

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13E-4

ISSUER TENDER OFFER STATEMENT
(Pursuant to Section 13(e)(1) of the Securities Exchange Act of 1934)
Amendment No. 2

ZAPATA CORPORATION
(Name of Issuer)

ZAPATA CORPORATION
(Name of Person(s) Filing Statement)

Common Stock, par value \$0.25 per share
(Title of Class of Securities)

989070 503
(CUSIP Number of Class of Securities)

Joseph L. von Rosenberg III
Executive Vice President, General Counsel and Corporate Secretary

ZAPATA CORPORATION
1717 St. James Place, Suite 550
Houston, Texas 77056
(713) 940-6100
(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications
on Behalf of the Person(s) Filing Statement)

January 14, 1997
(Date Tender Offer First Published, Sent or Given to Security Holders)

Item 8 to this Schedule 13E-4 is hereby supplemented to include the following additional information.

On February 14, 1997, the Company received a letter from Michael E. Heisley, Sr. proposing that Mr. Heisley or a company he controls would acquire any or all (but not less than 50.1%) of the outstanding shares of the Company's Common Stock for a purchase price of \$5.50 per share. In order to allow time to evaluate Mr. Heisley's proposal, the Company has extended the expiration date of the Offer to 5:00 p.m., Eastern Time, on Monday, March 3, 1997. Copies of the letter from Mr. Heisley and the press release issued by the Company relating to the receipt of the letter and the extension of the Offer are included as Exhibits 99.3 and 99.4 to this Amendment No. 2.

A hearing in the Delaware Court of Chancery on a motion by a stockholder to enjoin the consummation of the Offer that had been scheduled for February 18, 1997, has been postponed.

ITEM 9.

MATERIAL TO BE FILED AS EXHIBITS.

The following additional exhibits are filed with this amendment.

- 99.2 Answer filed by Ronald C. Lassiter, Robert V. Leffler and Zapata Corporation in response to Complaint for Injunctive Relief filed by Hawley Opportunity Fund against Malcolm I. Glazer, Avram A. Glazer, Ronald C. Lassiter, Robert V. Leffler and Zapata Corporation in the Court of Chancery of the State of Delaware, New Castle County.
- 99.3 Letter dated February 14, 1997 from Heico Acquisitions to the Company.
- 99.4 Press release dated February 17, 1997 announcing receipt of the letter from Heico Acquisitions filed as Exhibit 99.3 hereto and the extension of the expiration date of the Offer.

SIGNATURE

After due inquiry and to the best of my knowledge and belief,
I certify that the information set forth in this statement is true, complete and
correct.

Dated: February 18, 1997

By: /s/ Joseph L. von Rosenberg III

Executive Vice President,
General Counsel and
Corporate Secretary

EXHIBIT INDEX

- 99.2 Answer filed by Ronald C. Lassiter, Robert V. Leffler and Zapata Corporation in response to Complaint for Injunctive Relief filed by Hawley Opportunity Fund against Malcolm I. Glazer, Avram A. Glazer, Ronald C. Lassiter, Robert V. Leffler and Zapata Corporation in the Court of Chancery of the State of Delaware, New Castle County.
- 99.3 Letter dated February 14, 1997 from Heico Acquisitions to the Company.
- 99.4 Press release dated February 17, 1997 announcing receipt of the letter from Heico Acquisitions filed as Exhibit 99.3 hereto and the extension of the expiration date of the Offer.

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

HAWLEY OPPORTUNITY FUND,)	
)	
Plaintiff,)	
)	
v.)	C.A. No. 15474
)	
MALCOLM I. GLAZER, AVRAM A.)	
GLAZER, RONALD C. LASSITER,)	
ROBERT V. LEFFLER and ZAPATA)	
CORPORATION,)	
)	
Defendants.)	

ANSWER

Defendants Ronald C. Lassiter, Robert V. Leffler and Zapata Corporation ("Zapata"), through their attorneys, answer the complaint as follows:

1. Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations of the first sentence of paragraph 1 of the complaint. The allegations of the second through fourth sentences of paragraph 1 of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata issued an offer to purchase, reference to which is made for the terms and contents thereof and it is admitted that the offer by Zapata to purchase up to 15,000,000 shares of its common stock is scheduled to close February 20, 1997.

2(a). The allegations of paragraph 2(a) of the complaint are denied, except that it is admitted that the plaintiff in an action captioned Viskase Corp. v. American National Can Company, C.A. No. 93-C-7651 (N.D. Ill.) is a subsidiary of Envirodyne Industries, Inc.; it is further admitted

that Zapata owns approximately 40.6% of the outstanding shares of the Envirodyne common stock; and it is further admitted that on January 14, 1997, Zapata issued an offer to purchase, reference to which is made for the terms and contents thereof.

2(b). The allegations of paragraph 2(b) of the complaint are denied.

2(c). The allegations of paragraph 2(c) of the complaint are denied.

2(d). The allegations of paragraph 2(d) of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata commenced an offer to purchase up to 15,000,000 shares of the common stock of Zapata for \$4.50 per share, as more fully described in the offer to purchase dated January 14, 1997, reference to which is made for the terms and contents thereof; it is further admitted that the offer to purchase is conditioned upon a minimum of 10,000,000 shares being validly tendered and not withdrawn prior to the expiration of the offer and it is further admitted that in the event that the Malcolm I. Glazer Family Limited Partnership tenders 3,000,000 shares of common stock into the offer, the purchase of shares pursuant to the offer will result in an increase in the percentage of Zapata's outstanding common stock owned by the Malcolm I. Glazer Family Limited Partnership from 35.18% to between 37.83% and 57.49%.

2(e). The allegations of paragraph 2(e) of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata issued an offer to purchase, reference to which is made for the terms and contents thereof.

The remaining allegations of paragraph 2 of the complaint are denied.

3. Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 3 of the complaint.

4. The allegations of paragraph 4 of the complaint are admitted.

5. The allegations of the first sentence of paragraph 5 of the complaint are admitted. The allegations of the second sentence of paragraph 5 of the complaint are denied, except that it is admitted that as of January 13, 1997, the Malcolm I. Glazer Family Limited Partnership was the beneficial owner of 10,395,384 shares of Zapata common stock, which constituted approximately 35.18% of the outstanding common stock. The allegations of the third sentence of paragraph 5 of the complaint are denied. The allegations of the fourth sentence of paragraph 5 of the complaint are admitted.

6. The allegations of paragraph 6 of the complaint are admitted.

7. The allegations of paragraph 7 of the complaint are admitted.

8. The allegations of paragraph 8 of the complaint are denied, except that it is admitted that Mr. Leffler operates the Leffler Agency, an advertising and marketing/public relations firm in Baltimore, Maryland; it is further admitted that the Leffler Agency has a business relationship with the Tampa Bay Buccaneers and it is further admitted that Mr. Leffler is a member of the board of directors of Zapata.

9. The allegations of the first three sentences of paragraph 9 of the complaint are admitted. The allegations of the fourth, fifth and sixth sentences of paragraph 9 of the complaint are denied, except that it is admitted that the plaintiff in an action captioned Viskase Corp. v. American National Can Company, C. A. No. 93-C-7651 (N.D. Ill.) is a subsidiary of Envirodyne Industries, Inc. and it is further admitted that on November 8, 1996, Envirodyne issued a press release with respect to the Viskase Corp. action, reference to which is made for the terms and contents thereof; by way of further answer, Defendants aver that pleadings and other docket entries have been filed

in *Viskase Corp. v. American National Can Co.*, C.A. No. 93-C-7651 (N.D. Ill.), reference to which is made for the terms and contents thereof.

10. Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 10 of the complaint.

11. The allegations of paragraph 11 of the complaint state conclusions of law as to which no responsive pleading is required, except that it is admitted that as of January 13, 1997, there were 29,549,707 shares of Zapata common stock outstanding.

12. The allegations of paragraph 12 of the complaint are denied, except that it is admitted that in late 1994 and early 1995, Zapata began to develop a strategic plan which involved repositioning Zapata into the food packaging, food and food service equipment and supply businesses and exiting the energy business.

13. The allegations of the first sentence of paragraph 13 of the complaint are denied, except that it is admitted that in August 1995, Zapata purchased 4,189,298 shares of the common stock of Envirodyne Industries, Inc. for \$18.8 million from the Malcolm Glazer Trust. The allegations of the second sentence of paragraph 13 of the complaint are denied, except that it is admitted that Zapata Acquisition Corp., Zapata and Houlihan's Restaurant Group, Inc. entered into an agreement and plan of merger dated as of June 4, 1996. The allegations of the third, fourth and fifth sentences of paragraph 13 of the complaint are denied, except that it is admitted that Glazer family members own approximately 75% of the outstanding common stock of Houlihan's.

14. The allegations of paragraph 14 of the complaint are denied, except that it is admitted that this Court issued an opinion and entered a permanent injunction order in an action captioned *Pasternak v. Glazer*, Del. Ch., C.A. No. 15026, *Jacobs, V.C.*, reference to which

documents is made for the terms and contents thereof and it is further admitted that on October 8, 1996, Zapata announced that the merger agreement with Houlihan's Restaurant Group, Inc. had been terminated.

15. The allegations of paragraph 15 of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata commenced an offer to purchase up to 15,000,000 shares of Zapata common stock for \$4.50 per share; it is further admitted that Zapata disseminated an offer to purchase in connection with that transaction, reference to which is made for the terms and contents thereof and it is further admitted that between January 1, 1996 and January 13, 1997, the common stock of Zapata traded at a low of \$3.00 per share and a high of \$4.38 per share.

16. The allegations of paragraph 16 of the complaint are denied, except that it is admitted that at a meeting of the board of directors of Zapata held on December 13, 1996, Avram Glazer proposed that the company commence an offer for its shares of common stock; it is further admitted that there was no discussion during the December 13, 1996 board meeting of the inclusion of a minimum condition as part of any such offer; it is further admitted that the Zapata board took no action at the December 13, 1996 meeting with respect to the proposed offer; and it is further admitted that at the December 13, 1996 meeting of the Zapata board of directors, Malcolm Glazer expressed the view that he would not tender any shares of Zapata common stock that he beneficially owned.

17. The allegations of the first sentence of paragraph 17 of the complaint are denied, except that it is admitted that the final terms of an offer by Zapata to purchase up to 15,000,000 shares of its common stock at a price of \$4.50 per share were proposed by Avram Glazer and approved by the Zapata board of directors at a meeting held on December 30, 1996. The

allegations of the second and third sentences of paragraph 17 of the complaint are denied, except that it is admitted that the offer to purchase is conditioned upon a minimum of 10,000,000 shares being validly tendered and not withdrawn prior to the expiration of the offer and the Malcolm I. Glazer Family Limited Partnership having tendered and not withdrawn 3,000,000 shares. The allegations of the fourth sentence of paragraph 17 of the complaint are admitted. The allegations of the fifth, sixth and seventh sentences of paragraph 17 of the complaint are denied, except that it is admitted that in the event that the Malcolm I. Glazer Family Limited Partnership tenders 3,000,000 shares of common stock into the offer, the purchase of shares pursuant to the offer will result in an increase in the percentage of Zapata's outstanding common stock owned by the Malcolm I. Glazer Family Limited Partnership from 35.18% to between 37.83% and 57.49%.

18. The allegations of the first sentence of paragraph 18 of the complaint are denied, except that it is admitted that on November 7, 1996, a \$102,000,000 damage award was made in *Viskase Corp. v. American National Can Company*, C. A. No. 93-C-7651 (N.D. Ill.) and it is further admitted that the commencement of the offer by Zapata to purchase up to 15,000,000 shares of its common stock was approved by the members of the board of directors of Zapata at a meeting held on December 30, 1996. The allegations of the second and third sentences of paragraph 18 of the complaint are denied, except that it is admitted that the per share stock price of *Envirodyne Industries, Inc.* closed at \$4.00 on November 8, 1996, closed at 53/8 on November 9, 1996 and closed at 6 3/4 on January 22, 1997. The allegations of the fourth, fifth, sixth and seventh sentences of paragraph 18 of the complaint are denied, except that it is admitted that pleadings and other docket entries have been filed in *Viskase Corp. v. American National Can Co.*, C.A. No. 93-C-7651 (N.D.

Ill.), reference to which is made for the terms and contents thereof, and it is further admitted that Zapata owns appropriately 40.6% of the outstanding shares of the Envirodyne common stock.

19. The allegations of the first sentence of paragraph 19 of the complaint are denied, except that it is admitted that Malcolm. I. Glazer and Avram Glazer are members of the board of directors of Envirodyne Industries, Inc.; it is further admitted that neither Zapata nor the board of directors of Zapata has made any recommendation as to whether any stockholder should tender any or all of such stockholder's shares into the offer. The allegations of the second sentence of paragraph 19 of the complaint are denied, except that it is admitted that the board of directors of Zapata has not engaged an investment banking firm to evaluate the financial terms of the offer. The allegations of the third and fourth sentences of paragraph 19 of the complaint are denied.

20. The allegations of paragraph 20 of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata disseminated an offer to purchase, reference to which is made for the terms and contents thereof.

21. The allegations of paragraph 21 of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata disseminated an offer to purchase, reference to which is made for the terms and contents thereof and it is further admitted that pleadings and other docket entries have been filed in *Viskase Corp. v. American National Can Co.*, C.A. No. 93-C-7651 (N.D. Ill.), reference to which is made for the terms and contents thereof.

22. The allegations of the first sentence of paragraph 22 of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata disseminated an offer to purchase, reference to which is made for the terms and contents thereof. The allegations of the second, third, fourth and fifth sentences of paragraph 22 of the complaint are denied.

23. The allegations of the first, third and fourth sentences of paragraph 23 of the complaint are denied. Defendants lack knowledge or information sufficient to form a belief as to the truth of the allegations of the second sentence of paragraph 23 of the complaint.

24. The allegations of the first sentence of paragraph 24 of the complaint are denied. The allegations of the second sentence of paragraph 24 of the complaint are denied, except that it is admitted that at a meeting of the board of directors of Zapata held on December 13, 1996, Avram Glazer proposed that the company undertake an offer for its shares of common stock; it is further admitted that on November 7, 1996, a \$102,000,000 damage award was made in *Viskase Corp. v. American National Can Company*, C.A. No. 93-C-7651 (N.D. Ill.). The allegations of the third sentence of paragraph 24 of the complaint are denied, except that it is admitted that Zapata owns approximately 40.6% of the outstanding stock of *Envirodyne Industries, Inc.* The allegations of the fourth and fifth sentences of paragraph 24 of the complaint are denied.

25. Defendants reassert and reallege their responses to paragraphs 1 through 24 above as if fully set forth herein.

26. The allegations of the first sentence of paragraph 26 of the complaint state conclusions of law as to which no responsive pleading is required. The remaining allegations of paragraph 26 of the complaint are denied, except that it is admitted that on January 14, 1997, Zapata disseminated an offer to purchase, reference to which is made for the terms and contents thereof and it is further admitted that the per share stock price of *Envirodyne Industries, Inc.* closed at 5 1/2 on January 8, 1997 and closed at 6 3/4 on January 22, 1997.

27. Defendants reassert and reallege their responses to paragraphs 1 through 26 above as if fully set forth herein.

28. The allegations of the first sentence of paragraph 28 of the complaint state conclusions of law as to which no responsive pleading is required. The allegations of the second, third, fourth and fifth sentences of paragraph 28 of the complaint are denied.

29. The allegations of paragraph 29 of the complaint are denied.

30. The allegations of paragraph 30 of the complaint are denied.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

The allegations of the complaint should be dismissed to the extent that liability on the part of the individual defendants has been eliminated pursuant to Article ELEVENTH of the Restated Certificate of Incorporation of Zapata.

SECOND AFFIRMATIVE DEFENSE

The complaint should be dismissed for failure to state a claim upon which relief can be granted.

THIRD AFFIRMATIVE DEFENSE

The complaint should be dismissed for failure to comply with Rule 23.1 of the Rules of the Court of Chancery to the extent that it purports to assert a derivative claim.

WHEREFORE, Defendants Lassiter, Leffler and Zapata request that the Court dismiss the complaint with prejudice and award to Defendants their costs herein, including attorneys' fees, and such other and further relief as the Court deems just and proper.

OF COUNSEL:

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Wilmington, DE 19899
(302) 658-6541
Attorneys for Lassiter, Leffler and
Zapata Corporation

Dated: January 29, 1997

CERTIFICATE OF SERVICE

It is hereby certified that two copies of the foregoing Answer were served this 29th day of January, 1997 by hand delivery on the following attorneys of record:

Elizabeth M. McGeever, Esquire
Prickett, Jones, Elliott, Kristol, & Schnee
1310 King Street
Wilmington, Delaware 19801

P. Clarkson Collins, Jr., Esquire
Morris, James, Hitchens & Williams
222 Delaware Avenue
Wilmington, Delaware 19801

Anne C. Foster

HEICO ACQUISITIONS
5600 Three First National Plaza
Chicago, Illinois 60602

Telephone (312) 419-8220
Facsimile (312)419-9417

February 14, 1997

Mr. Malcolm I. Glazer
Mr. Avram A. Glazer
Mr. Ronald C. Lassiter
Mr. Ronald W. Leffler, Jr.
Directors of
Zapata Corporation

Gentlemen:

According to filings with the Securities and Exchange Commission, Zapata Corporation ("Zapata") has offered to purchase up to 15,000,000 shares of its outstanding Common Stock, \$0.25 par value, (the "Shares"), at a price of \$4.50 per share (the "Zapata Offer"). These filings reflect that there are 29,549,707 Shares outstanding. The Offer is scheduled to expire on Thursday, February 20, 1997.

I believe that the value of the Shares is in excess of \$4.50 per share. I am prepared to meet with the Board of Directors of Zapata in order to agree upon the terms of a transaction in which I or a company I control would acquire any or all (but not less than 50.1%) of the outstanding shares of Zapata for a purchase price of \$5.50 per share.

Such a transaction would be accomplished pursuant to a mutually acceptable acquisition agreement which would include, the withdrawal of the Zapata Offer, the Zapata Board's approval or other action (in order to negate the supramajority provisions in Zapata's Certificate of Incorporation and Bylaws and Section 203 of the Delaware General Corporation Law) and resignations of the current directors upon completion of the transaction.

I am an investor and operator of companies through the Heico Companies ("Heico"). Heico currently controls more than 30 businesses with aggregate sales of over \$1 billion. We are working to arrange the necessary funding and I am confident that these arrangements can be finalized concurrently with the execution of the acquisition agreement. In any event, Heico has available funding to complete the transaction.

Mr. Malcolm I. Glazer
Mr. Avram A. Glazer
Mr. Ronald C. Lassiter
Mr. Robert W. Leffler, Jr.
February 14, 1997
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I encourage the Directors of Zapata to satisfy their fiduciary obligations to all of the shareholders of Zapata and to favorably consider my proposal. I and my advisors are prepared to meet with you immediately to proceed with the preparation of the acquisition agreement. Please call me immediately and in any event not later than the close of business on Monday, February 17, 1997, to arrange a meeting.

Very truly yours,

/s/ Michael E. Heisley, Sr.

Michael E. Heisley, Sr.

[ZAPATA LETTERHEAD]

ZAPATA CORPORATION RECEIVES LETTER PROPOSING ACQUISITION:
ANNOUNCES EXTENSION OF OFFER TO PURCHASE ITS SHARES

HOUSTON, TX - February 17, 1997 - Zapata Corporation (NYSE:ZAP) announced today that it has received a letter from Michael E. Heisley, Sr. proposing that Mr. Heisley or a company he controls would acquire any or all (but not less than 50.1%) of the outstanding shares of Zapata for a purchase price of \$5.50 per share. Mr. Heisley's letter states that he is an investor and operator of companies through the Heico Companies.

Zapata's Board of Directors is reviewing the proposal and has directed the Company's representatives to seek additional information regarding Mr. Heisley and his proposal. In order to allow time to obtain and evaluate such additional information, Zapata has extended the expiration date of its offer to purchase for cash up to 15,000,000 shares of its Common Stock at \$4.50 per share to 5:00 p.m., New York City time on Monday, March 3, 1997. The offer to purchase had been scheduled to expire on February 20, 1997.

A hearing in the Delaware Court of Chancery on a motion by a stockholder to enjoin the consummation of Zapata's offer to purchase that had been scheduled for February 18, 1997 has also been postponed.

Contacts: Joseph L. von Rosenberg, III, Executive Vice President
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