

sec news digest

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ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

HEFFINGTON-NORMAN INVESTMENTS, INC.
AND WALTER MERLE HEFFINGTON CITED

Public administrative proceedings have been instituted under Section 15(b) of the Securities Exchange Act of 1934 against Heffington-Norman Investments, Inc. (HNI) of Wichita Falls, Texas, a registered broker-dealer, to determine whether its registration should be suspended, and against HNI and Walter Merle Heffington (Heffington), also of Wichita Falls, Texas, president of HNI, to determine what, if any, remedial action should be ordered by the Commission. The proceedings are based upon an allegation that in May 1981, a federal jury in Dallas, Texas convicted Heffington on 13 counts, including wire fraud.

A hearing has been scheduled for September 15, 1981 at 10:00 a.m. to determine whether HNI's broker-dealer registration should be suspended. (Rel. 34-18076)

DENNIS A. KRAUSE SANCTIONED

The Commission announced the institution of public administrative proceedings against Dennis A. Krause of Toledo, Ohio, formerly a salesman and vice-president of J.R. Crawford Consulting and Financial Planning, Inc. (Crawford Consulting), a successor corporation to the business of a registered investment adviser.

The Order Instituting Proceedings and Imposing Remedial Sanctions alleges that Krause, while employed at Crawford Consulting, violated and aided and abetted violations of the registration and antifraud provisions of the securities laws in connection with the offer and sale of interests in oil and gas drilling partnerships and Restaurant Associates, a limited partnership allegedly formed for the purpose of investing in restaurant designs. It is also alleged that Krause aided and abetted violations of the antifraud provisions of the Investment Advisers Act of 1940 in obtaining funds from certain clients of Crawford Consulting by misleading the clients as to the intended use of their funds. The Order also alleges that on October 5, 1979, an Order of Preliminary Injunction was entered, with Krause's consent, by the U.S. District Court for the Northern District of Ohio, Western Division, preliminarily enjoining Krause from further violations of the registration and antifraud provisions of the securities laws. In addition, the Order alleges that the Court entered an Order of Permanent Injunction, by consent, on August 19, 1981, enjoining Krause from further violations of those provisions.

Simultaneously with the issuance of the Commission's Order, Krause submitted an Offer of Settlement in which he consents to the findings and order of the Commission imposing remedial sanctions. In his Offer of Settlement, Krause admits that a Temporary Restraining Order and an Order of Permanent Injunction were entered against him, but neither admits nor denies the other allegations and findings contained in the Commission's Order. The remedial sanction imposed against Krause is a bar from association in any capacity with a broker or dealer, investment company, investment adviser or municipal securities dealer, with a right to re-apply after a period of two years to become associated with any of the foregoing entities in a non-supervisory and non-proprietary capacity, upon a showing of adequate supervision. (Rel. IA-773)

INVESTMENT COMPANY ACT RELEASES

FIDUCIARY MONEY MARKET TRUST

A notice has been issued giving interested persons until September 28 to request a hearing on an application of Fiduciary Money Market Trust (Applicant), a registered, open-end, diversified, management investment company, for an order declaring that Applicant has ceased to be an investment company. (Rel. IC-11927 - Sept. 2)

EATON VANCE TAX FREE CASH MANAGEMENT FUND

A notice has been issued giving interested persons until September 28 to request a hearing on an application filed by Eaton Vance Tax Free Cash Management Fund (Applicant), an open-end, diversified, management investment company, for an order pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicant, subject to conditions, 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 use the amortized cost method of valuation in pricing its securities. (Rel. IC-11928 - Sept. 2)

HOLDING COMPANY ACT RELEASES

LOUISIANA POWER & LIGHT COMPANY

A notice has been issued giving interested persons until October 1 to request a hearing on a proposal by Louisiana Power & Light Company, a registered holding company, to issue and sell at competitive bidding up to \$175 million of first mortgage bonds and preferred stock having an aggregate par value of not more than \$50 million not later than April 14, 1982. (Rel. 35-22182 - Sept. 3)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange, Inc. to strike the common stock (\$1 par value) of Treadway Companies, Inc. from listing and registration thereon. (Rel. 34-18079)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Chicago Board Options Exchange, Incorporated (SR-CBOE-81-13) concerning the issuance of temporary permits to trade non-equity options. (Rel. 34-18077)

NOTICE AND APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved, on an accelerated basis, a proposed rule change filed by Philadelphia Stock Exchange, Inc. (SR-Phlx-81-13) which eliminates monthly reporting by member firms of certain uncovered short option positions and requires instead that such reports be submitted only upon the Exchange's request. (Rel. 34-18078)

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-14) FIRST GUARANTY BANCSHARES, INC., 400 East Thomas St., Hammond, LA 70401 (504) 345-7685 - 423,290 shares of common stock. (File 2-73919 - Sept. 2) (Br. 1 - New Issue)
- (S-16) GLOBAL MARINE INC., 811 West Seventh St., Los Angeles, CA 90017 (213) 486-9800 - \$115 million of 7% senior subordinated debentures, due 2001. Underwriter: Merrill Lynch White Weld Capital Markets Group. The company is primarily a contractor engaged in the operation of offshore oil and gas drilling rigs. (File 2-73924 - Sept. 3) (Br. 3)
- (S-7) BANKAMERICA REALTY INVESTORS, Bank of America Center, 555 California St., 42nd Floor, San Francisco, CA 94104 (415) 622-6530 - \$50 million of 7% convertible subordinated debentures, due 2006. Underwriters: Blyth Eastman Paine Webber Incorporated, Goldman, Sachs & Co., Salomon Brothers and Dean Witter Reynolds Inc. The company is a real estate investment trust which invests primarily in real estate equities, in mortgage loans related to equities and in mortgage loans with purchase options. (File 2-73925 - Sept. 3) (Br. 6)
- (S-8) CONSOLIDATED NATURAL GAS COMPANY, Four Gateway Center, Pittsburgh, PA 15222 (412) 227-1000 - \$61 million of participation in thrift plans, and 1,220,000 shares of common stock. (File 2-73926 - Sept. 3) (Br. 7)
- (S-16) SOUTHWESTERN BELL TELEPHONE COMPANY, 1010 Pine St., St. Louis, MO 63101 (314) 247-9800 - \$300 million of forty year 7% debentures, due September 18, 2021. Underwriters: Salomon Brothers, Bache Halsey Stuart Shields Incorporated, Goldman, Sachs & Co., Lehman Brothers Kuhn Loeb Incorporated, Merrill Lynch White Weld Capital Markets Group and Dean Witter Reynolds Inc. The company is engaged in furnishing communications services. (File 2-73927 - Sept. 3) (Br. 7)
- (S-1) AGWAY INC., 333 Butternut Dr., De Witt, NY 13214 (315) 477-6431 - \$26 million of subordinated money market certificates (minimum 10% per annum), due October 31, 1991; \$24 million of subordinated money market certificates (minimum 10-1/2% per annum), due October 31, 1992; \$1,350,000 subordinated money market certificates under the Interest Reinvestment Option; \$15 million of 8-1/2% subordinated debentures, due July 1, 1999; \$10 million of 8% subordinated debentures, due July 1, 1999; 1,000 shares of 8% cumulative preferred stock, Series B (\$100 par value); 8,000 shares of Series HM preferred stock; and 8,000 shares of membership common stock. The company is an agricultural cooperative directly engaged in product manufacturing, processing and distribution, wholesale purchasing and marketing of agricultural related products. (File 2-73928 - Sept. 3) (Br. 4)
- (S-16) SOUTHERN CALIFORNIA GAS COMPANY, 810 South Flower St., Los Angeles, CA 90017 (213) 689-2345 - \$60 million of 7% first mortgage bonds, Series O, due 2001. Underwriter: Morgan Stanley & Co. Incorporated, 55 Water St., New York, NY. The company is engaged in the purchase, distribution and sale of natural gas. (File 2-73929 - Sept. 3) (Br. 8)
- (S-12) CITIBANK, N.A., 111 Wall St., New York, NY 10043 - 100,000 American Depositary Receipts for common stock of Toppan Printing Co., Ltd.; and C. Itoh & Co., Ltd. (File 2-73930 and 2-73932 - Sept. 3) (Br. 99 - New Issues)
- (S-6) E. F. HUTTON TAX-EXEMPT TRUST, NATIONAL SERIES 56, One Battery Park Plaza, New York, NY 10004 - 22,500 units. Depositor: E. F. Hutton & Company Inc. (File 2-73933 - Sept. 3) (Br. 18 - New Issue)
- (S-1) STERLING BANCORP, Johnson, VT 05819 (802) 635-2371 - 117,950 shares of common stock. (File 2-73934 - Sept. 3) (Br. 1)
- (S-16) MARRIOTT CORPORATION, One Marriott Dr., Washington, DC 20058 (301) 897-9000 - 1,150,068 shares of common stock. (File 2-73935 - Sept. 3) (Br. 3)

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 10c 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 (Maryland callers), or the toll-free number, 800-638-8241. 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.

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