

# sec news digest

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## COMMISSION ANNOUNCEMENTS

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CHAIRMAN WILLIAMS TO SPEAK BEFORE THE  
EDWIN L. COX SCHOOL OF BUSINESS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Chairman Williams will speak before the Edwin L. Cox School of Business, Southern Methodist University, Conference on Corporate Issues of the 80's, today at 2:00 p.m. in Dallas, Texas. The title of his address will be "Free Enterprise In a Free Society".

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## ADMINISTRATIVE PROCEEDINGS

ISC FINANCIAL CORPORATION CITED

The Commission has entered an order instituting proceedings pursuant to Section 15(c)(4) of the Securities Exchange Act of 1934, and therewith has entered findings, an opinion and an order with respect to ISC Financial Corporation, a holding company headquartered in Kansas City, Missouri. The Commission found that ISC filed an Annual Report on Form 10-K for its fiscal year ended April 30, 1976, which failed in material respects to disclose the facts concerning the reinsurance operations of ISC's insurance company subsidiary, and which improperly included another subsidiary's operations as discontinued in the company's statement of earnings. The Commission also found that certain Quarterly Reports filed by ISC on Form 10-Q during its 1977 fiscal year did not meet the requirements of Section 13(a). The Commission ordered that ISC amend its 1976 Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q for the first, second and third quarters of 1977 by filing an amendment to such reports on Form 8. The Commission's action was taken pursuant to an offer of settlement made by ISC in which the company consented to the issuance of the Commission's order without admitting or denying the Commission's findings set forth therein. (Rel. 34-16548)

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## CIVIL PROCEEDINGS

COMPLAINT NAMES TEXTRON INC.

The Commission announced on January 31 the filing of a civil injunctive action in the U.S. District Court for the District of Columbia seeking to enjoin Textron Inc. from further violations of the antifraud, reporting and proxy provisions of the Securities Exchange Act of 1934 and rules thereunder. The Commission's complaint alleged, among other things, that during the period from at least 1971 to 1978, Textron engaged in a course of business pursuant to which Textron, directly and indirectly, made questionable or improper foreign payments which totalled at least \$5,400,000. The Commission further alleged that Textron failed to disclose the above-described course of business and risks to its earnings and revenues occasioned by such practices.

Without admitting or denying the allegations contained in the Commission's complaint, Textron consented to the entry of a final judgment of permanent injunction enjoining the company from further violations of the antifraud, reporting and proxy provisions of the Exchange Act and rules thereunder. In addition, the judgment required that Textron file with the Commission a Current Report which describes the procedures Textron has adopted and intends to adopt pursuant to recommendations by a Special Committee of the Textron Board of Directors to prevent recurrence of matters of the nature alleged in the complaint. (SEC v. Textron Inc., U.S.D.C. D.C., Civil Action No. 80-0326). (LR-8993)

## COMPLAINT NAMES PRICE AND COMPANY, OTHERS

The Chicago Regional Office announced that on January 17 a complaint was filed in the U.S. District Court for the Northern District of Illinois, Eastern Division, seeking preliminary and permanent injunctive relief against Price and Company, a registered broker-dealer in Chicago, Illinois, and Earl Lawrence Price, managing partner of Price & Co., alleging violations of the recordkeeping provisions of the securities laws. The complaint alleges, among other things, that the defendants refused and continue to refuse to make Price & Co.'s books and records available to representatives of the Commission for examination. The Commission has sought mandatory injunctive relief to require the defendants to undertake those steps which will permit representatives of the Commission to review Price & Co.'s records. (SEC v. Price & Company, et al., U.S.D.C., N.D. Ill., Eastern Division, Civil Action No. 80-C-269). (LR-8992)

## ORDER TO SHOW CAUSE ENTERED AGAINST GERALD GREENSPAN

The New York Regional Office announced that on January 25 the Honorable Edward Weinfeld, U.S. District Judge in the Southern District of New York, signed an Order directing Gerald Greenspan, also known as Jay Greene (Greenspan), of Brooklyn, New York, to show cause why additional equitable relief should not be granted as part of the final judgment of permanent injunction entered against Greenspan on July 8, 1975, in the form of an Order: (1) enjoining Greenspan from purchasing the securities of Family Record Plan, Inc. and Hiller Aviation, Inc.; (2) directing him to disclose his prior injunctions by delivering copies thereof to any registered broker or dealer prior to purchasing or selling any security through such broker or dealer; and (3) requiring him to submit to the NYRO a written report listing all of his brokerage accounts and securities in which he currently holds a beneficial interest and thereafter, to submit monthly reports detailing all of his securities transactions.

A hearing on the Order to Show Cause has been scheduled for Friday, February 1, 1980 at 10:00 a.m. (SEC v. Gerald Greenspan a/k/a Jay Greene, U.S.D.C. S.D.N.Y., 75 Civil 2826, EW). (LR-8986)

## MONTE LOPATA, ALBERT DUBINSKY ENJOINED

The Commission announced the filing of a complaint in the U.S. District Court for the District of Columbia on January 29 seeking Final Judgments of Permanent Injunction against Monte L. Lopata and Albert I. Dubinsky of Clayton, Missouri. The Commission's complaint alleged that the defendants purchased common stock of The Carboline Company on July 30 and 31, 1979 while in possession of material, non-public information concerning a preliminary agreement for Sun Company, Inc. to make a tender offer for Carboline common stock. The defendants subsequently tendered their stock in a tender offer by Sun Company, Inc. The court permanently enjoined Lopata from violating the antifraud provisions of the Securities Exchange Act of 1934 and permanently enjoined Dubinsky from violating such provisions by directly or indirectly purchasing or selling securities while in possession of material, non-public information concerning such security or the issuer thereof, without having previously disclosed such information to the person from whom such security is purchased or to whom it is sold. The court further ordered the defendants to disgorge the profits realized to the sellers of the stock which they purchased. The defendants consented to the entry of the Final Judgments without admitting or denying the allegations in the complaint. (SEC v. Monte L. Lopata, et al., U.S.D.C. D.C., Civil Action No. 80-0274). (LR-8985)

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## HOLDING COMPANY ACT RELEASES

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### CENTRAL OHIO POWER COMPANY

A notice has been issued giving interested persons until February 25 to request a hearing on a proposal of Central Ohio Coal Company, subsidiary of Ohio Power Company and of American Electric Power Company, Inc., that the maturity of \$30 million of its bank borrowings be extended from February 29, 1979, until June 30, 1980. (Rel. 35-21416 - Jan. 30)

## OHIO POWER COMPANY

A notice has been issued giving interested persons until February 25 to request a hearing on a proposal of Ohio Power Company, subsidiary of American Electric Power Company, Inc., and Ohio Power's subsidiary, Central Ohio Coal Company (COCO), that the amount of mining equipment subject to a sale and leaseback transactions between COCO and nonaffiliated parties be increased from \$30 million to \$41 million and that Ohio Power guarantee COCO's lease obligations under such revised arrangements. (Rel. 35-21417 - Jan. 30)

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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; and File number and date filed.

- (S-16) PRIME COMPUTER, INC., 40 Walnut St., Wellesley Hills, Mass. 02181 (617) 879-2960 - 1,056,480 shares of common stock. Underwriter: Smith Barney, Harris Upham & Co. Inc. The company designs, manufactures, sells and services small and medium-size general purpose ditigal computers. (File 2-66546 - Jan. 31)
- (S-7) MONTGOMERY WARD CREDIT CORPORATION, Bancroft Bldg., Suite 100, Concord Plaza, 3411 Silverside Rd., Wilmington, Del. 19810 (302) 478-9420 - \$100 million of notes, due December 1, 1987. Underwriters: Lehman Brothers Kuhn Loeb Inc. and Kidder, Peabody & Co., Inc. The company is engaged in the financing of customer receivables of Mongtomery Ward & Co. Inc. (File 2-66547 - Jan. 31)
- (S-1) C & K 1980 FUND-A, LTD. AND FUND-B, LTD., One Houston Center, Suite 2600, Houston, Tex. 77002 - \$25 million of limited partnership interests. (File 2-66548 - Jan. 31)
- (S-6) INVESTORS' HIGHRADE TAX-EXEMPT TRUST, SERIES 3, 208 South LaSalle St., Chicago, Ill. 60604 - an indefinite number of units. Depositor: Van Kampen Sauerman Inc. (File 2-66549 - Jan. 31)
- (S-6) CARDINAL TAX-EXEMPT BOND TRUST, 155 East Broad St., Columbus, Ohio 43215 - 7,500 units. Depositor: The Ohio Company. (File 2-66550 - Jan. 31)
- (S-16) DANA CORPORATION, P.O. Box 1000, Toledo, Ohio 43697 (419) 535-4500 - 42,831 shares of common stock. (File 2-66551 - Jan. 31)
- (S-6) THE CORPORATE INCOME FUND, NINETY-NINTH MONTHLY PAYMENT SERIES, One Liberty Plaza, 165 Broadway, New York, N.Y. 10080 - an indefinite number of units of beneficial interest. Depositors: Merrill Lynch, Pierce, Fenner & Smith Inc., One Liberty Plaza, 165 Broadway, New York, N.Y. 10080, Bache Halsey Stuart Shields Inc. and Dean Witter Reynolds Inc. (File 2-66552 - Jan. 31)
- (S-7) UNIVERSAL RESOURCES CORPORATION, 1000 Carillon Tower East, 13601 Preston Rd., Dallas, Tex. 75240 (214) 661-3876 - 880,000 shares of common stock. Underwriters: Drexel Burnham Lambert Inc. and Blyth Eastman Paine Webber Inc. The company is engaged in onshore oil and gas exploration, development, and production. (File 2-66554 - Feb. 1)

### REGISTRATIONS EFFECTIVE

Jan. 29: Emerson Electric Co., 2-66374 & 2-66446; Unit Drilling and Exploration Co., 2-66347.

Jan. 30: Baker International Corp., 2-66223; Galaxy Oil Co., 2-66381; Litton Industries, Inc., 2-66188; Pneumo Corp., 2-66456; Zenex Synthetic Lubricants, Inc., 2-65169.

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