

# sec news digest

Issue 81-119

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## RULES AND RELATED MATTERS

## U.S. SECURITIES AND EXCHANGE COMMISSION

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### PROPOSED AMENDMENTS TO PRIMARY OFFERINGS BY MULTINATIONAL BANKS

The Commission has authorized the publication of proposals to amend the exemptive regulations for the securities of the International Bank of Reconstruction and Development, the Inter-American Bank, and the Asian Development Bank. The proposed amendments would permit these Banks to sell their securities immediately upon filing certain information with the Commission instead of waiting a period of seven days.

Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, on or before July 24 and should refer to File No. S7-887. All comments will be available for public inspection. (Rel. 33-6322)

FOR FURTHER INFORMATION CONTACT: Ronald Adee at (202) 272-3250

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## ADMINISTRATIVE PROCEEDINGS

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### ARTHUR ANDERSEN & CO. SANCTIONED

The Commission today issued an Opinion and Order in administrative proceedings against Arthur Andersen & Co. (AA & Co.), a partnership engaged in the practice of public accounting. The proceedings, instituted pursuant to Rule 2(e) of the Commission's Rules of Practice, arise out of audits of the 1971 and 1972 financial statements of Mattel, Inc., a major toymaker, and of the 1971-1974 financial statements of Geon Industries, Inc., an importer and distributor of foreign car replacement parts. The Opinion and Order which censured AA & Co. discusses five general problems which affected AA & Co.'s audits of Mattel and Geon during the years in question and caused various specific audit deficiencies addressed therein. AA & Co. submitted an Offer of Settlement in which it consented to the issuance of the Opinion and Order without admitting or denying any statements or conclusions contained therein. (Rel. 34-17878)

### ARTHUR ANDERSEN & CO. FILES LETTER

The Commission today announced that it had requested by a letter dated June 9, 1981, that Arthur Andersen & Co. (AA & Co.) explain how the practices, procedures and policies it had developed apply to certain hypothetical situations involving questionable and improper payments by public companies which may be involved in business overseas. Copies of the Commission's letter and AA & Co.'s response are available in the Commission's Public Reference Room. (Rel. 34-17879)

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## COMMISSION ANNOUNCEMENTS

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### STOCK OFFERINGS AN IMPORTANT FACTOR AS NEW ISSUE ACTIVITY REMAINS HIGH IN FIRST FOUR MONTHS OF 1981

Total proceeds to issuing companies from new securities offerings amounted to \$22.9 billion in the first four months of 1981, down only slightly from the \$23.6 billion raised in the similar period in 1980. The bulk of these funds was raised in public offerings registered with the Commission (\$20.1 billion or 88 percent of the total). In fact, proceeds from registered offerings rose by \$2.9 billion (or 17 percent) from the \$17.2 billion of registered offerings in the first four

months of 1980. Other public offerings, exempt from registration with the Commission, rose modestly in absolute terms in comparison with the year-earlier period. Proceeds from these offerings amounted to \$731 million, up from \$363 million in 1980's first four months. Funds raised through private placements, as measured by the Commission's survey of private placement purchasers, came to \$2.1 billion in the January-through-April period. In the similar period in 1980, private placements amounted to \$6.0 billion.

Registered offerings of unseasoned common stock are a major factor in the primary securities market activity. The 162 such offerings, by corporations not previously reporting to the Commission, were valued at \$1.0 billion in the first four months of 1981. In comparison, there were 48 such offerings (valued at \$164 million) in the first four months of 1980. Moreover, the 162 unseasoned stock offerings outnumbered the 144 offerings of seasoned stock, a phenomenon which has occurred infrequently since the early 1970's.

Registration and offering developments are detailed in the Commission's Monthly Statistical Review. This publication is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, at an annual subscription price of \$19.00. (Press Release 81-27)

FOR FURTHER INFORMATION CONTACT: Virginia Monacelli at (202) 523-5629

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## INVESTMENT COMPANY ACT RELEASES

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### NATIONWIDE LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until July 14 to request a hearing on an application of Nationwide Life Insurance Company and its MFS Variable Account, registered under the Investment Company Act of 1940 as a unit investment trust, pursuant to Section 11 of the Act, for an amended order approving certain offers of exchange, and pursuant to Section 6(c) of the Act, for an order amending certain exemptions previously granted from Sections 2(a)(32), 2(a)(35), 22(c), 26(a)(2)(C), 27(c)(1), 27(c)(2), 27(d) and Rule 22c-1 of the Act, insofar as such exemptions are necessary to permit the issuance of variable annuity contracts with a contingent deferred sales charge. (Rel. IC-11821 - June 19)

### MUNICIPAL FUND FOR TEMPORARY INVESTMENT

A notice has been issued giving interested persons until July 14 to request a hearing on an application filed by Municipal Fund for Temporary Investment (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, for an order pursuant to Section 6(c) of the Act, exempting Applicant from the provisions of Section 12(d)(3) of the Act to the extent necessary to permit Applicant to acquire rights to sell its portfolio securities to brokers or dealers, such rights commonly referred to as "puts," and from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit Applicant to value puts acquired from banks, brokers or dealers in the manner proposed. (Rel. IC-11822 - June 19)

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## SECURITIES ACT REGISTRATIONS

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The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form; Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; File number and date filed; Assigned Branch; and whether the registration statement is a New Issue.

- (S-18) EXECUTIVE CENTERS, INC., 2300 West Oakland Park Blvd., Suite 202, Ft. Lauderdale, FL 33311 (305) 485-7080 - 3,900,000 shares of common stock. The company intends to purchase raw land, plat the land, sell sites ready for user builders, for the purpose of construction of industrial and commercial buildings and homes. (File 2-72831-A - June 17) (Br. 5 - New Issue)
- (S-8) M. LOWENSTEIN CORPORATION, 1430 Broadway, New York, NY 10018 (212) 930-5811 - 150,000 shares of common stock. (File 2-72838 - June 18) (Br. 8)

- (S-2) NUCLEAR & GENETIC TECHNOLOGY, INC., 172 Brook Ave., Deer Park, NY 11729 - 20,000,000 shares of common stock. Underwriter: Brooks, Hamburger, Satnick, Inc., 80 Broad St., New York, NY 10004 (212) 344-9515. The company has had no operations and does not have any material assets. The company proposes to conduct research in genetic engineering, monoclonal antibody production and radiopharmaceutical development, among other things. (File 2-72849 - June 18) (Br. 8 - New Issue)
- (S-16) ABBOTT LABORATORIES, Abbott Park, North Chicago, IL 60064 (312) 937-6100 - 733,000 common shares. The company is engaged in the development, manufacture and sale of a broad and diversified line of human health care products. (File 2-72852 - June 19) (Br. 4)
- (S-8) TEXAS GENERAL RESOURCES, INC., 3050 South Post Oak Rd., Suite 200, Houston, TX 77056 - 748,350 shares of common stock. (File 2-72853 - June 19) (Br. 4)
- (S-1) ENERGY MERCHANTS CORP., One State Street Plaza, New York, NY 10004 - 1,000,000 units. Underwriter: Weinrich-Zitzmann-Whitehead, Inc. (File 2-72854 - June 19) (Br. 10 - New Issue)
- (S-8) JOHNS-MANVILLE CORPORATION, Ken-Caryl Ranch, Denver, CO 80217 (303) 978-2000 - 1,500,000 shares of common stock. (File 2-72855 - June 19) (Br. 7)
- (S-14) CIMARRON CORPORATION, 1120 One Energy Sq., 4925 Greenville Ave., Dallas, TX 75206 (214) 363-9964 - 4,087,900 shares of common stock. (File 2-72856 - June 19) (Br. 4)
- (S-16) NEW YORK STATE ELECTRIC & GAS CORPORATION, 4500 Vestal Pkwy. East, Binghamton, NY 13902 (607) 729-2551 - \$75 million of first mortgage bonds, % Series due 2011. Underwriters: Salomon Brothers, Lehman Brothers Kuhn Loeb Incorporated, and Merrill Lynch White Weld Capital Markets Group. The company is engaged in generating, purchasing, transmitting and distributing electricity and gas. (File 2-72857 - June 19) (Br. 7)
- (S-6) THE MUNICIPAL BOND TRUST, SERIES 89 AND SERIES 90, 140 Broadway, New York, NY 10005 - 15,000 units (each Series). Depositor: Paine, Webber, Jackson & Curtis Incorporated. (File 2-72859 and 2-72860 - June 19) (Br. 16 - New Issues)
- (S-14) BWC FINANCIAL CORP., 1400 Civic Dr., Walnut Creek, CA 94596 (415) 932-5353 - 360,000 shares of common stock. (File 2-72861 - June 19) (Br. 2 - New Issue)
- (S-14) METRO BANCHOLDING CORPORATION, 56 Crestwood Executive Center, Crestwood, MO 63126 (314) 842-2800 - 85,519 shares of first series, Class A preferred stock. (File 2-72862 - June 19) (Br. 1)

#### REGISTRATIONS EFFECTIVE

June 10: American Tax-Exempt Bond Trust, Series 50, 2-71675; American Telephone and Telegraph Co., 2-72601; Barclays North American Capital Corporation/Barclays Bank Limited, 2-71497; Computer Resources Inc., 2-71399; Dallas Power & Light Co., 2-71621; Foremost-McKesson, Inc., 2-72623; General Signal Corp., 2-72413; Gintel Fund, Inc., 2-70207; Irwin Union Corp., 2-72249; Madison Gas & Electric Co., 2-72438; National Medical Enterprises, Inc., 2-72580; Patlex Corp., 2-71177; Petra Resources, Inc., 2-71546; Portland General Electric Co., 2-72035; Vector Properties 1980, 2-70267; The Ziegler Co., Inc., 2-72432.

June 11: American Hospital Supply Corp., 2-72483; American Solar King Corp., 2-70645; Appa-Great Century Money Market Fund, Inc., 2-70273; CRA 1981 Drilling Programs A and B, 2-72237; Dreyer's Grand Ice Cream, Inc., 2-71841; Esquire, Inc., 2-72411; Ozark Air Lines, Inc., 2-72430; General Motors Acceptance Corp., 2-72696; Georgia Power Co., 2-72324 & 2-72326; LaSalle Street Futures Fund, 2-71818; Lowell Gas Co., 2-72725; Madison Gas & Electric Co., 2-72551; Mohawk Rubber Co., 2-72388; Municipal Investment Trust Fund, One Hundred Eighty-Second Monthly Payment Series, 2-72368; New York Municipal Trust, Series 16, 2-71797; Tax Exempt Securities Trust, Multi-State Series G, 2-72392.

**NOTICE**

Many requests for copies of documents referred to in the "SEC News Digest" have erroneously been directed to the Government Printing Office. Copies of such documents, registration statements, and other filings may be ordered by writing to the Public Reference Branch, Securities and Exchange Commission, Washington, D.C. 20549. When you are ordering more than one, we prefer that the documents be listed in alphabetical order by registrant name to expedite service. Cost estimates are given on request. Two types of service are available through the Public Reference Branch, one of which (priority service) is also available directly from the SEC's service contractor.

**REGULAR SERVICE** — The regular service reproduction cost is 10¢ per page, including applicable sales taxes, plus postage (\$5.00 minimum order). Regular service orders will be shipped within seven calendar days of the receipt by the SEC's service contractor of your request, forwarded from the Public Reference Branch. Slight delays may occur if the materials to be copied are not already in the contractor's master files.

**PRIORITY SERVICE** — Copies of documents may be ordered by telephone directly from the SEC's service contractor by calling 301/951-1350. The priority reproduction cost is 35¢ per page plus postage and applicable sales taxes (\$10.00 minimum order). Priority service orders will be shipped by 4:00 PM of the working day following the day of your telephoned request for materials already in the contractor's master files. Cost estimates are given on request.

All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: \$100.00/yr in U.S. first class mail; \$125.00 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$79.00/yr in U.S. first class mail; \$98.75 elsewhere.

SEC MONTHLY STATISTICAL REVIEW is published monthly. Subscription rates: \$19.00/yr in U.S. first class mail; \$23.75 elsewhere.

The News Digest, the Docket, and the Statistical Review are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.