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Issue 79-236

U.S. SECURITIES AND
EXCHANGE COMMISSION

December 7, 1979

RULES AND RELATED MATTERS

ADOPTION OF TECHNICAL AMENDMENTS TO THE PROXY REGULATIONS, REGULATIONS 14A AND 14C AND SCHEDULE 14A AND 14C

The Commission announced the adoption of technical rule and schedule amendments to the proxy rules by substituting the word "issuer" for the word "management" in Securities Exchange Act Release No. 16357 (November 21, 1979) to acknowledge the fact that it is the board of directors, and not management, which solicits proxies. The release published today makes additional technical amendments to the proxy regulations by substituting the work "issuer" for the word "management" in certain limited respects, and makes technical corrections to Securities Exchange Act Release No. 16357 in order to make Rule 14a-3 and Rule 14c-3 consistent in their use of the term "management". (Rel. 34-16409)

FOR FURTHER INFORMATION CONTACT: Amy L. Goodman at (202) 272-2597, G. Michael Stakias at (202) 272-2589, or Gregory H. Mathews at (202) 272-2644

COMMISSION ANNOUNCEMENTS

PUBLICATION OF STATEMENT CONCERNING CONSUMER AFFAIRS ACTIVITIES

The Commission is issuing a release to inform the public of the nature, scope, and future direction of its consumer affairs program. The release discusses five elements of the Commission's program -- the Commission's efforts to institutionalize the consumer perspective, the Commission's mechanisms for consumer participation in Commission decision-making, the Commission's dissemination of informational materials concerning its work, the Commission's program to educate and train its staff with respect to consumer interests, and the Commission's investor complaint handling procedures. In addition, the Commission is soliciting public comment concerning the effectiveness of its existing consumer affairs efforts and the specific points covered in the release. Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol St., Washington, D.C. 20549 on or before March 3, 1980 and should refer to File No. 4-228. (Rel. 34-16399)

FOR FURTHER INFORMATION CONTACT: Ann C. Stansbury at (202) 523-3952

CIVIL PROCEEDINGS

COMPLAINT NAMES SAMUEL E. WYLY, OTHERS

The Commission announced that on December 6 it filed a complaint for Permanent Injunction in the U.S. District Court for the District of Columbia against Samuel E. Wyly of Dallas, Texas, Raymond E. Shea of Worcester, Massachusetts and Eldon Vaughan of Dallas, Texas, for violations of the securities laws. Simultaneously with the filing of the complaint, Sam Wyly and Vaughan consented to the entry of Final Judgments of Permanent Injunction against them without admitting or denying the allegations in the complaint. The court entered Final Judgments against Sam Wyly and Vaughan, restraining and enjoining Sam Wyly from violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b), 13(a), 14(a) and 14(e) of the Securities Exchange Act of 1934 and Rules 10b-5, 10b-6, 10b-13, 12b-20, 13a-1, 13a-11, 13a-13, 14a-3 and 14a-9 thereunder, and restraining and enjoining Vaughan from violation of Rule 10b-13 promulgated under the Exchange Act.

The Commission alleged in its complaint that Sam Wyly, who was then serving as Chairman of the Board of Directors of Wyly Corporation, entered in arrangements with others designed to provide additional incentives to such persons to induce the tender of Wyly Corp. debentures in connection with an exchange offer by Wyly Corp. Included among the allegations contained in the Commission's complaint was the allegation that Sam Wyly entered into an arrangement to provide additional compensation to Shea for the tender of his debentures in the form of a consulting agreement. The complaint also alleged that the arrangement with Shea and later negotiations with Shea by Sam Wyly and Vaughan to settle Shea's claims pursuant to his arrangement were never disclosed by Wyly Corp. in its registration statement for its exchange offer, in its annual and periodic reports filed with the Commission under the Exchange Act reporting provisions, its proxy statements nor in its press releases concerning its recapitalization efforts after the Arrangement was made. (SEC v. Wyly, et al., U.S.D.C., D.C., Civil Action No. 79-3275). (LR-8943)

INVESTMENT COMPANY ACT RELEASES

OPPENHEIMER MANAGEMENT CORPORATION

An order has been issued on an application of Oppenheimer Management Corporation, pursuant to Section 26(a)(2)(C) of the Investment Company Act of 1940, prescribing as reasonable fees to be paid by the custodian of three unit investment trusts for which Oppenheimer is the depositor and principal underwriter to an affiliate of Oppenheimer for performing bookkeeping and other administrative services as agent of the custodian. (Rel. IC-10974 - Dec. 6)

HOLDING COMPANY ACT RELEASES

KENTUCKY POWER COMPANY

An order has been issued authorizing a proposal of Kentucky Power Company, subsidiary of American Electric Power Company, Inc., that its short-term borrowing authorization be extended from January 1, 1980 to December 31, 1980. (Rel. 35-21325 - Dec. 5)

THE COLUMBIA GAS SYSTEM, INC.

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal of The Columbia Gas System, Inc., a registered holding company, and 16 of its subsidiaries, whereby Columbia will make open account advances to its subsidiaries and such subsidiaries will make intrasystem prepayments of promissory notes held by Columbia. The maximum aggregate amount of such prepayments is estimated at \$739,158,000 at any one time outstanding. (Rel. 35-21326 - Dec. 5)

ARKANSAS POWER & LIGHT COMPANY

A notice has been issued giving interested persons until December 31 to request a hearing on a proposal of Arkansas Power & Light Company, subsidiary of Middle South Utilities, Inc., to issue and sell notes to banks and commercial paper to a dealer in commercial paper from time to time through June 30, 1981, in an amount of \$150 million at any one time outstanding. (Rel. 35-21327 - Dec. 5)

GENERAL PUBLIC UTILITIES CORPORATION

A notice has been issued giving interested persons until December 28 to request a hearing on a post-effective amendment filed by General Public Utilities Corporation, a registered holding company, and its subsidiary, General Public Utilities Service Corporation, regarding extending and adjusting their short-term borrowing limit through December 31, 1980. (Rel. 35-21328 - Dec. 5)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until December 21 to comment on TeleCom Corporation's application requesting withdrawal of its common stock (\$1.00 par value) from listing and registration on the American Stock Exchange, Inc. (Rel. 34-16407)

MISCELLANEOUS

MONROE & LEMANN RETIREMENT PLAN

An order has been issued pursuant to Section 3(a)(2) of the Securities Act of 1933 exempting from the registration requirements of the Act participations or interests issued in connection with the Monroe & Lemann Retirement Plan, a law firm organized as a partnership under the laws of Louisiana. (Rel. 33-6164)

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; and File number and date filed.

- (S-7) EL PASO NATURAL GAS COMPANY, P.O. Box 1492, El Paso, Tex. 79978 (915) 543-2600 - \$75 million of 12.45% debentures, due December 1, 1997. Underwriter: Merrill Lynch White Weld Capital Markets Group. (File 2-65999 - Nov. 15)
- (S-8) TANDY BRANDS, INC., 1710 One Tandy Center, Fort Worth, Tex. 76102 (817) 390-3027 - 120,819 shares of common stock. (File 2-66062 - Nov. 21)
- (S-7) HOSPITAL CORPORATION OF AMERICA, One Park Plaza, Nashville, Tenn. 32702 (615) 327-9551 - 2,000,000 shares of common stock. Underwriters: Bache Halsey Stuart Shields Inc., Lehman Brothers Kuhn Loeb Inc. and Salomon Brothers. The company is engaged in the operation and development of hospitals. (File 2-66069 - Nov. 23)
- (S-8) PENRIL CORP., 5520 Randolph Rd., Rockville, Md. 20852 (301) 881-8151 - 200,000 shares of common stock. (File 2-66136 - Dec. 6)
- (S-16) AYDIN CORPORATION, 401 Commerce Dr., Fort Washington, Pa. 19034 (215) 643-7500 - 80,000 shares of common stock. (File 2-66149 - Dec. 6)
- (S-8) GENERAL INSTRUMENT CORPORATION, 1775 Broadway, New York, N.Y. 10019 (201) 779-3000 - 375,000 shares of common stock. (File 2-66150 - Dec. 6)
- (S-6) SOUTHEAST TAX-EXEMPT INCOME TRUST, SERIES 2, Two Peachtree St., N.W., Atlanta, Ga. 30303 - 7,500 units. Depositor: The Robinson-Humphrey Company, Inc. (File 2-66151 - Dec. 6)
- (S-8) UNITED TELECOMMUNICATIONS, INC., P.O. Box 11315, Kansas City, Mo. 64112 (913) 676-3000 - 101,910 shares of common stock. (File 2-66152 - Dec. 6)
- (S-7) PACIFIC POWER & LIGHT COMPANY, Public Service Bldg., Portland, Ore. 97204 (503) 243-1122 - 4,000,000 shares of common stock. (File 2-66153 - Dec. 6)
- (S-8) R. R. DONNELLEY & SONS COMPANY, 2223 Martin Luther King Dr., Chicago, Ill. 60616 (312) 326-8021 - 1,120,227 shares of common stock. The company is a commercial printer. (File 2-66154 - Dec. 6)
- (S-14) GENSTAR LIMITED, Suite 4105, One Place Ville Marie, Montreal, Quebec Canada H3B 3R1 (514) 879-1270 - 439,181 shares of Series B \$1.68 cumulative convertible redeemable second preferred shares. (File 2-66155 - Dec. 6)

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SECURITIES AND EXCHANGE COMMISSION
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