperato e se per la cessione alla Società Meridionale di Eletticità occorre chiedere la preventiva autorizzazione al Ministero Guerra - Direzione Generale Artiglieria. =

di ordine

IL CAPO DI STATO MAGGIORE
(MAG. S. S. M. Luigi Forlana)

Forlana



8:0

26 May
108

INTENDENZA FF.AA. DELLA CAMPANIA

P.M. 120, 29 April 1944.

No. 678/2

SUBJECT: Sale of transformers

TO : R. Army Fuse Factory

Torre Annunziata

and for information :

The Ministry of War -Gen.Art.Section

P.M. 107

A.C.C.

Naples

The Societa Meridionale di Elettrocita, through A.C.C., has applied for 3 electric power transformers, which are said to be, and unused, at the Laboratorio Caricamento Proiettili (Bullet Loading Plant) of Cava dei Tirreni.

It is requested that the Fuse Plant make known if it is possible to cede the material ~~XXXXXXXXXXXXXXXXXX~~, in view of it not being used at the present time, and whether for sale to the Societa Meridionale di Elettrocita it is necessary to ask for prior authorization by the Ministry of War- General Artillery Section.

By order of :

THE CHIEF OF STAFF

(Major S.M. Luigi Forlenza)

839

26 May
108

17 MAY Recd

PW + U

Contact

S-2755

44

CONFIDENTIAL

055
R. A.

SUBJECT:- Removal of Transformers from
LABORATORIO CARICAMENTO PROIETTICI

Army Sub Commission A.C.C.
 Main H.Q. (MILA)
 LEQUILE (LECCE)
 RE 7/1

14 May 1944

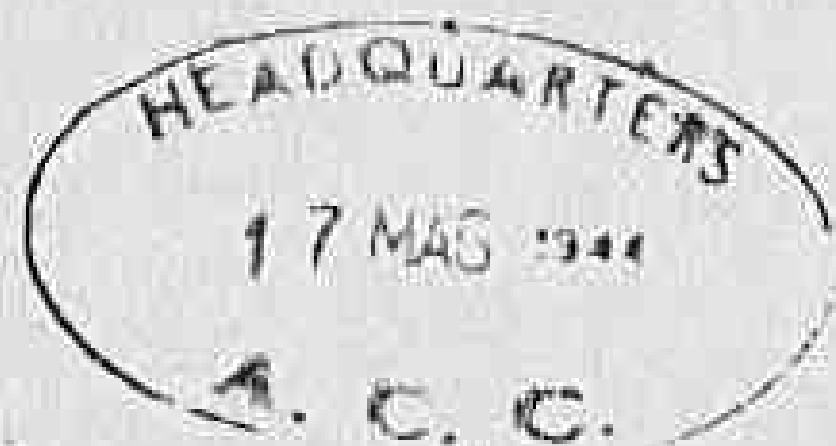
Public Works and Utilities
 Sub Commission,
 HQ A.C.C.

7060 37

Ref your ACC/055/PW dated 10 May 1944, and enclosure returned
 herewith.

The policy regarding the provision of arms and ammunition for
 the Italian Armed Forces is now under review by ACC and AAI.

Until a decision is reached, no machinery should be removed from
 the Laboratorio Caricamento Proiettili.



ABC

[Signature]
 Maj Gen, RF

Maj Gen,
 Army Sub Comm A.C.C.

H. G. Liffan.

[Handwritten notes:]
 Capt. [unclear]
 Capt. [unclear]
 Please attend
 [unclear]

15 200.
 17/5.

17 May 78

838

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works & Utilities Sub-Commission
APO 394

LWL/in

ACC/055/PWU

19 May 1944

Subject : Removal of transformers from
LABORATORIO CARICAMENTO PROIETTILI

To : Director Army Sub-Commission A.C.C.
Main H.Q. (MMIA)
LEQUILE (LECOE)
RE 7/1

1. Your letter 14 May 44 received but the enclosure referred was not attached to the letter.
2. Please check to see if enclosure was sent.
3. Enclosure must refer to our letter 10 May 44 paragraph 4, of which no copy was retained by this Sub-Commission.

W.M. LAPPER
Lieut-Colonel
Chief, El. & Admin. Div.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works & Utilities Sub-Commission
APO 394

HJR/in

ACC/055/PWU

15 May 1944

Subject : Electric Rates.

To : Società Meridionale di Elettricità.

1. We have carefully reviewed the data which you have submitted to us and have arrived at the following conclusions.

2. Rates charged by you shall be reduced from their present level.

3. This reduction shall apply to all consumers, and shall be effective on 1 May 1944 to all consumers, except the following:-

Società Elettrica della Campania.

Società Generale Pugliese di Elettricità.

Società Delle Calabrie.

Società Lucane per Imprese Idroelettriche.

4. The reduction to the above named Companies shall be retroactive to 1 January 1944.

5. Temporary rates effective on 1 May 1944 and continuing to September 1st 1944 shall be:-

(a) The basic rates which were in effect in November 1943.

(b) Plus a surcharge of not greater than 80%.

The surcharge will not apply to taxes collected from the consumer.

6. All charges that were not included in the rates prevailing in November 1943 shall be entirely eliminated. Specific reference is made to the "Dritto Fisso" which was added to consumers bills commencing in January.

7. The "surcharge" may be applied as a separate addition to the total amount of all bills (excluding taxes) or, it may be applied directly to the various component parts of the basic rates, it being understood that the basic rates remain unaltered.

8. A notice must be delivered to consumers with all bills.

The notice to read approximately as follows:

"The previous increase in Electric rates, which became effective on Jan 1st has been cancelled by the Allied Control Commission. This bill has been computed on the basis of the rates which prevailed in November 1943 plus a temporary surcharge of 80%. This surcharge has been granted to enable the company to meet increased costs of operation."


L.A. JENNY
Lt. Col., C.E.
Director.

Copies to:

Ministero dei Lavori Pubblici
Regional Commissioner, Region III
File. -

SOCIETÀ MERIDIONALE DI ELETTRICITÀ

PER AZIONI

SEDE IN NAPOLI

CAPITALE L. 1.125.000.000 - VERSATO L. 1.012.500.000

G. P. C. N. 21957

N. 32229=230/299 VMr/im

da citare nella risposta

Napoli, (105)

Via P. E. IMBRIANI, 42

H.Q. = A.C.C.

Attention Col. Jenny

NAPLES

Come da accordi con l'Egr. Col. Lapper Vi esponiamo quanto segue :

Una delle ns. consociate, la S.A.F.E.N., ha lo scopo di sfruttare per la produzione di energia elettrica le forze endogene del sottosuolo dei dintorni di Napoli e dell'isola d'Ischia.

Avendo quindi ritrovato in detta isola una sorgente d'acqua calda a 90° centigradi, dopo le necessarie ed opportune prove sperimentali prima nella R.Scuola d'Ingegneria di Napoli e poi sul posto, detta Società ha costruito una centrale elettrica della potenza di 250 KW in contrada Cetara.

Per l'azionamento di tale Centrale, che sfrutta un ciclo di lavoro assolutamente nuovo, la S.A.F.E.N. ha bisogno di :

- Kg. 950 di cloruro di etile (C_2H_5Cl)

Ove non fosse possibile ottenere detto cloruro, l'impianto potrebbe essere alimentato con una miscela di butano e pentano ed in tal caso la occorrenza sarebbe :

- 800 Kg. butano (C_4H_{10})
- 400 Kg. pentano (C_5H_{12})

Naturalmente, alimentato da tale miscela, l'impianto non avrà lo stesso rendimento.

Il cloruro di etile poteva essere fornito per il passato dalla "Soc. Farmaceutici Italia" Milano, alla quale in data 15 dicembre 1942 avevamo passato l'ordine di fornitura al prezzo di £. 45.= a kg.

Il pentano ed il butano potevano essere forniti per il passato dallo stabilimento di Bari dell'ANIC, attualmente controllato dal C.I.P.

Vi preghiamo di volervi cortesemente interessare

./.

SOCIETÀ MERIDIONALE DI ELETTRICITÀ

2° foglio lettera a H.Q. = A.C.C.

del

affinchè venga fornito alla S.A.F.E.N. quanto le necessita per l'azionamento della Centrale/

Ringraziamenti.

TRANSLATION

According to the agreement with Col. Lapper we notify you as follows:

One of our Companies, the S.A.F.E.N., aims at exploiting the underground power in the neighbours of Naples and Ischia Island for the production of electric power.

Having discovered a source of hot water at 90° Centigrades in the said Island and after the necessary experimental tests at the R.Engineer School in Naples and later on the spot, the said Company built an electric station of 250 KW in Cetara area.

For working the said station, that utilizes quite a new cycle of work, the S.A.F.E.N. needs :

- 950 Kgs. chloride of ethyl (C_2H_5Cl)

If it were not possible to obtain this chloride the plant could be worked by a mixture of pentane and butane as follows:

- 800 Kgs. butane (C_4H_{10})
- 400 " pentane (C_5H_{12})

Evidently the efficiency of the plant working by this mixture will not be the same. (*efficiency will be reduced 1/4*)

The chloride of ethyl could once be supplied by the "Soc. Farmaceutici Italia" in Milan to whom on 15 th. December 1942 we sent our order at the price of 45 lire a kg. (*This was never received*)

The plant in Bari of the ANIC, at present under the control of the CIP, was once able to supply the pentane and the butane.

We beg you therefore to kindly take the necessary steps in order that the S.A.F.E.N. may receive what they need for working the station.

With many thanks.

SOCIETÀ MERIDIONALE DI ELETTRICITÀ

838

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

LWL/mc

ACC/O55/PWU

10 May 944

Subject: Removal of transformers from
Laboratorio Caricamento Proiettili
(Bullet Loading Plant)

To : Director Army Sub-Commission.

Ref. the attached letter from Major S.M. Luigi Forlenza.

1. Is there any likelihood that this factory will resume operations either for cartridge loading or other purposes ?
2. Does your Sub-Commission have any objection to the removal of the transformers which have been supplying power to this factory ?
3. The S.M.E. is in need of transformers to meet requests for power services supplying Military establishments and essential civilian needs.
4. Will you please return the attached letter ?

For and in the absence of the chief,
Electrical & Admin. Division.

for *W.M. Lapper Capt*
W.M. LAPPER,
Lt.-Colonel
Chief El. & Adm. Div.

832

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

HJB/ecb 36

ACC/055/P&U

7 May 44.

Subject: Electric Rates.

To : Società Meridionale Elettricità.

1. Referring to "Payroll expenses" for January and February.
2. Has any amount been included for payroll expenses of employees of S.M.E. and Campania working in enemy occupied territory?
3. If such amounts have been included please furnish us with complete details.

W.M. LAFFER,
Lieut-Colonel,
Chief, El. & Adm. Div.

831

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

HJR/ccb

FILE 35

ACC/055/PWU

3 May 44.

Subject: Electric Rates: Pugliese, Campania, Lucana and Calabria Companies.

To : Societa Meridionale di Elettrotele.

1. Referring to Income and Expense Statements of the above companies, we request the following additional information:-

- (a) Expense item - "Interest on loans".
Names of the banks and companies to whom this interest is paid, and the corresponding amounts.
- (b) Income derived from sales of energy to military establishments by the Calabria and Lucana Companies.

2. Does the Income of the Campania Company include billing for sales to Allied Forces during Jan. and Feb? What is the estimated amount of this billing for the Jan. - Feb. period?

W.M. LAFER,
Lieut-Colonel,
Chief, El. & Adm. Div.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
AFO 394

HRJ/ccb 34

ACC/055/PWU

2 May 44.

Subject: Electric Rates.

To : Società Elettricità della Campania.

1. On December 1943 Region III, A.M.C., authorized your company to temporarily increase rates for electric service.
2. The authority to temporarily increase rates is cancelled.
3. The cancellation order is effective on May 1st and applies to all bills submitted to your customers on and after that date.

L.A. JENNY,
Lt.-Col., C.E.,
Director.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

HJR/ccb

ACC/055/PWU

2 May 44.

Subject: Electric Rates.

To : Societa Meridionale di Elettricit .

Referring to your letter of 5 March 1944, we desire additional information on the following subjects:

1. "Sales to premises requisitioned by Allied Forces". Does the estimate of 1,500,000 lire for energy supplied during Jan. and Feb. include all energy supplied to requisitioned buildings, and all other energy consumed by military establishments?

2. Is the item of lire 2,088,722 representing losses in collection of bills for Jan. and Feb. considered entirely unrecoverable? Please furnish a list of all consumers included in this category whose billing exceeded L.50,000, and the respective amounts of the bills.

W.M. LAPPER,
Lieut-Colonel,
Chief, El. & Adm. Div.

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works and Utilities Sub-Commission
APO 394

37
HJR/ow

ACC/055/FEU

24 April 1944

Subject : Operating Statement - Jan & Feb 1944

To : Società Meridionale di Elettricità.

1. We are enclosing herewith affidavits relating to information furnished by your company.
2. Please have these forms executed by Ing. Maglione and Dott. Penari.
3. Similar affidavits will be required from at least two officials of all utility companies requesting changes in utility rates.

L.A. JENNY
Lt. Col., C.E.
Director.

830

HEADQUARTERS
ALLIED CONTROL COMMISSION
Public Works & Utilities Sub-Commission
APO 394

WML/in

ACC/055/PWU

25 April 1944

Subject : Electric Rate

To : Regional Commissioner
Region III

1. Attached is a copy of a letter which has to-day been sent to the Società Meridionale di Eletticità and which is self explanatory.

2. In view of the fact that this Company's area of Supply extends throughout Southern Italy, the question of Rate matters becomes a national problem and we have therefore settled with the Italian Government a method of procedure for dealing with this and other Public Utility companies requiring Rate increases.

3. We will keep you informed of any rate settlement matters within your Regional Area.

C.C. Lt.Col. Laboon.

L.A. JENNY
Lt.Col., C.E.
Director.

Dott. Ing. Girolamo Maglione
Central Director

Della Societa Meridionale Di Elettricita
will be here at 2:00 PM

Agenda For Meeting

- (1) Rates
 - (a) Have SEM increased since 1935
 - (b) When
 - (c) Do they propose to make increase
 - (d) On what authority
 - (e) How will this affect Subsidiary Companies
- (2) Does He Know That;
Prof. Ing. Placido Ruggiero
is Electrical advisor to Italian Govt.
- (3) Touch On Question Of Curtailment Of Supplies
 - (a) What is his machinery in putting
this in operation
 - (b) Have they put consumers on only with
instructions from A.M.G., or have they
given supplies without reference.

HEADQUARTERS
 ALLIED MILITARY GOVERNMENT
 Public Works and Mines Sub-Commission

El & Adm Div.
 WFL/ccb

ACC/051/PW

26 Jan 44

Subject: Electricity, Italy. Review of applications for Rate Increase.

To : Lt-Col L.A. Tenney.

We have now received applications for increase in rates from the following Electricity Companies.

1. G.E.C., Sicily.
2. Società Elettrica Della Calabria.
3. Società Lucana Imprese Idroelettriche.

In making an examination of these reports on applications for increase in rates the following points have been observed.

Leaving out for the moment the G.E.C. Sicily which will have to be dealt with separately.

1. The Società Meridionale di Elettricità with head office in Naples, General Director Dott. Ing. Cirillano Magliana, have the following controlling interest in the above G.E.C. and S.E.I.I. Companies:

(a) Società Elettrica Della Calabria,
 Capital 125,000,000
 80% S.E.C.
 20% Public.

(b) Società Lucana Imprese Idroelettriche,
 Capital 145,000,000
 92% S.E.C.
 8% Public.

Furthermore, in the notes of the meeting of the Electric Power Committee of the Allied Force Local Resources Board (Italian) held in Naples on January 3, it is stated that:-

"The Società Meridionale di Elettricità is shortly to raise its charges for electric power supplied to the distributing companies by 32.5%

25

As this question of rate increase is a matter of high policy I have not so far discussed the matter with the S.E.E. or the distributing companies concerned, but in view of the above information I suggest that we have a preliminary meeting with the Central Director of the S.E.E. and obtain from him a statement as to the intention of the parent company and the subsidiary companies.

S.E. BAKER,
Lieut-Colonel,
Chief, M.I. 6 Sec. Div.

HEADQUARTERS
ALLIED MILITARY GOVERNMENT
Public Works & Utilities Sub-Commission
APO 512

WML/efe

AC/055/PWU

3 December 1943

Subject: Electricity Supply in Italy.

To: Economic Director.

1. I have received a communication from Colonel D. L. Anderson, Ref. 2052/DDW dated 19 Nov. 43, in which he reviews the Electricity Supply position in the southern part of Italy; that is, the area covered by the Societa Meridionale di Elettricit  with its headquarters in Naples. This group supplied Italy south of a line Naples - Pescara.

2. There are several other smaller companies in this general territory, closely allied and interconnected with this company. Surplus energy is likely to occur, but as the region north of this area will have to draw upon this lower region for current the whole plan of current rationing will very shortly have to be taken up with the Italian government and the Resources Committee intends to look into this matter at an early date.

3. As this is an administrative and distribution control matter with which this Sub-Commission is charged, authority is requested to send Lt. Col. W. M. Lapper to Naples with Lt. Col. Reiter for the purpose of attending the next meeting of the Resources Committee and to obtain first hand information as to how such matters will be handled.

L. A. JENNY,
Lt. Col., C.E.R.
Acting Director

824

HEADQUARTERS
ISLAND BASE SECTION
APO 550

21
2 December 1943

A G R E E M E N T

between

ISLAND BASE SECTION

and

ALLIED MILITARY GOVERNMENT--SICILY REGION HEADQUARTERS

relative to

Electric Power Generation, Transmission, and Distribution

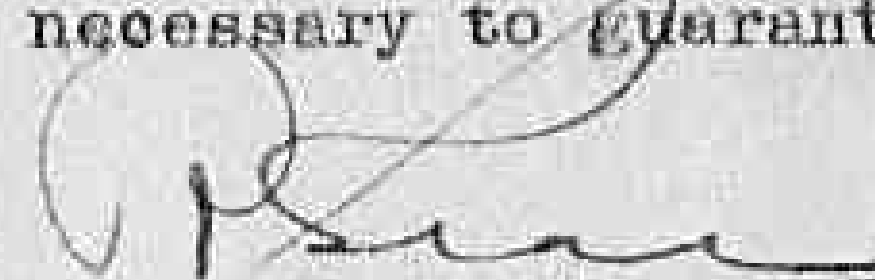
It is agreed that:--

a. Effective 0001 hours, 3 December 1943, the control, supervision and direction of electric power generation, transmission and distribution in central and western Sicily i.e. that area formerly under the jurisdiction of the Island Base Section including the provinces of Palermo, Transpani, Agrigento, Caltanissetta and the western portion of Enna province, are transferred to Allied Military Government, ~~Sicily Region~~ Headquarters.

b. All orders regarding operations of the Soc. Gen. Elettrica de Sicilia and inter-connected companies, including direction for furnishing of electric service, use of employees, etc., will, effective the date of this agreement be given only by Allied Military Government, Headquarters.

c. All military requirements for electric power will be given first priority. Commanders of military units will submit their requirements to the Engr. Section IBS who after approval of same, will, present those requirements to Allied Military Government, ~~Sicily Region~~ Headquarters.

d. The Engr. Section IBS will keep Allied Military Government ~~Sicily Region~~ Headquarters currently informed of any expected changes in military power requirements and will also recommend whenever it appears advisable, changes in power operations necessary to guarantee meeting of military power requirements.


R. SEARS,
Colonel, Ordnance Dept.
Commanding, IBS

 823
F. J. McJERRY,
Brigadier General,
Commanding General, AMG-Sicily

HEADQUARTERS
ISLAND BASE SECTION
APO 550

21
2 December 1943

A G R E E M E N T

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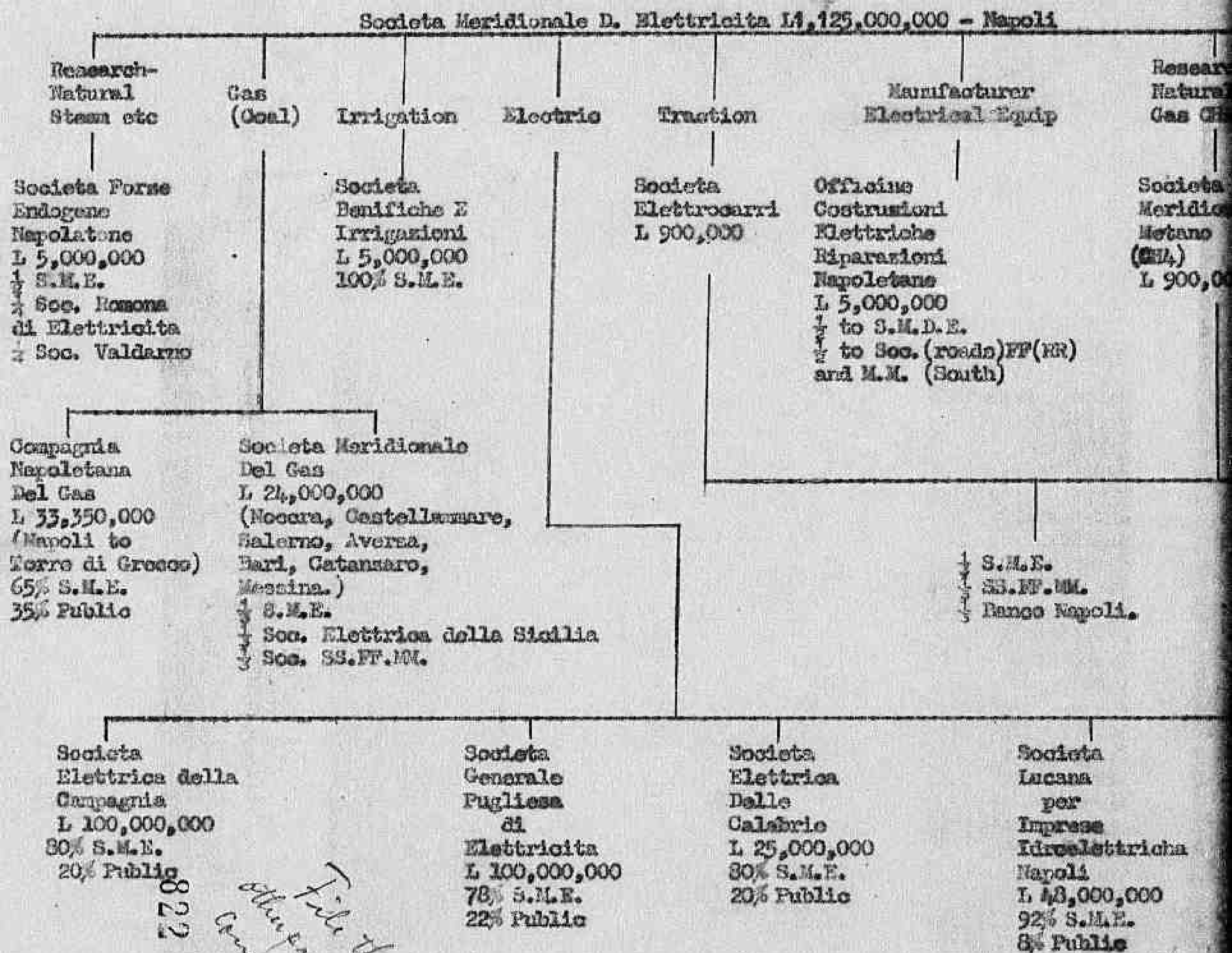
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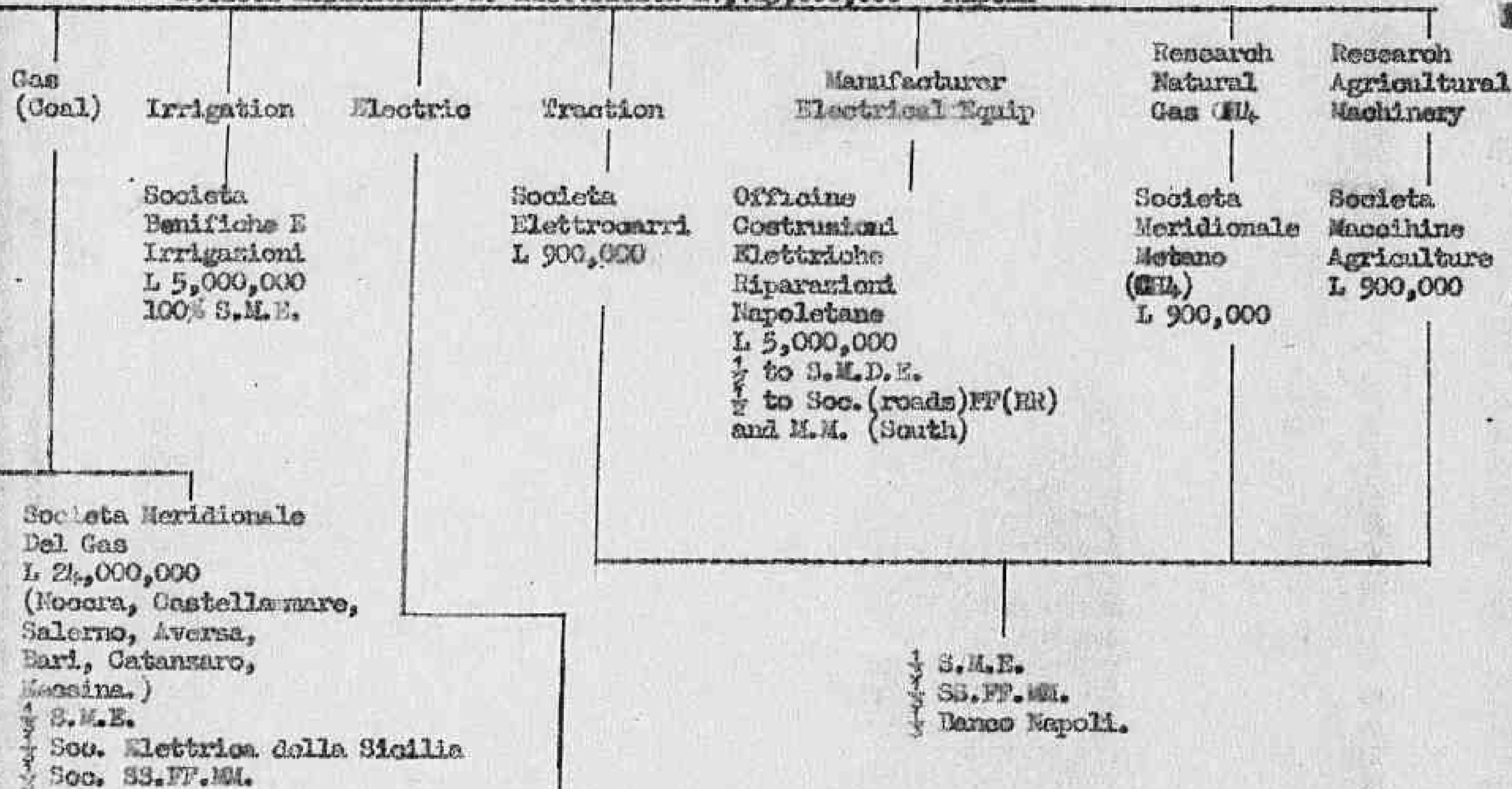
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R. SEARS,
Colonel, Ordnance Dept.
Commanding, IBS


F. J. McSHERRY, 82
Brigadier General,
Commanding General, AMG-Sicily



Societa Meridionale D. Elettricit  L. 125,000,000 - Napoli



Societa
Generale
Pugliese
di
Elettricit 
L 100,000,000
78% S.M.E.
22% Public

Societa
Elettrica
Delle
Calabrie
L 25,000,000
80% S.M.E.
20% Public

Societa
Lucana
per
Imprese
Idroelettriche
Napoli
L 48,000,000
92% S.M.E.
8% Public

Unione
Esercizi
Elettrici
(Roma)
L 268,000,000
65% S.M.E.
35% Public

della
0,000

File this with
other papers of this
company

10-10-943

Societa Generale Pugliese di Elettrocita - Bari

Bari (Ing. Guido Cerillo - Director
(Dott. Henke-Roberto - Vice Director
(Ing. Tullio Ortensi - Chief Engineer

Board of Directors - (See annual report of 1942)

Division : 1. Foggia - Ing. Lazzaro
2. Bari - Ing. Vacirca
3. Taranto - Ing. Villari
4. Lecce - Ing. Antozosi

Societa Elettrica delle Calabrie

Catanzaro Ing. Giorgio Andreatto - Director
Dott. Fabiani Domenico - Vice Director
Ing. Bellantonio Vincenzo - Chief Engr.

Board of Directors (See annual report of 1942)

Division : 1. Cosenza - Ing. Mastrangelo
2. Catanzaro - Ing. Pachi
3. Reggio Calabria - Ing. Simonetta

10-10-943

Societa Lucana per Imprese Elettrotecniche Napoli

Potenza { Ing. Trama Gabriele - Director
 { Ing. Augusto Croce - Chief Engr.

Board of Directors -(See annual report of 1942)

Division : Only 1 division - at Potenza

Unione Esercizi Elettrici

Roma { Ing. Carlo Fascetti Director Generale
 { Dott. Attilio Russo Chief of Finance & Accounting
 { Ing. Domenico Tolomei Chief Engineer

Board of Directors : (See annual report of 1943)

Division : 1. Pescara - Sig. Andreini
 2. Ancona - Ing. Colombati
 3. Aquila - Ing.
 4. Ascoli Piceno - Ing. Vissani
 5. Perugia - Ing. Colizzi
 6. Viareggio - Ing.
 7. Chiavari - Ing. Ricci

IC-IO-843

1. Società Forze Endogene Napoletane
Handled by Staff of S.N.E.
Napoli
2. Compagnia Napoletana del Gas
Sig. Edmondo Henny - Director
Napoli
3. Società Meridionale del Gas
Ing. Alberto Martini - Director
Napoli
4. Società Bonifiche e Irrigazioni
Ing. Pietro Casini - President. Roma
Ing. Paolo De Luca - Director
Office in Bari
5. Società Elettrocarri
Ing. Carlo Miranda - In charge
Napoli
6. Officine Costruzioni Elettriche Riparazioni Napoletane
Ing. Giulio Chinaglia - Director
Napoli
7. Società Meridionale Metano
Handled by staff of Società Meridionale Del Gas
Napoli
8. Società Macchine Agricoltare
Handled by Ing. Carlo Miranda
Napoli . "

Societa Meridionale D. Elettrocita

10-10-943

(Ing. Giuseppe Genzato - President.
 (Ing. Gerolamo Magliano - Cent. Dir. of Subsidiaries, Electric
 Naples (Ing. Stefano Brun - Cent. Dir. of Administration, Electric Parallel
 (Dott. Arturo Ferrari - Cent. Dir. of Finance & Accounting, (all
 subs
 Ing. Tullio Masturzo - Condirettore Centrale - Chief Engineer,
 Electric

Board of Directors - (see annual report of 1942-1943)

Societa Elettrica della Compagnia - Napoli

Naples Ing. Antonio Montefusco - Director
 Ing. Marcello Rodino - Vice Director
 Ing. Luigi Maschi - Chief Engineer

Board of Directors - (See annual report of 1942-943)

Divisions: 1. Salerno Ing. Aldo Manacchi
 2. Torre Annunziata - Ugo Buttari
 3. Prattamaggiore - Ing. Modugno
 4. Caserta - Ing. Volpe
 5. Campobasso - Ing. Parlo
 6. Benevento - Ing. Moroso
 7. Avellino - Ing. Longobardo
 8. Formia - Ing. Cirella

SOCIETA MERIDIONALE DI ELETTRICITA

NAPLES

FISCAL YEAR 1942-43

SOCIETA MERIDIONALE DI ELETTRICITA

NAPLES

REGULAR GENERAL MEETING

of June 12, 1943 - XXI

44th Fiscal Year

(1942-43)

BOARD OF DIRECTORS

FOR THE FISCAL YEAR 1943-44

(see book)

ORDER OF THE DAY

1. Report of the Board of Directors.
2. Report of the Board of Trustees
3. Financial statement to March 31, 1943 - XXI and discussions pertaining thereto.
4. Determination of the number of members of the Board and appointment of Administrators.
5. Election of Trustees.

REGULAR GENERAL MEETING

of June 12, 1943 - XXI

44th Fiscal Year

(1942-43)

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FOR THE FISCAL YEAR 1943-44

(see book)

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5. Election of Trustees.

REPORT OF THE BOARD OF DIRECTORS :-

Gentlemen Shareholders:

The continuation of the war and its changing picture place more and more into the light the indomitable courage and the calm spirit of sacrifice of our soldiers, as also the iron resistance of the internal front: in first line that of work.

The Italian people has unchanging faith in victory, because it knows it is fighting for a just cause and for a better European order; therefore it is in keeping with a close urge of our souls to start our labours, raising our thought to those who have fallen, soldiers and civilians, who have become one in the same terrible vastness of the conflict.

XXI

In the report which we presented for the previous year, we had

13
 occasion to point out to you the impossibility to sum up in a few lines the changeable characteristics of the industrial activities of our Group during the year, and limited ourselves to sum up the outlines with a few remarks of general character: this also in view of the necessary reserve which we must maintain on a large part of our activity.

Similar considerations must obviously also be taken into account in beginning our report on the past business year, which not only felt the difficulties to be expected from any state of war, but which also took place under the increase of direct war attack, which has hit and continues to hit the city of Naples as well as many other zones served by our Group.

✓ The damages of patrimonial character which it has caused in our installations cannot be considered considerable and have always everywhere been properly met; instead those of functional character have sometimes faced our services with a hard test, but they have always responded fully to the necessities of the situation and the expectations of the Authorities.

Among the difficulties of more general character especially those respecting the availability of power are to be recorded. The emergency situation which took place in Northern Italy, of which we informed you in our last report, and which caused the sending towards the North of a part of our production, has this year been almost reversed. Beginning last Fall the crisis interested above all Central-Southern Italy, where lack of rains and unfavorable climatic conditions have considerably diminished production possibilities. The phenomenon has been less pronounced in our plants and has in every case been compensated by the entry into service of the new great hydro-electric installation on the Pescara, while it became worse with our principal buyer, rendering necessary important transfers of energy from Northern

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In December, on the other hand, our Group has suffered an interruption of certain length in an important group of electric works, due to a service incident not directly traceable to war events, but to be attributed to that complex of circumstances, which at this time renders more delicate, and at times also precarious, the functioning of our plants.

818

To complete the panorama of the activities of the Group during 1942-43

we must also refer to all the other difficulties which today are confronting our

management: difficulties of personnel(principally due to recalls to the Services and consequent replacements), supply of materials and above all transport, which has stamped our business with that character of emergency to which we have already referred: these are however difficulties which arise more or less in all the economic activities of the Nation, and are therefore met daily by each of you, so that we consider superfluous to go into details.

Instead, our sales have still had favourable characteristics, there having increased during the period in question demands for light consumption and other domestic appliances, as far as possible under present contingencies, while sales for power have shown a nice increase.

X X X

Since the completion of the Fourth Dam Pescara, which we made known in last year's meeting, our work offices have devoted all their activities to the construction of the installations Sangro (3rd Dam) and Lucone, as also to the construction of new substations and new power lines, become necessary by the continuous increase of our sales.

The work ~~for~~^{on} the Lucone, which had been initiated by the Società per le Forze Idrauliche della Sila, has been continued directly by us as fast as possible in view of supply of materials, hiring of the labour required, and the peculiar situation in the zone where the work takes place. The work on the Sangro development instead is conducted, in cooperation with our technical staffs, by the Consortium which we have formed together with the Society Terni, with which as you know we have a special agreement in regard to this undertaking.

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Always considering the present situation and within the limits of available ^{allied} means, all our Companies have carried on in the course of the business year a considerable activity, which in the electric field can be sufficiently appreciated by indicating the new subscribers (about 172.000 units).

We proceed now, as has become customary for several years in our report, to review the industrial and economic activities of our most important Distributing Companies, as also other business in which ^{we}are interested.

815

The circumstances referred to above regarding our inability to give details and statistical data, and the fact that the year 1942 has been carried on by our Distributing Companies under similar characteristics, force us to omit this time detailed information on every single Company and limit ourselves to combined consideration.

We can state at once that the already referred to shortage of power has had only a partial influence on this part of our Group, ~~EXCEPT~~ as the occurrence of consequent limitations, has been larger, under the prevailing conditions, in the field of large-scale sales attended to by us directly.

Faced with difficulties of general character and multiple new burdens, the business of our Distributing Companies has instead profitted from the larger return in Lire, due to the remarkable acquisition of new light outlets.

Matters being so, the statements of the Companies referred to have all closed with favourable results, which have made it possible for each to leave dividends unchanged (except for the Unione Esercizi Elettrici, where it has been possible, in view of the sacrifices formerly imposed on the shareholding capital, to raise for 1942 to 7%, which is the maximum allowed under present laws), in some cases increasing the figures for amortization, to initiate the adjustment ^{to} the real state of the installations and the changed cost situation. We must however point out that this increase has been substantially neutralized by the reduction in maintenance work which the Companies have been compelled to adopt, due to lack of materials, transport

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Also for the Gas Distributing Companies (Compagnia Napolitana del Gas e Compagnia Meridionale del Gas) it can be said that 1942 unfolded with normal characteristics. However, we cannot hide the fact that these two Companies suffered in the first few months of the month in question from production difficulties and above all from sales contractions, which are in some places very pronounced and such as to cause considerable economic consequences.

Instead a favourable prognosis can be pronounced on the development of the activities carried on by our industrial undertakings of more recent origin. The Società Forze Endogene Napoletane indeed, while continuing its studies and work for more important realizations, is now nearing the completion

814

10

of the installations for the electrical supply of the island of Ischia. The Societa Meridionale Metano has already since several months begun the sale of a gas carburant, in consequence of the favourable and rapid outcome of some of its research. The Societa Meridionale Elettrocarri has seen fully confirmed the expectancy of useful and remunerative labor in the field of transportation, which induced us, together with other groups of friends, to take the initiative thereof. As regards finally the Officina Costruzioni Riparazioni Elettromeccaniche Napoletana, we can state that from the figures of its statement to 31 December last results an appreciable increase of its work and an improved economic return.

X X X X

The various provisions -- as stated in the previous meeting-- which we considered opportune to adopt in favor of our personnel, as a tangible expression of our satisfaction for their arduous work and recognition of ~~their~~^{the} truly meritorious^{efforts} (in some cases even of exceptional character) which they devote to assure the normal continuation of our work, have been further developed in the course of the year, notably in the Help field. With us, as with all the other Companies of the Group, the work of Food Distribution and the operation of the Tables have been pushed to the utmost as here it is a question of an undertaking, which while particularly burdensome, ~~is~~^{is} undoubtedly of utmost importance for the individual participants. And at the same time the various measures previously in force or some new have been increased more and more, all intended either for the physical wellbeing of our employees and their families, or to relieve economic difficulties.

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Finally we did not fail in contributing in the largest measure financially to the activity of our "Dopolavoro" and complete compliance (and often also larger, as for example in the case of the Twenty Year Fund and checks to the families of the men called to the Forces) of every provision of the regime in favor of the workers in general and of that part among them more directly touched by the war.

X X X

81

There having become effective in December last the mergers of Companies decided upon in the previous Meeting, the Statement which we have drawn up for the business year ended March 31st last, presents considerable variations compared to the one which immediately preceded it, especially due to real estate and financial assets of the defunct Società per le Forze idrauliche della Sila. To these changes have been added those inherent in the business carried on by us during the year under consideration, and of all this you will learn by the short remarks, which, as usual, we are going to make on the various components of the statement itself.

PLANTS -- The total has been increased by Lire 772.100.322, which is to be attributed to the plants in operation or to the warehouses, because the capital for plants under construction and preparation presents instead a reduction, due to entry into operation and consequent accounting changes of the new Pescara Plant and of other minor installations (lines and substations).

With the addition of the Società Sila a total of L. 724,687.540 have been added to our Plant account, of which L. 716.698.561, for plants and L. 7,988.979 for warehouses.

The balance of L. 45,628.719 of plants under construction includes on the other hand, the sums up to now allotted for the Lucone project, also those spent for the already mentioned Consorzio Idroelettrico del Sangro for the development of its program.

As regards, as mentioned above, the total of property damages suffered by us due to war, which (up to now) have been of slight importance, we believe it best to inform you that their economic effects have not been taken into consideration upon the drawing up of the plant inventory, due to the applications submitted for ~~KRM~~ corresponding compensation.

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STOCKS AND BONDS - With the cancellation, which has taken effect, in our participation in the Società Sila and in others (STAR and "Bussento") which we have combined with ours, the holdings as of 31 March last of our Portfolio Holdings has been considerably reduced. Other reductions have occurred for payments on bonds, while some increases are found in the Department of Company holdings and in State obligations; this latter is due to our participation, as in the past, in the issues of Treasury Bonds during the course of the year. 812

In sum total, the account of our Stocks and Bonds presents up to 31 March last

a balance of L. 490.850.896, which is L. 129.907.224 less than the one of last year.

Although superfluous, we add that the basic valuations of our various shareholding investments have not been changed in any way by virtue of Stock Market fluctuations.

VARIOUS DEBTORS - Under this account also this year a reduction (L. 46,644.865) is to be noted, which is due entirely to financing accounts of Companies in our Group, because the real and proper debits have instead been increased by the sum of L. 17.777.776.-

To the reduction of "intergroup" financing has contributed naturally the merger of the Societa Sila, but reductions of a certain importance are also to be noted in other accounts of our Distributing Companies, while those for other Companies, which are in the stage of development (for instance COREN and Forze Endogene Napoletane) are increasing.

And finally as regards the various bona-fide debits, the above indicated increase is due to some delays occurring in the collection of bills to Public Enterprises or large users of power, because no other change worthy of special comment has taken place in all other bookkeeping entries under that heading.

RESERVES AND AMORTIZATION.- The conspicuous amount (L. 1.252.455.502) which in our statement stands opposite the Company assets (to which are added the bookkeeping profits of stock investments) is for the most part due to the Ammortization ~~XXXXXXXXXX~~ and Renewal Fund and to the reserve for monetary equalization. The origin of this latter account, to which has been added this year the amount of L. 229.292.883, which was present in the statement

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817

OBLIGATIONS AND LOANS AT LONG EXPIRATION DATE- With the assumption on our part of debits for obligations, and towards the Istituto di Credito per Imprese di Pubblica Utilita, which the Society Sila had undertaken, the balance of this account stands at L. 586.201.669, which is arrived at after deduction for payments due during the course of the period.

VARIOUS CREDITORS - By the terms of the laws of war, sums due by us for amortization and interest on our foreign obligations 7% must be deposited with the Bank of Italy. For the last amounts due, such deposit was made after the close of the statement, so that the relative amounts were contained as of March 31st among this account and help to bring about an increase of L. 71.611.281, which it shows compared to to the previous year. Another part of the increase is due to higher debits of financial character, also the usual reserves for unforeseen contingencies (interest rates, taxes, etc.) in the course of liquidation, arrangements for distribution of personnel to be dismissed and finally, increase in the assistance funds for same.

XXX

Passing over to an examination of the Profit and Loss Account we note above all, that, always in connection with the repeatedly mentioned merger operations, this year there is contained therein a special amount, which represents the profits (as already stated after deduction of depreciation) of the Societa Sila and of the other minor ones up to the going into effect of the merger act. From that date, all the revenue and expenses of the merged Companies obviously became ~~XXXXXX~~ part of our business account; which makes hardly very easy a comparison in detail with our various positions

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Sum total the Profit and Loss Account closed with an active balance of L.112.239.529.18, which is all for business profits, the profits brought forward from previous years, which amounted to L.2.470.035.52, having all been utilized, according to your decision, for the purchase of shares of our Company required for exchange of shares in connection with the mergers. We consider that this result can be considered satisfactory, even if it includes the income for 15 months (instead of the normal 12) of the plants handed to us by the Societa Sila, because the charges of 1942-43 for all that which referred to personnel expenses, business in general and taxes have all considerably increased

in proportions too well known to require further comment; we shall merely point out that for taxes (and especially for the stock exchange tax) we have had during the business year just closed a higher burden of well over L. 6.500.000.-

Further must be pointed out, although this does not qualify for comparison with last year, as during it there were already similar charges, that we have had further very large outlays for contingencies, either for passive protection of plants, as for all other measures which we considered proper to gradually adopt for the defense of your property and safeguarding of our office and service activities. As regards more especially the personnel, independently from what we have done for its safety(obviously within the limits of possibility), we must also record that a part of the increase in expenses has been due to what has been done, as already reported to you, in the field of assistance.

X X X

The profit of the business year 1942-43, contained in the accounts which we submit to your approval, are as usual with the inclusion of depreciation to be made for the year itself. In this respect, if it should be desired, as we propose, to continue the payment of a dividend similar to the one paid previously, we have available this year the sum of L. 32.000.000, which is highly necessary considering that to the amortization of the past year there will be added those of the former Silarid establishments for the trimester January-March of this year(and that is for the period of our direct management) and those for new plants entered into service(and more

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evident when it is considered, that in front of higher direct and indirect business costs, and the costs for new installations no longer comparable with the plans made at the proper time, there is up to now a complete standstill of all our sales tariffs, which cannot be revised, in the interest of the hydro-electric development of the Country, as soon as circumstances will permit.

With these forewords and opinions which we believe will be shared by you, the department of profits of the year 1942-43, could, under the terms of law and statutes, be determined as follows:

---Amortization and Renewals	L. 32.000.000
---Legal Reserve	" 4.011.976.46
---Board of Directors	" 762.275.52
---Dividend (7.40%)	" 74.925.000.-

carrying forward the small balance of " 540.277.20

Considering payment be already made for a share, the dividend,

1942-43, due for each share under the above distribution, amounts to L.10.50

for those entirely paid up, and L.105 for those partially paid(all less coupon tax) and can be paid beginning on the 14th.inst.

X X X X

Should you decide, as we propose, to leave unchanged for the present business year the number of members of your Board, the appointment of Administrators foreseen by the Order of the Day of your meeting refers solely to the confirmation or substitution of members of the Board, which ~~will be~~ ^{is}

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The same Order of the Day foresees then your deliberation in regard to the Board of Trustees. This latter is still in charge, but the Trustee Dott. Ermete Fiorini has asked us to present to you his resignation due to professional reasons which did not permit us to obtain a reversal of his decision. Therefore you will wish to proceed to the appointment of who will replace him ^{and} ~~and~~ with us in sending to Dott. Fiorini our most cordial thanks for the very useful work which he has done for our Company during his mandate.

BOARD OF DIRECTORS.

REPORT OF THE BOARD OF TRUSTEES.

Gentlemen Stockholders:

In reverence we associate ourselves with the noble expressions which your Board of Directors has expressed for our Combatants who on all fronts hold high the name and prestige of our Country for the affirmation of those principles of justice which Rome has always dictated to the world.

The draft of the statement which your Board of Directors submits for your approval, is presented with the following entries:

ASSETS

Plants	L. 2.410.490.182,28
Stocks and Bonds	490.850.896.89
Other Assets	430.719.239.82
Stockholders for Installments still to be paid up	<u>112.500.000.-</u>

L. 3.444.560.318,99

LIABILITIES

Capital	L. 1.125.000.000.-
Reserve Funds	114.376.839,88
Reserve for monetary equalization	425.597.660,66
Amortization & Renewal Fund	712.480.952,45
Consolidated Obligations & Debits	586.201.669,60

In reverence we associate ourselves with the noble expressions which your Board of Directors has expressed for our Combatants who on all fronts hold high the name and prestige of our Country for the affirmation of those principles of justice which Rome has always dictated to the world.

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Stocks and Bonds	490.850.896.59
Other Assets	430.719.239.82
Stockholders for Installments still to be paid up	<u>112.500.000.-</u>

L. 3.444.560.318,99

LIABILITIES

Capital	L. 1.125.000.0000.-
Reserve Funds	114.376.889,88
Reserve for monetary equalization	25.597.660,66
Amortization & Renewal Fund	712.480.952.45
Consolidated Obligations & Debits	586.201.669.60
Other liabilities	<u>368.663.617.22</u>

L. 3.332.320.789,81

with an operating profit (as per Profit & Loss account)

112.239.529,16

L. 3.444.560.318,99

and with the inclusion of Order Accounts of

281.299.957.79

L. 3.725.860.276.69

Examining the Company's books we have noted the correctness and exactness of entries relative to the incorporation into your Company of the following other: a) Società per le Forze Idrauliche della Silla, Naples, with a capital of L.140.000.000.-; b) ^{Società} Trasporti Automobilistici Riuniti, Naples, with ^{capital} 807

of L. 600.000, ; c) "Bussento", Soc. Italiana di Imprese Elettriche, Naples, with a capital of L. 50.000.-

During the year we have taken part in the meetings of the Board of Directors and carried on periodic examinations, always finding a perfect functioning of the accounting, Paying and Receiving Department, and the other administrative Departments.

Thanks to the prudent work of your Board of Directors and the zeal of your personnel of every kind and rank, the Company, also this year, in spite of the heavy difficulties connected with the particular situation in the Regions where it operates, has been able to assure the normal functioning of all its services.

All entries, either of the property situation, or the Profit and Loss account of the Statement Draft which has been submitted to you, have been found fully in accordance with the results of the entries and the Company's books, and, therefore, we suggest approval of said Statement draft.

We are also in accord with the proposal made by your Board of Directors regarding the distribution of profits, where an amortization of L. 52.000.000 is proposed, compared to L. 25.000.000 of last year, with an increase for that purpose of L. 7.000.000-, due to amortization of the new plant Pescara entered into service in May of 1942 and that of the Silani plants for the period under direct management by your Company. The amortization and renewal fund rises in this manner to L. 744.480.942,45

Naples, May 1943 - XXI

The Trustees.

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We are also in accord with the proposal made by your Board of Directors regarding the distribution of profits, where an amortization of L. 32,000,000 is proposed, compared to L. 25,000,000 of last year, with an increase for that purpose of L. 7,000,000, due to amortization of the new plant Pescara entered into service in May of 1942 and that of the Silani plants for the period under direct management by your Company. The amortization and renewal fund rises in this manner to L. 744,480,942,45

Naples, May 1943 - XXI

The Trustees.

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(Look in Booklet for translations of terms of
Balance Sheet and Profit and Loss Account)

(Pages 19-25)

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
(Page 27)

Resume of Decisions taken by the Regular

General Meeting of Stockholders on 12 June 1943- XXI

Present or represented 115 stockholders with 2.803.384 shares
and voted 2.803.384.

1. Approved are the reports of the Board of Directors and the Board of Trustees.
2. Approved are the statement and Profit and Loss Account as of March 31, 1943,
as presented by the Board of Directors.
3. Out of profits will be taken the sum of L.32.000.000 for amortization and
renewals. The remainder of profits of L. 80.239.529,18 will be distributed
as follows:

Legal Reserve Fund	L. 4.011.976,46
Dividend 7.40%	" 74.925.000.-
Board of Directors	" 762.275,52
Brought forward	" <u>540.277,20</u>
	L. 80.239.529,18

4. Taken into account the dividend account (L.8 per share on entirely free
shares and L.0.80 per share on shares paid up one tenth) paid in January
last, the dividend balance (L.10.50 on shares entirely free and L. 1,05

General Meeting of Stockholders on 12 June 1943- XXI
Present or represented 115 stockholders with 2,803,384 shares
and voted 2,803,384.

1. Approved are the reports of the Board of Directors and the Board of Trustees.
2. Approved are the statement and Profit and Loss Account as of March 31, 1943, as presented by the Board of Directors.
3. Out of profits will be taken the sum of L. 32,000,000 for amortization and renewals. The remainder of profits of L. 80,239,529,18 will be distributed as follows:

Legal Reserve Fund	L. 4,011,976,46
Dividend 7.40%	" 74,925,000.-
Board of Directors	" 762,275,52
Brought forward	" <u>540,277,20</u>
	L. 80,239,529,18

4. Taken into account the dividend account (L. 6 per share on entirely free shares and L. 0.80 per share on shares paid up one tenth) paid in January last, the dividend balance (L. 10.50 on shares entirely free and L. 1.05 on shares paid up one tenth, less deduction for coupon tax) will be paid starting June 14, 1943 against presentation of coupon No. 33 for shares entirely free, rendered valid stamped on the back, and against proper notation on the valid full-paid and one-tenth paid certificates.
5. The number of members of the Board of Directors is confirmed as 15 and as Directors have been appointed: Beneduce Prof. Alberto, Guarneri prof. Felice, Giordani prof. Francesco, Marchesano avv. Enrico and Signorini Paolo.
7. As active Trustee has been elected the lawyer Cesare Padovani, replacing the resigning Trustee Dr. Erneste Fiorini.

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