

# sec news digest

Issue 95-243

December 19, 1995

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## COMMISSION ANNOUNCEMENTS

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### CHANGE IN THE MEETING: CANCELLATION

The closed meeting scheduled for Tuesday, December 19, 1995, at 11:00 a.m. has been cancelled.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary (202) 942-7070.

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## ENFORCEMENT PROCEEDINGS

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### COMMISSION ISSUES ORDER INSTITUTING ADMINISTRATIVE PROCEEDING AGAINST JOHN D'ACQUISTO

The Commission announced that it issued an Order Instituting Public Administrative Proceeding pursuant to Sections 203(e) and 203(f) of the Investors Advisers Act of 1940 against John F. D'Acquisto (D'Acquisto), a registered investment adviser.

The Commission's Order alleges that D'Acquisto raised approximately \$7 million from three investors through the offer and sale of securities in a fraudulent investment scheme. Further, D'Acquisto falsely represented to investors that he was a sophisticated money manager, the investors' funds were secure, the investment was low risk, and the investment principal and earnings would be returned to investors on a timely basis. The Order further alleges that, on September 20, 1995, the United States District Court, Southern District of California permanently enjoined D'Acquisto from further violations of various antifraud provisions of the federal securities laws.

A hearing will be scheduled to take evidence on the staff's allegations and to afford respondent an opportunity to present any defenses thereto. The purpose of the hearing is to determine whether the allegations are true and whether any remedial action should be ordered by the Commission. (Rel. IA-1540)

#### PUBLIC ADMINISTRATIVE PROCEEDINGS PURSUANT TO RULE 102(e) INSTITUTED AND SETTLED AGAINST GERALD KUDLER

The Commission instituted and settled public administrative proceedings pursuant to Rule 102(e) of the Commission's Rules of Practice against Gerald M. Kudler. In anticipation of the institution of the public administrative proceedings, Kudler has submitted an Offer of Settlement which the Commission has determined to accept.

In his Offer, Kudler consents to the issuance of an Order by the Commission permanently denying him the privilege of appearing or practicing as an accountant before the Commission. Kudler consents to the issuance of such an Order by the Commission without admitting or denying the findings, except that he admits the issuance of an injunction against him on November 30, 1995 in SEC v. Sani-Tech Industries, Inc., et al., C.A. No. 94-4535 (ADS) (E.D.N.Y. filed September 27, 1994) (LR-14760) for violations of the antifraud provisions of the federal securities laws and the prohibition against the falsification of an issuer's books and records. (Rel. 34-36598; AAE Rel. 740)

#### FINAL JUDGMENT ISSUED AGAINST GERALD KUDLER

The Commission announced today that Gerald M. Kudler, a defendant in a civil action filed by the Commission in the United States District Court for the Eastern District of New York on September 27, 1994, has consented to the entry of a permanent injunction. Kudler, formerly the accountant for Sani-Tech Industries, Inc., was charged with preparing false and misleading annual and quarterly reports for Sani-Tech, which were then filed with the Commission. Among other things, the complaint alleges that Kudler issued audit opinions on Sani-Tech's financial statements which were included in Sani-Tech's annual reports, falsely representing that Sani-Tech's financial statements had been prepared in accordance with generally accepted accounting principles (GAAP) and that they had been audited by a certified public accountant.

The Court's Order enjoins Kudler from further violations of the antifraud provisions and the prohibitions against falsifying an issuer's books and records, and orders disgorgement plus prejudgment interest in the amount of \$23,000, but waives the payment of disgorgement and prejudgment interest based on Kudler's demonstrated inability to pay. Based on Kudler's inability to pay, the Order does not impose civil penalties. [SEC v. Sani-Tech Industries, Inc., et al., Civil Action No. 94-4535, ADS, EDNY] (LR-14760; AAE Rel. 741)

#### ADMINISTRATIVE PROCEEDING INSTITUTED AGAINST ROBERT LINDLEY

The Commission issued an Order Instituting Public Administrative Proceeding pursuant to Sections 15(b) and 19(h) of the Exchange Act against Robert E. Lindley (Lindley), formerly associated with Vestcorp Securities, Inc., a broker-dealer formerly registered with the Commission. The Order alleges that on October 10, 1995, Lindley was permanently enjoined from future violations of the antifraud provisions of the federal securities laws and that on February 2, 1995, Lindley, in a related criminal proceeding, was convicted on two counts of mail fraud and sentenced to 9 years in prison and ordered to pay \$73,127,020 in restitution.

The Commission's complaint in this action alleged that Lindley engaged in the fraudulent offer and sale of securities in the form of limited partnerships and misappropriated client funds from a pension administrator controlled by Lindley and others.

A hearing will be scheduled to take evidence on the staff's allegations and to afford Lindley an opportunity to present any defenses thereto. The purpose of the hearing is to determine whether the allegations are true and whether any remedial action should be ordered by the Commission. (Rel. 34-36599)

#### ADMINISTRATIVE PROCEEDING INSTITUTED AGAINST VALERIE JENSEN

The Commission issued an Order Instituting Public Administrative Proceeding pursuant to Sections 15(b) and 19(h) of the Exchange Act against Valerie Jensen (Jensen), formerly associated with Vestcorp Securities, Inc., a broker-dealer formerly registered with the Commission. The Order alleges that on October 10, 1995, Jensen was permanently enjoined from future violations of the antifraud provisions of the federal securities laws and that on March 3, 1995, Jensen, in a related criminal proceeding, was convicted on two counts of mail fraud and sentenced to 4 years and 3 months in prison and ordered to pay \$73,127,020 in restitution.

The Commission's complaint in this action alleged that Jensen engaged in the fraudulent offer and sale of securities in the form of limited partnerships and misappropriated client funds from a pension administrator controlled by Jensen and others.

A hearing will be scheduled to take evidence on the staff's allegations and to afford Jensen an opportunity to present any defenses thereto. The purpose of the hearing is to determine whether the allegations are true and whether any remedial action should be ordered by the Commission. (Rel. 34-36600)

## RICHARD ANDERS ENJOINED

The Commission announced that on December 12 the Honorable G. Ernest Tidwell, United States District Court Judge for the Northern District of Georgia, entered a final judgment of permanent injunction against Richard A. Anders (Anders). Anders was permanently enjoined from violating Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Anders consented to the entry of the judgment. Anders was previously associated as an unregistered stockbroker with First Alliance Securities, Inc. (First Alliance), a now defunct penny stock broker-dealer headquartered in Atlanta, Georgia.

The Commission's complaint alleged that First Alliance operated as a penny stock boiler room selling to unsophisticated investors through high pressure sales tactics, misrepresentations and omissions. The complaint alleged that Anders, inter alia, falsely told investors who purchased penny stocks promoted by First Alliance that such investments would be profitable, executed trades in customers' accounts without customer authorization, and, on at least one occasion, insisted on a kick-back of 25% of the profits in order to place a sell order in a customer's account. [SEC v. Calvin L. Word, et al., Civil Action No. 1:95-CV-2470-GET, N.D. Ga.] (LR-14759)

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## INVESTMENT COMPANY ACT RELEASES

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### FLAGSHIP PENNSYLVANIA TRIPLE TAX EXEMPT FUND

An order has been issued under Section 8(f) of the Investment Company Act declaring that Flagship Pennsylvania Triple Tax Exempt Fund has ceased to be an investment company. (Rel. IC-21603 - December 18)

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## SELF-REGULATORY ORGANIZATIONS

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### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The Municipal Securities Rulemaking Board filed a proposed rule change (SR-MSRB-95-18) to make several clarifying and technical changes to the text of Rule G-15(a), concerning customer confirmations. The proposed rule change became effective upon filing with the Commission. (Rel. 34-36596)

## APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change (SR-GSCC-95-03) filed by the Government Securities Clearing Corporation that authorizes the release of clearing data relating to participants. (Rel. 34-36597)

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## SECURITIES ACT REGISTRATIONS

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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.

- SB-2 VETCO INC/NY, 105 BAYLIS ROAD, MELVILLE, NY 11747 (516) 755-1155 - 1,035,000 (\$4,916,250) COMMON STOCK. 1,035,000 (\$103,500) WARRANTS, OPTIONS OR RIGHTS. 1,035,000 (\$210,000) COMMON STOCK. (FILE 33-80023-NY - DEC. 01) (BR. 4)
- S-3 HEALTH POWER INC /DE/, 1209 ORANGE ST, WILMINGTON, DE 43017 (614) 461-9900 - 634,878 (\$6,348,780) COMMON STOCK. (FILE 33-80035 - DEC. 05) (BR. 10)
- S-4 INTELLIGENT SURGICAL LASERS INC, 4520 EXECUTIVE DR STE ONE, PLZ LEVEL, SAN DIEGO, CA 92121 (619) 552-6700 - 4,800,000 (\$8,544,000) COMMON STOCK. (FILE 33-80037 - DEC. 05) (BR. 8)
- SB-2 NEUROBIOLOGICAL TECHNOLOGIES INC /CA/, 1387 MARINA WAY S, RICHMOND, CA 94804 (510) 215-8000 - 2,000,000 (\$7,750,000) COMMON STOCK. (FILE 33-80041 - DEC. 05) (BR. 4)
- S-8 BOCA RESEARCH INC, 1377 CLINT MOORE RD, BOCA RATON, FL 33487 (407) 997-6227 - 1,095,000 (\$19,024,250) COMMON STOCK. (FILE 33-80043 - DEC. 06) (BR. 10)
- SB-2 SILICON VALLEY RESEARCH INC, 300 FERGUSON DR STE 300, MOUNTAIN VIEW, CA 94043 (408) 991-6000 - 4,898,371 (\$37,807,375.25) COMMON STOCK. (FILE 33-80051 - DEC. 06) (BR. 10)
- S-3 RESTOR INDUSTRIES INC, 4501 VINELAND RD, ORLANDO, FL 32811 (407) 843-7031 - 2,455,039 (\$19,640,312) COMMON STOCK. (FILE 33-80053 - DEC. 06) (BR. 6)
- S-3 HORACE MANN EDUCATORS CORP /DE/, 1 HORACE MANN PLZ, SPRINGFIELD, IL 62715 (217) 789-2500 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-80059 - DEC. 06) (BR. 10)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK, NJ 07463 (602) 964-9568 - 1,440,000 (\$990,000) COMMON STOCK. (FILE 33-80061 - DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK, NJ 07463 (602) 964-9568 - 1,162,500 (\$232,500) COMMON STOCK. (FILE 33-80063 - DEC. 06) (BR. 6)

REGISTRATIONS CONT.

- S-8 VIDEOTRON HOLDINGS PLC, 76 HAMMERSMITH RD, VIDEOTRON HOUSE,  
LONDON W14 8UD ENGLAND, X0 (081) 244-1234 - 8,239,018 (\$24,140,322.74)  
FOREIGN COMMON STOCK. (FILE 33-80069 - DEC. 05) (BR. 7)
- S-8 ENGLE HOMES INC /FL, 123 N W 13TH ST STE 300, BOCA RATON, FL 33432  
(407) 391-4012 - 270,000 (\$2,372,250) COMMON STOCK. (FILE 33-80083 -  
DEC. 05) (BR. 9)
- S-8 KTI INC, 7000 BLVD EAST, GUTTENBERG, NJ 07093 (201) 854-7777 -  
1,385,431 (\$11,429,805.75) COMMON STOCK. (FILE 33-80087 - DEC. 06)  
(BR. 9)
- S-8 SARATOGA BRANDS INC, 1835 SWARTHMORE AVENUE, LAKEWOOD, NJ 08701  
(310) 315-4979 - 100,000 (\$318,000) COMMON STOCK. (FILE 33-80089 -  
DEC. 06) (BR. 3)
- S-8 Q MED INC, 100 METRO PARK S, 3RD FLOOR, LAURENCE HARBOR, NJ 08878  
(908) 566-2666 - 55,000 (\$226,250) COMMON STOCK. (FILE 33-80091 - DEC. 06)  
(BR. 8)
- S-3 UNION NATIONAL FINANCIAL CORP / PA, 101 E MAIN ST, P O BOX 567,  
MOUNT JOY, PA 17552 (717) 653-1441 - 150,000 (\$2,938,500) COMMON STOCK.  
(FILE 33-80093 - DEC. 06) (BR. 1)
- S-8 CUSTOM CHROME INC /DE, 16100 JACQUELINE COURT, MORGAN HILL, CA 95037  
(408) 778-0500 - 735,000 (\$15,325,396) COMMON STOCK. (FILE 33-80095 -  
DEC. 06) (BR. 4)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 850,000 (\$170,000) COMMON STOCK. (FILE 33-80097  
- DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 1,150,000 (\$230,000) COMMON STOCK. (FILE  
33-80099 - DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 250,000 (\$50,000) COMMON STOCK. (FILE 33-80101 -  
DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 600,000 (\$120,000) COMMON STOCK. (FILE 33-80103  
- DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 1,061,350 (\$212,270) COMMON STOCK. (FILE  
33-80105 - DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 45,400 (\$9,080) COMMON STOCK. (FILE 33-80107 -  
DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 848,000 (\$169,600) COMMON STOCK. (FILE 33-80109  
- DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 410,000 (\$82,000) COMMON STOCK. (FILE 33-80111 -  
DEC. 06) (BR. 6)
- S-8 SOFTWARE OF EXCELLENCE INTERNATIONAL INC, SIX CRESCENT AVENUE, WALDWICK,  
NJ 07463 (602) 964-9568 - 1,050,000 (\$210,000) COMMON STOCK. (FILE  
33-80113 - DEC. 06) (BR. 6)

REGISTRATIONS CONT.

- S-3 HORTON D R INC /DE/, 1901 ASCENSION BLVD, STE 100, ARLINGTON, TX 76006 (817) 856-8200 - 5,750,000 (\$64,687,500) COMMON STOCK. (FILE 33-80115 - DEC. 06) (BR. 9)
- SB-2 STOLT NIELSEN S A, C/O STOLT NIELSEN LIMITED, ALDWYCH HOUSE, LONDON WC2B 4HN ENGLAND, (203) 625-9400 - 7,475,000 (\$146,061,500) COMMON STOCK. (FILE 33-80125 - DEC. 07) (BR. 4)
- S-3 APPLIED SCIENCE & TECHNOLOGY INC, 35 CABOT RD, WOBURN, MA 01801 (617) 933-5560 - 130,377 (\$1,251,619.20) COMMON STOCK. (FILE 33-80135 - DEC. 07) (BR. 10)
- S-3 WESTERN WATER CO, 4660 LAJOLLA VILLAGE DR STE 680, SAN DIEGO, CA 92122 (619) 535-9282 - 627,349 (\$16,878,063) COMMON STOCK. (FILE 33-80137 - DEC. 07) (BR. 5)
- S-8 HEART LABS OF AMERICA INC /FL/, 2650 N MILITARY TRAIL STE 220, BOCA RATON, FL 33431 (407) 241-7857 - 400,000 (\$400,000) COMMON STOCK. (FILE 33-80139 - DEC. 07) (BR. 6)
- S-8 HPR INC, 245 FIRST STREET, CAMBRIDGE, MA 02142 (617) 679-8000 - 767,500 (\$21,969,687.50) COMMON STOCK. (FILE 33-80141 - DEC. 07) (BR. 6)
- S-8 HPR INC, 245 FIRST STREET, CAMBRIDGE, MA 02142 (617) 679-8000 - 50,000 (\$1,431,250) COMMON STOCK. (FILE 33-80143 - DEC. 07) (BR. 6)
- S-8 HPR INC, 245 FIRST STREET, CAMBRIDGE, MA 02142 (617) 679-8000 - 580,000 (\$16,602,500) COMMON STOCK. (FILE 33-80145 - DEC. 07) (BR. 6)
- S-8 SIGMATRON INTERNATIONAL INC, 2201 LANDMEIER RD, ELK GROVE VILLAGE, IL 60007 (708) 956-8000 - 768,500 (\$5,491,465) COMMON STOCK. (FILE 33-80147 - DEC. 07) (BR. 3)
- S-1 KELLER FINANCIAL SERVICES OF FLORIDA INC, 19329 US HIGHWAY 19 NORTH, CLEARWATER, FL 34624 (813) 524-1400 - 1,000,000 (\$10,000,000) STRAIGHT BONDS. (FILE 33-80149 - DEC. 07) (BR. 12)
- S-8 SANGSTAT MEDICAL CORP, 1505 ADAMS DR, MENLO PARK, CA 94025 (415) 328-0300 - 388,000 (\$3,018,640) COMMON STOCK. (FILE 33-80155 - DEC. 08) (BR. 4)
- S-8 SILVERADO FOODS INC, 7312 E 38TH ST, TULSA, OK 74145 (918) 627-7783 - 100,000 (\$312,500) COMMON STOCK. (FILE 33-80157 - DEC. 08) (BR. 3)
- SB-2 INFORMATION RESOURCE ENGINEERING INC, 8029 CORPORATE DRIVE, BALTIMORE, MD 21236 (410) 931-7500 - 1,322,500 (\$33,723,750) COMMON STOCK. (FILE 33-80161 - DEC. 07) (BR. 7)
- S-8 LASER TECHNOLOGY INC, 7070 S TUSCON WAY GARDEN LEVEL B, ENGLEWOOD, CO 80112 (303) 649-1000 - 530,000 (\$2,249,843) COMMON STOCK. (FILE 33-80165 - DEC. 06) (BR. 8)
- S-8 LASER TECHNOLOGY INC, 7070 S TUSCON WAY GARDEN LEVEL B, ENGLEWOOD, CO 80112 (303) 649-1000 - 120,000 (\$495,000) COMMON STOCK. (FILE 33-80167 - DEC. 06) (BR. 8)
- S-3 ASSOCIATED ESTATES REALTY CORP, 5025 SWETLAND COURT, RICHMOND HEIGHTS, OH 44143 (216) 261-5000 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE 33-80169 - DEC. 07) (BR. 6)
- S-8 FIRST MIDWEST FINANCIAL INC, FIFTH AT ERIE, STORM LAKE, IA 50588 (712) 732-4117 - 191,762 (\$2,149,657) COMMON STOCK. (FILE 33-80171 - DEC. 07) (BR. 1)

REGISTRATIONS CONT.

- S-3 DOVATRON INTERNATIONAL INC, 5405 SPINE RD, BOULDER, CO 80301  
(303) 530-9364 - 86,250,000 (\$86,250,000) STRAIGHT BONDS. (FILE 33-80175 -  
DEC. 07) (BR. 3)
- S-1 COASTAL CARIBBEAN OILS & MINERALS LTD, CLARENDON HOUSE CHURCH STREET,  
HAMILTON, DO 06443 (809) 295-1422 - 4,000,000 (\$6,000,000) COMMON STOCK.  
(FILE 33-80183 - DEC. 07) (BR. 4)
- S-8 RT INDUSTRIES INC, 751 PARK OF COMMERCE, SUITE 104, BOCA RATON, FL 33487  
(407) 989-1400 - 100,000 (\$184,500) COMMON STOCK. (FILE 33-80225 -  
DEC. 08) (BR. 4)
- S-8 RT INDUSTRIES INC, 751 PARK OF COMMERCE, SUITE 104, BOCA RATON, FL 33487  
(407) 989-1400 - 100,000 (\$184,000) COMMON STOCK. (FILE 33-80227 -  
DEC. 08) (BR. 4)
- S-8 ELTRON INTERNATIONAL INC, 41 MORELAND RD, SIMI VALLEY, CA 93065  
(805) 579-1800 - 1,101,000 (\$39,636,000) COMMON STOCK. (FILE 33-80233 -  
DEC. 08) (BR. 9)
- S-8 DCI TELECOMMUNICATIONS INC, 303 LINWOOD AVE, FAIRFIELD, CT 06430  
(203) 259-7713 - 1,868,300 (\$18,683) COMMON STOCK. (FILE 33-80235 -  
DEC. 08) (BR. 7)
- S-8 NOVAVAX INC, 12601 TWINBROOK PARKWAY, ROCKVILLE, MD 20852 (301) 816-8160  
- 500,000 (\$2,095,000) COMMON STOCK. (FILE 33-80277 - DEC. 11) (BR. 4)
- S-8 NOVAVAX INC, 12601 TWINBROOK PARKWAY, ROCKVILLE, MD 20852 (301) 816-8160  
- 4,000,000 (\$16,760,000) COMMON STOCK. (FILE 33-80279 - DEC. 11) (BR. 4)
- S-8 JETFORM CORP, 560 ROCHESTER ST SUITE 400, OTTAWA ONTARIA CANADA K1S 5K2,  
A6 (613) 594-3026 - 406,282 (\$7,719,358) COMMON STOCK. (FILE 33-80281 -  
DEC. 11) (BR. 9)
- S-8 JETFORM CORP, 560 ROCHESTER ST SUITE 400, OTTAWA ONTARIA CANADA K1S 5K2,  
A6 (613) 594-3026 - 1,200,000 (\$22,800,000) COMMON STOCK. (FILE 33-80283 -  
DEC. 11) (BR. 9)
- S-8 SOUTHERN FINANCIAL BANCORP INC /VA/, 37 EAST MAIN ST, WARRENTON, VA  
22186 (703) 349-3900 - 100,000 (\$1,550,000) COMMON STOCK. (FILE 33-80285 -  
DEC. 11) (BR. 1)
- S-8 SOUTHERN FINANCIAL BANCORP INC /VA/, 37 EAST MAIN ST, WARRENTON, VA  
22186 (703) 349-3900 - 83,660 (\$1,296,730) COMMON STOCK. (FILE 33-80287 -  
DEC. 11) (BR. 1)
- S-8 FIRST SOUTHEAST FINANCIAL CORP, 201 NORTH MAIN ST, ANDERSON, SC 29621  
(803) 224-3401 - 200,000 (\$3,800,000) COMMON STOCK. (FILE 33-80289 -  
DEC. 11) (BR. 2)