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NOTICE OF COMMISSION MEETINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

CORRECTION RE DECEMBER 23 OPEN MEETING

In the News Digest dated December 18, under the heading "Notice of Commission Meetings," the two items listed for the open meeting to be held on Wednesday, December 23, are additional items to the previously published list on December 16.

COMMISSION ANNOUNCEMENTS

BOND OFFERINGS RISE IN OCTOBER
AS NEW ISSUER OFFERING AND FILING ACTIVITY REMAIN HIGH

Total primary corporate offerings in October of 1981 rose to \$5.3 billion, an increase of \$754 million (12 percent) from September's total of \$4.8 billion. October's higher total is due to an increase in public offerings registered with the Commission (\$5.0 billion versus \$4.1 billion in September) and a greater volume of public non-convertible bond offerings (\$3.6 billion versus \$1.9 billion in September). In addition, common stock offerings, in particular those of first-time issuers, remain historically high when measured by either the volume of offerings or the rate of new filings for offerings.

Registration and offering developments are reported in the Commission's Monthly Statistically Review, available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, at an annual subscription price of \$21.00. (Press Release 81-69)

FOR FURTHER INFORMATION CONTACT: William C. Dale at (202) 523-5629

CIVIL PROCEEDINGS

COMPLAINT NAMES VORNADO, INC.

The Commission announced on December 18 the filing of a civil injunctive action in the U.S. District Court for the District of Columbia seeking to enjoin Vornado, Inc., a New Jersey corporation, from further violations of the antifraud, periodic reporting, and proxy solicitation provisions of the securities laws and Rules 10b-5, 12b-20, 13a-1, 13a-13 and 14a-9 promulgated thereunder.

The Commission's complaint alleges numerous violations of the securities laws, including Vornado's misstatement of its results of operations over a number of years, the filing of false and misleading financial statements, the failure to disclose certain perquisites to its officers and the maintenance of an off-the-book cash fund for a period of years.

Without admitting or denying the allegations contained in the Commission's complaint, Vornado consented to the entry of a Final Judgment of Permanent Injunction (Final Judgment) against future violations of those provisions of the securities laws which the company was alleged to have violated. Vornado also agreed, pursuant to its Consent and Undertaking, to certain other equitable relief, including the future appointment of a person, to whom the Commission does not object, to become a director of the company who will serve on Vornado's audit committee and who, for at least a one year period, will be the chairman of that committee. Vornado also appointed a senior accounting officer.

No individuals were named as defendants in the Commission's complaint but Frederick Zissu, Vornado's Chairman of the Board, who filed an Undertaking with the Court acknowledging the applicability of the Final Judgment to him as an officer, director or agent of Vornado, and further undertaking that in connection with certain matters described in the complaint, his contractual compensation will not be increased through August 31, 1984. (SEC v. Vornado, Inc., U.S.D.C. D.C., Civil Action No. 81-3068). (LR-9531)

**WILLIAM R. BUNDY, OTHERS ENJOINED;
LITIGATION CONTINUING AGAINST MARION CHARLES BUCHANAN AND
CAYMAN INDEPENDENT PETROLEUM COMPANY**

The Commission announced that on December 18 it filed a complaint in the U.S. District Court for the Southern District of Indiana seeking injunctive and other equitable relief against William R. Bundy, Ernesto Ancira, Consolidated American Industries (CAI), Charles Marion Buchanan and Cayman Independent Petroleum Company (CIPCO).

The activities described in the complaint concerned the sale of securities purporting to be single-premium, insurance annuities (annuity instruments) of Kokomo National Life Insurance Company (Kokomo), a stock life insurance company located in Kokomo, Indiana, which presently is being liquidated by the Indiana Commissioner of Insurance. The complaint alleged that the defendants offered and sold these "annuity instruments" without registering them with the Commission, and made material misstatements concerning the status of the annuity instruments and the financial strength of Kokomo. The Commission also alleged that Bundy caused Kokomo's failure to file certain annual reports, and to make and keep accurate accounting books and records. Simultaneously, Bundy, Ancira, and CAI consented to the entry of Permanent Injunctions without admitting or denying the allegations of the Commission's complaint. The Court enjoined these defendants from further violations of the registration and antifraud provisions of the securities laws. Bundy was also enjoined from further aiding and abetting violations of the recordkeeping and accounting provisions as well as the filing requirements. The Court also ordered the defendants to refrain from making any claims on Kokomo's assets until all other claims are satisfied, and Ancira and CAI were ordered to make a rescission offer. Litigation against Buchanan and CIPCO is continuing. (SEC v. William R. Bundy, et al., U.S.D.C. S.D. Ind., Civil Action No. IP81-1350C). (LR-9532)

INVESTMENT COMPANY ACT RELEASES

LINCOLN NATIONAL PENSION INSURANCE COMPANY

An order has been issued on an application by Lincoln National Pension Insurance Company and Lincoln National Pension Variable Annuity Account C, registered under the Investment Company Act of 1940 as a unit investment trust, pursuant to Section 6(c) of the Act, exempting Applicants from the provisions of Sections 2(a)(32), 2(a)(35), 22(c), 22(e), 26(a), 27(c)(1), 27(c)(2), and 27(d) of the Act and Rule 22c-1 thereunder to the extent necessary to permit the transactions described in the application and pursuant to Section 11 of the Act, approving certain offers of exchange. (Rel. IC-12113 - Dec. 17)

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

An order has been issued on an application filed by Merrill Lynch, Pierce, Fenner & Smith Incorporated, Dean Witter Reynolds Inc., Bache Halsey Stuart Shields Incorporated and Shearson Loeb Rhoades, Inc. (Applicants), pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicants from the provisions of Rule 22c-1 under the Act to the extent necessary to permit Applicants to offer units of fractional undivided interest of each future short-term series of The Corporate Income Fund at the public offering price determined as of 3:30 p.m. on the business day preceding receipt of a purchase order for the first five business days of the initial offering period for each future series, or to the end of the business day in which 80 percent of the units of such series initially offered have been sold, whichever occurs sooner. (Rel. IC-12115 - Dec. 18)

UNION ACCEPTANCE COMPANY

A notice has been issued giving interested persons until January 11, 1982 to request a hearing on an application of Union Acceptance Company (Applicant), registered as a closed-end, diversified, management investment company, for an order pursuant to Section 8(f) of the Investment Company Act of 1940 declaring that Applicant has ceased to be an investment company. (Rel. IC-12116 - Dec. 18)

HOLDING COMPANY ACT RELEASES

THE SOUTHERN COMPANY

A supplemental order has been issued correcting an error in the name of a new subsidiary of The Southern Company, a registered holding company, in the order issued December 14, 1981, authorizing and releasing jurisdiction over contracts between the new subsidiary and its associate companies. The name of the new subsidiary is Southern Electric International, Inc. (Rel. 35-22315A - Dec. 18)

NEW ENGLAND ELECTRIC SYSTEM

An order has been issued authorizing New England Electric System, a registered holding company, to extend until December 31, 1982, the period during which it may issue and sell its short-term notes to banks up to an aggregate of \$50 million. (Rel. 35-22325 - Dec. 18)

SOUTHERN OHIO COAL COMPANY

An order has been issued extending from December 31, 1981 to December 31, 1986, the period within which \$130 million of bank borrowings must be prepaid by Southern Ohio Coal Company, subsidiary of Ohio Power Company and American Electric Power Company, Inc. (Rel. 35-22326 - Dec. 18)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until January 11, 1982 to comment on the application of Gerber Scientific, Inc. to withdraw its common stock (\$1 par value) from listing and registration on the American Stock Exchange, Inc. (Rel. 35-18347)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Midwest Clearing Corporation (SR-MCC-81-8) authorizing MCC to (a) modify the amounts of cash and securities which participants must contribute to MCC's participants' fund and (b) modify the manner in which interest earned on the participants' fund is allocated among the participants and MCC. (Rel. 34-18348)

NOTICE OF PROPOSED RULE CHANGE

The Pacific Stock Exchange, Inc. has filed a proposed rule change pursuant to Rule 19b-4 (SR-PSE-81-22) setting forth limitations on a specialist's liability for orders placed by a member firm where such member is due an execution but has not received an execution report. Publication of the proposal is expected to be made in the Federal Register during the week of December 21. (Rel. 34-18350)

SECURITIES ACT REGISTRATIONS

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-1) OHIO ENERGY FUND 1982 OIL & GAS PROGRAMS, 101 West Burnsville Pkwy., Burnsville, MN 55337 (612) 894-8800 - 10,000 units of limited partnership interest. (File 2-75371 - Dec. 17) (Br. 9 - New Issue)
- (S-16) CRYSTAL OIL COMPANY, P.O. Box 21101, 306 Milam, Shreveport, LA 71120 (318) 222-7791 - 200,000 shares of common stock. The company is engaged in exploration for and production of crude oil and natural gas, among other things. (File 2-75374 - Dec. 17) (Br. 3)
- (S-16) MERCK & CO., INC., P.O. Box 2000, Rahway, NJ 07065 (201) 574-4000 - \$40 million of % industrial revenue bonds, 1982 Series A. Underwriters: Goldman, Sachs & Co. and A. G. Becker Puerto Rico Incorporated. (File 2-75376 - Dec. 17) (Br. 4)
- (S-16) BALLY MANUFACTURING CORPORATION, 2640 West Belmont Ave., Chicago, IL 60618 (312) 267-6060 - \$100 million of % convertible subordinated debentures, due 2006. Underwriters: L.F. Rothschild, Unterberg, Towbin and Bear, Stearns & Co. The company is engaged in the design, manufacture, distribution and sale of coin-operated amusement and gaming equipment. (File 2-75379 - Dec. 18) (Br. 6)
- (S-1) YANKEE OIL & GAS INCORPORATED, 225 Franklin St., Boston, MA 02110 - 750,000 shares of common stock. Underwriters: E.F. Hutton & Company Inc., Ladenburg, Thalmann & Co. Inc. and First New England Securities Corporation. The company is engaged in oil and gas development drilling and production, well servicing, and oilfield operations. (File 2-75380 - Dec. 18)
- (S-14) CENTRAL CORPORATION, 300 Desiard St., Monroe, LA 71201 (318) 362-8500 - 462,000 shares of common stock. (File 2-75381 - Dec. 18) (Br. 1 - New Issue)
- (S-7) MARK TWAIN BANCSHARES, INC., 8820 Ladue Rd., St. Louis, MO 63124 (314) 727-1000 - \$15 million of % senior notes, due 1994. Underwriters: Burns, Pauli & Co., Inc. and Edward D. Jones & Co. (File 2-75382 - Dec. 18) (Br. 1)
- (S-12) IRVING TRUST COMPANY, One Wall St., New York, NY - 100,000 American Depositary Receipts for Hutchinson Whampoa Limited. (File 2-75386 - Dec. 18) (Br. 99 - New Issue)
- (S-7) FRANKLIN DISCOUNT COMPANY, 213 East Tugaloo St., P.O. Box 880, Toccoa, GA 30577 (404) 886-2107 - \$5 million of 9% senior demand notes. The company is a consumer finance company. (File 2-75405 - Dec. 17) (Br. 2)