

sec news digest

Issue 95-48

March 13, 1995

COMMISSION ANNOUNCEMENTS

WALTER SCHUETZE DEPARTS THE COMMISSION

The Securities and Exchange Commission announced today that Walter P. Schuetze, Chief Accountant, will leave the Commission's staff on March 31, 1995. Mr. Schuetze has served as Chief Accountant since January 1992. SEC Chairman Arthur Levitt said, "Mr. Schuetze has contributed greatly to the success of the Commission's financial reporting program during his tenure and has caused the accounting profession to examine closely its role in the financial reporting process."

The Commission also announced that John M. Riley will be appointed Acting Chief Accountant effective upon Mr. Schuetze's departure. Mr. Riley has held progressively more responsible positions in the Division of Corporation Finance and the Office of the Chief Accountant, since joining the Commission staff in 1984. He currently serves as Deputy Chief Accountant. Prior to joining the Commission staff, Mr. Riley was with Arthur Andersen & Co., Baltimore, Maryland, and AMP, Incorporated, Harrisburg, Pennsylvania. (Press Rel. 45)

CHAIRMAN LEVITT TO TESTIFY

Chairman Levitt will testify on behalf of the Commission before the House Banking and Financial Services Committee on Wednesday, March 15, 1995, at 10:00 a.m., in Room 2128 of the Rayburn House Office Building. His testimony will concern the "Financial Services Competitiveness Act of 1995" and related issues.

RULES AND RELATED MATTERS

PAYMENT FOR ORDER FLOW, CONFIRMATION OF TRANSACTIONS

The Commission is extending the effective date of Rule 11Ac1-3 and certain amendments to Rule 10b-10 under the Securities Exchange Act of 1934 relating to payment for order flow disclosures, adopted on October 27, 1994 (59 FR 55006), from April 3, 1995 to October 2, 1995. In addition, the Commission is postponing the effective date from April 3, 1995 to October 2, 1995 of the Rule 10b-10 amendment pertaining to non-SIPC disclosure by broker-dealers that are excluded from SIPC membership pursuant to Section 3(a)(2)(A)(ii) of the Securities Investor Protection Act of 1970 (59 FR 59612). The Commission believes that an effective date of October 2, 1995 would facilitate the orderly implementation of the enhanced disclosure requirements relating to payment for order flow and non-SIPC membership by broker-dealers. (Rel. 34-35473)

ENFORCEMENT PROCEEDINGS

ADMINISTRATIVE PROCEEDINGS ORDERED AGAINST HARRY BERRIDGE

On March 6, the Commission instituted public administrative proceedings against Harry C. Berridge (Berridge), a former Vice President of Network Equipment Technologies, Inc. (NET), pursuant to Section 21C of the Securities Exchange Act of 1934 (Exchange Act) and simultaneously accepted the offer of settlement submitted by Berridge.

Pursuant to Berridge's offer of settlement, the Commission issued an order to which Berridge consented, without admitting or denying the matters set forth therein, finding that Berridge was a cause of NET's violations of Sections 13(a) and 13(b)(2)(A) of the Exchange Act, and Rules 12b-20 and 13a-13 thereunder. By misrepresenting the nature of certain transactions to senior NET personnel, Berridge was a cause of NET's overstating revenue and net income in filings made with the Commission. Berridge was also a cause of NET's incorrectly accounting for the transactions in NET's books and records, in violation of Section 13(b)(2)(A) of the Exchange Act.

The Commission ordered that Berridge cease and desist from causing any violation of and any future violation of, Sections 13(a) and 13(b)(2)(A) of the Exchange Act, and Rules 12b-20 and 13a-13 promulgated thereunder. (Rel. 34-35444; AAE Rel. 650)

SANCTIONS IMPOSED AGAINST GLENN DEANS, CPA

On September 26, the Commission instituted public administrative proceedings pursuant to Rule 2(e)(1)(ii) of its Rules of Practice against Glenn N. Deans, CPA (Deans) for engaging in improper professional conduct.

Deans has now submitted an Offer of Settlement which the Commission has determined to accept. In his Offer, Deans, without admitting or denying the findings, consents to the issuance of an Order by the Commission which finds that, in the audits of Puryear Realty Resources, Inc.'s 1988, 1989 and 1990 financial statements, Deans: incorrectly opined that the financial statements were prepared in accordance with Generally Accepted Accounting Principles; inadequately planned and supervised the audits; failed to obtain sufficient competent evidential matter; issued improper audit reports; lacked due professional care; and in the 1988 audit, lacked independence.

The Order denies Deans the privilege of appearing or practicing before the Commission as an accountant, provided, however, that after 3 years, subject to certain restrictions, Deans may request that he be permitted to so appear or practice. (Rel. 34-35445; AAE Rel. 651)

DOUGLAS HANSEN PERMANENTLY ENJOINED AND DENIED PRIVILEGE OF APPEARING OR PRACTICING BEFORE THE COMMISSION

The Commission announced that on February 16 the United States District Court for the Central District of California entered a final judgment of permanent injunction against Douglas C. Hansen, enjoining Hansen from future violations of Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rules 10b-5 and 13b2-1 thereunder and ordering Hansen to pay a \$50,000 civil penalty pursuant to Section 21(d)(3) of the Exchange Act. Hansen consented to the entry of the judgment without admitting or denying the allegations in the Commission's complaint, which was filed on September 28, 1994.

The complaint alleges that Hansen, the former chief financial officer of Huntway Partners L.P. (Huntway), engaged in a scheme to overstate Huntway's inventory, thereby overstating Huntway's net income during the first quarter of 1992 and understating Huntway's net losses during the second and third quarters of 1992. The Commission's complaint also alleges that Hansen engaged in a check-kiting scheme involving certain of Huntway's bank accounts during the third and fourth quarters of 1992. The Commission's complaint further alleges that Huntway, through Hansen, reported in its Management's Discussion and Analysis section contained in Huntway's Forms 10-Q filed during 1992 materially false and misleading statements regarding Huntway's cash flow and liquidity position. [SEC v. Douglas C. Hansen, Civil Action No. 94-6548 HLH, SHx, C.D. Cal., filed September 28, 1994] (LR 14268; AAE Rel.610) See also In re Huntway Partners, L.P. (Rel. 34-34436; AAE Rel. 578; July 25, 1994).

Also, on March 13, Hansen, a certified public accountant, consented, without admitting or denying the Commission's findings, to the entry of an order pursuant to Rule 2(e) of the Commission's Rules of Practice, denying him the privilege of appearing or practicing before the Commission. (Rel. 34-35475; AAE Rel. 653)

INVESTMENT COMPANY ACT RELEASES

VOLTAIRE CAPITAL, INC.

A notice has been issued giving interested persons until April 4 to request a hearing on an application filed by Voltaire Capital, Inc. for an order under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-20950 - March 10)

HOLDING COMPANY ACT RELEASES

GEORGIA POWER COMPANY, ET AL.

An order has been issued authorizing a proposal by Georgia Power Company (Georgia Power) and Savannah Electric and Power Company (Savannah) (collectively, Applicants), electric public-utility subsidiary companies of The Southern Company, a registered holding company. Applicants propose to construct eight combustion turbine-generator units (CTs) on real property owned by Savannah. Savannah proposes to sell to Georgia Power a percentage of the facilities common to the eight CTs to be held as tenants-in-common (Common Facilities); and lease to Georgia Power a leasehold interest in the real property on which Georgia Power's CTs will be built, a percentage undivided interest in that portion of the Common Facilities which consist of real property, and any related easements or other rights necessary to develop Georgia Power's CTs and the Common Facilities. In addition, Georgia Power proposes to make Savannah its agent for, among other things, the construction, operation and management of its CTs, the Common Facilities, and the fuel supply for the CTs. (Rel. 35-26247)

PP&L RESOURCES, INC.

An order has been issued granting a proposal by PP&L Resources, Inc. (Resources). Resources requests authority to acquire all of the outstanding shares of common stock of Pennsylvania Power & Light Company, a Pennsylvania corporation, and, through such acquisition, indirectly acquire 33.3% of the outstanding shares of Safe Harbor Water Power Corporation, also a Pennsylvania corporation; and seek an exemption, upon consummation of the proposed transactions, under Section 3(a)(1) of the Public Utility Holding Company Act of 1935 (Act) from all provisions of the Act, except Section 9(a)(2). (Rel. 35-26248)

KINGSPORT POWER COMPANY, ET AL.

A notice has been issued giving interested persons until April 3 to request a hearing on a proposal by Kingsport Power Company (Kingsport) and Wheeling Power Company, Inc. (Wheeling), electric utility subsidiary companies of American Electric Power Company, Inc., a registered holding company, to issue unsecured promissory notes to commercial banks, financial institutions or institutional investors. Kingsport and Wheeling propose to issue up to \$19 million and \$28 million, respectively. (Rel. 35-26249)

SELF-REGULATORY ORGANIZATIONS

DELISTINGS GRANTED

An order has been issued granting the application of Allerion Inc. to strike from listing and registration its Common Stock, No Par Value, on the New York Stock Exchange. (Rel. 34-35465)

An order has been issued granting the application of Enquirer/Star, Inc., 10 3/8% Senior Subordinated Notes, due May 15, 2002, to strike from listing and registration on the New York Stock Exchange. (Rel. 34-35466)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Boston Stock Exchange (SR-BSE-95-1) relating to the value charges on Intermarket Trading System trades has become effective upon filing. Publication of the proposal is expected in the Federal Register during the week of March 13. (Rel. 34-35462)

AMENDMENT TO PROPOSED RULE CHANGE

The Chicago Board Options Exchange filed Amendment No. 1 to a proposed rule change (SR-CBOE-95-12) relating to margin levels for currency warrants based on the value of the U.S. dollar in relation to the Mexican peso. Publication of the notice is expected in the Federal Register during the week of March 13. (Rel. 34-35463; International Series Rel. 790)

APPROVAL OF PROPOSED RULE CHANGES

The Commission has granted approval of a proposed rule change (SR-Phlx-95-03) filed by the Philadelphia Stock Exchange relating to customized foreign currency options transaction size. Publication of the order is expected in the Federal Register during the week of March 13. (Rel. 34-35464)

The Municipal Securities Rulemaking Board filed a proposed rule change (SR-MSRB-93-9) pursuant to Section 19(b) of the Securities Exchange Act of 1934. The Board is filing herewith a proposed rule change to request an extension from April 6, 1995 through December 31, 1995 of its Continuing Disclosure Information (CDI) Pilot system of the Municipal Securities Information Library (MSIL) system. The CDI Pilot system accepts and disseminates voluntary submissions of official disclosure notices relating to outstanding issues of municipal securities. Publication of the Release in the Federal Register is expected during the week of March 13. (Rel. 34-35467)

PROPOSED RULE CHANGE

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-95-09) that would make three changes to the rules governing NASD members' over-the-counter (OTC) trading in exchange-listed securities. First, the NASD proposes to require NASD members registered as Consolidated Quotations Service (CQS) market makers to display certain customer limit orders in their quotes. Second, the NASD proposes to prohibit NASD members who are not Intermarket Trading System/Computer Assisted Execution System Automated Interface (ITS/CAES) market makers from effecting a transaction in any ITS/CAES-eligible security that "trades-through" (i.e., a purchase below the lowest bid or a sell above the highest offer) the best bid or offer displayed by any ITS/CAES market maker or any ITS Participant Exchange in that stock. Third, the NASD proposes to require all NASD members executing customer orders in ITS-eligible securities to afford such orders some opportunity for price improvement. Publication of the notice of the proposed rule change in the Federal Register is expected during the week of March 13. (Rel. 34-35471)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- S-3 SOUTH CAROLINA ELECTRIC & GAS CO, 1426 MAIN ST, COLUMBIA, SC 29201
(803) 748-3000 - 200,000,000 (\$200,000,000) MORTGAGE BONDS. (FILE 33-57955 - MAR. 06) (BR. 8)
- S-3 CENTURY COMMUNICATIONS CORP, 50 LOCUST AVE, NEW CANAAN, CT 06840
(203) 972-2000 - 3,581,632 (\$30,891,576) COMMON STOCK. (FILE 33-57957 - MAR. 06) (BR. 7)
- S-4 FRITZ COMPANIES INC, 706 MISSION ST STE 900, SAN FRANCISCO, CA 94103
(415) 904-8360 - 5,245,500 (\$263,115,625) COMMON STOCK. (FILE 33-57961 - MAR. 06) (BR. 4)
- S-8 ZIONS BANCORPORATION /UT/, 1380 KENNECOTT BLDG, SALT LAKE CITY, UT 84133
(801) 524-4787 - 135,900 (\$1,359,000) COMMON STOCK. (FILE 33-57963 - MAR. 06) (BR. 1)
- S-4 SUNTRUST BANKS INC, P.O. BOX 4418 CENTER 633, ATLANTA, GA 30302
(404) 588-7711 - 263,325 (\$7,273,435) COMMON STOCK. (FILE 33-57965 - MAR. 06) (BR. 1)
- S-3 INVACARE CORP, 899 CLEVELAND ST, P O BOX 4028, ELYRIA, OH 44036
(216) 329-6000 - 578,650 (\$19,818,763) COMMON STOCK. (FILE 33-57967 - MAR. 06) (BR. 8)
- S-8 MICHAEL FOODS INC, 324 PARK NATIONAL BANK BLDG, 5353 WAYZATA BLVD,
MINNEAPOLIS, MN 55416 (612) 546-1500 - 300,000 (\$3,562,500) COMMON STOCK.
(FILE 33-57969 - MAR. 07) (BR. 4)
- SB-2 SOLAR-MATES INC, 8125 25TH COURT EAST, SARASOTA, FL 34243 (813) 359-3599
- 2,300,000 (\$9,487,500) COMMON STOCK. 100,000 (\$125)
WARRANTS, OPTIONS OR RIGHTS. 200,000 (\$1,140,000) COMMON STOCK.
UNDERWRITER: REDSTONE SECURITIES INC, ROTHSCHILD GLOBAL INVESTMENTS INC.
(FILE 33-89752-A - FEB. 24) (BR. 8 - NEW ISSUE)
- F-1 CBT GROUP PLC, 28 CLONSKEAGH SQ, DUBLIN 14 IRELAND, L2 - 2,645,000
(\$37,030,000) FOREIGN COMMON STOCK. UNDERWRITER: BROWN ALEX & SONS INC,
ROBERTSON STEPHENS & CO. (FILE 33-89904 - MAR. 02) (BR. 9 - NEW ISSUE)
- S-8 STEIN MART INC, 1200 RIVERPLACE BLVD, JACKSONVILLE, FL 32207
(904) 346-1500 - 42,000 (\$427,010) COMMON STOCK. (FILE 33-90028 - FEB. 28)
(BR. 1)

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.
- Item 8. Change in Fiscal Year.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Room (when ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
RITE AID CORP	DE								X	01/27/94	AMEND
ROBERTS PHARMACEUTICAL CORP	NJ					X				02/24/95	
ROME FURNITURE CORP	NV	X								03/03/95	
SBM CERTIFICATE CO	MN				X					02/16/95	
SCHULER HOMES INC	DE				X	X				02/24/95	
SECURITIZED ASSET SALES INC MOR PAS THR	NY				X	X				02/27/95	
SEMICONDUCTOR PACKAGING MATERIALS CO INC	DE							X		12/15/94	AMEND
SOMERSET GROUP INC	IN	X								03/03/95	
STANDARD BRANDS PAINT CO	DE				X	X				02/15/95	
STANT CORP	DE							X		12/13/94	AMEND
STONE ENERGY CORP	DE	X						X		12/16/94	AMEND
SUPERIOR SURGICAL MANUFACTURING CO INC	NY				X	X				02/24/95	
SYMBOLICS INC	DE				X	X				02/27/95	
TAYLOR WINE CO INC					X	X				02/21/95	
TMS HOME EQUITY TRUST 1992-D-II								X		01/16/95	
TRANSAMERICA CORP	DE				X	X				03/03/95	
USX CORP	DE				X	X				12/31/94	
VALUE ADDED COMMUNICATIONS INC /DE/	DE				X	X				02/22/95	
VIRAGEN INC	DE							X		02/24/95	
WHEREHOUSE ENTERTAINMENT INC	DE					X				03/01/95	
XEROGRAPHIC LASER IMAGES CORP /DE/	DE	X	X							02/24/95	