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# sec news digest

U.S. SECURITIES AND  
EXCHANGE COMMISSION

Issue 90-158

August 15, 1990

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## ADMINISTRATIVE PROCEEDINGS

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### SALIM B. LEWIS BARRED

The Commission instituted public proceedings against Salim B. Lewis, formerly the managing general partner of a registered broker-dealer, pursuant to Section 15(b)(6) of the Securities Exchange Act. Simultaneously, Lewis submitted an Offer of Settlement consenting to the entry of an Order, which contains findings that Lewis: (1) pleaded guilty in an action styled [U.S. v. Lewis, S 88 Crim. 802 (MJL)], to stock manipulation, to causing a registered broker-dealer to fail to make and keep prescribed records, and to aiding and abetting another person's margin violation; and (2) is presently permanently enjoined by judgment of the U.S. District Court for the Southern District of New York, in the action styled [SEC v. Salim B. Lewis, 90 CIV. 5129 (WCC) (S.D.N.Y. Judgment entered August 9, 1990)], from violating, or aiding and abetting violations of, various provisions of the Exchange Act. In addition, the Commission barred Lewis from association with any broker, dealer, investment adviser, investment company, or municipal securities dealer. (Rel. 34-28333)

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## CIVIL PROCEEDINGS

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### COMPLAINT AGAINST NOVAFERON AND OTHERS

On August 10, the Fort Worth Regional Office filed a civil injunctive action in the U.S. District Court for the Northern District of Ohio seeking permanent injunctions against Novaferon Labs, Inc., Stephen T. Haley, Global Investment Trading Co., Inc., Intermark International, Inc., Harrier Investments, Ltd., Karen Galvin, J. Dudley, Jerzy Goerglades, Peter Sands and Rodney Sparks for violations of the registration, ownership reporting, financial reporting and anti-fraud provisions of the federal securities laws. Accountings and disgorgement are also being sought from certain of the defendants.

According to the complaint, Novaferon, with offices in Akron, Ohio and near Houston, Texas, was engaged in the development of medical compounds. Its initial public

offering in July 1987 ended with the securities offered under the undisclosed control of several defendants. Subsequently, Novaferon's assets and prospects for successfully developing medical compounds effective against, among other things, the AIDS virus, were greatly overstated. Haley and GITC also fraudulently sold \$2.8 million in limited partnership interests to 286 Ohio investors, then lulled them into believing their investment was successful by distributing Novaferon stock to the partnerships. [SEC v. Novaferon Labs, Inc., et al., U.S.D.C., ND/Ohio, CA No. 5:90 CV1446] (LR-12577)

#### PRELIMINARY INJUNCTION IN UNION NATIONAL MORTGAGE COMPANY

On August 9, the Fort Worth Regional Office announced the federal district court granted a Preliminary Injunction and continued the Order Freezing Assets of Union National Mortgage Company (UNMC), Mark Brandon Hopkins, and Timothy Bryan Gibbons, all of Little Rock, Arkansas. The Preliminary Injunction prohibits the Defendants from fraudulently trading in any securities, from alteration or destruction of books and records, and from dissipating any monies or property controlled by them.

As previously announced, on July 20, 1990, the federal district court granted the Commission's request for a Temporary Restraining Order and Other Equitable Relief for the Defendants alleged use of a "free-riding scheme." The Defendants, who formed UNMC ostensibly as a mortgage loan company in April 1990, made material misrepresentations and omissions to induce broker-dealers to open trading accounts. The Defendants sold or purchased millions of dollars of government securities on behalf of UNMC. Subsequently, the Defendants failed to pay for purchased securities or deliver sold securities causing broker-dealers to incur losses of over \$182,000, and resulting in profits to the Defendants of at least \$200,000. [SEC v. Union National Mortgage Co., Mark Brandon Hopkins, and Timothy Bryan Gibbons (USDC/ED AR/Civil Action No. LR-C-90-508)] (LR-12578)

#### INVESTMENT COMPANY ACT RELEASES

##### DREYFUS CORPORATE CASH TRUST

A notice has been issued giving interested persons until September 10 to request a hearing on an application filed by Dreyfus Corporate Cash Trust for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-17670, August 13)

##### PINNACLE GOVERNMENT FUND

An order has been issued on an application filed by Pinnacle Government Fund, Inc. under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-17672, August 14)

##### WESTERN AUSTRALIAN TREASURY CORPORATION

A conditional order has been issued under Section 6(c) of the Investment Company Act on an application by Western Australian Treasury Corporation, a public authority established by the State of Western Australia, Commonwealth of Australia, exempting it from all provisions of the Investment Company Act in connection with the proposed

offer and sale of its debt securities in the United States. (Rel. IC-17673, International Series Rel. No. 142, August 14)

## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

### DELISTINGS GRANTED

Orders have been issued granting the applications of the Philadelphia Stock Exchange to strike from listing and registration the specified securities: Harvard Knitwear, Incorporated, Common Stock, (\$.001 par); Preferred Stock, (\$.001 par) (Rel. 34-28328) and American Continental Corporation, \$3.44 Exchangeable Preferred Stock (Rel. 34-28329).

An order has been issued granting the application of the New York Stock Exchange to strike from listing and registration the Fischback Corporation, Common Stock, (\$1.00 par); 8 1/2% Convertible Subordinated Debentures due October 1, 2005; 4 3/4% Convertible Subordinated Debentures due April 1, 1997 (Rel. 34-28330).

Orders have been issued granting the applications of the Boston Stock Exchange to strike from listing and registration the specified securities: Automotive Franchise Corporation, Common Stock, (\$.10 par) (Rel. 34-28340); Family Group Broadcasting, L.P., Depository Units and Limited Partnership Interest (Rel. 34-28341); and Kurzweil Music Systems, Inc., Common Stock, (\$.001 par) (Rel. 34-28342).

Orders have been issued granting the applications of the American Stock Exchange to strike from listing and registration the specified securities: Kent Electronics Corporation, Common Stock, (No par) (Rel. 34-28343) and Home Shopping Network, Inc., Common Stock, (\$.01 par) (Rel. 34-38344).

## 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-8 NUMERICOM INC /OK/, 6701 N CLASSEN BLVD, OKLAHOMA CITY, OK 73116 (405) 842-4334 - 460,000 (\$287,500) COMMON STOCK. (FILE 33-36145 - AUG. 07) (BR. 4)
- S-3 ARKANSAS POWER & LIGHT CO, 425 W CAPITAL 40TH FLR, LITTLE ROCK, AR 72201 (501) 377-4000 - 250,000,000 (\$25,000,000) STRAIGHT BONDS. (FILE 33-36149 - AUG. 07) (BR. 8)
- S-1 HOUSEHOLD RECEIVABLES FUNDING INC, 1441 SCHILLING PL, SALINAS, CA 93901 (408) 754-1400 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. UNDERWRITER: SALOMON BROTHERS INC. (FILE 33-36150 - AUG. 07) (BR. 11 - NEW ISSUE)

REGISTRATIONS CONT.

- S-1 HUNTER ENVIRONMENTAL SERVICES INC, 2960 POST RD, SOUTHPORT, CT 06490 (203) 255-8777 - 630,678 (\$2,522,712) COMMON STOCK. (FILE 33-36272 - AUG. 08) (BR. 9)
- S-8 PARAGON MORTGAGE CORP, 2401 LAKE DR STE 300, SMYRNA, GA 30080 (404) 435-6400 - 500,000 (\$125,000) COMMON STOCK. 25,000 (\$12,500) COMMON STOCK. (FILE 33-36273 - AUG. 08) (BR. 11)
- S-8 MARS GRAPHIC SERVICES INC, ONE DEADLINE DR, WESTVILLE, NJ 08093 (609) 456-8666 - 63,500 (\$206,375) COMMON STOCK. (FILE 33-36274 - AUG. 08) (BR. 11)
- S-8 C&S SOVRAN CORP, C/O SOVRAN FINANCIAL CORP, ONE COMMERCIAL PL, NORFOLK, VA 23510 (804) 441-4000 - 174,814 (\$3,674,591) COMMON STOCK. (FILE 33-36275 - AUG. 08) (BR. 1)
- S-8 C&S SOVRAN CORP, C/O SOVRAN FINANCIAL CORP, ONE COMMERCIAL PL, NORFOLK, VA 23510 (804) 441-4000 - 2,500,000 (\$52,550,000) COMMON STOCK. (FILE 33-36276 - AUG. 08) (BR. 1)
- S-3 FIRST CAPITAL HOLDINGS CORP, 1900 AVE OF THE STARS, LOS ANGELES, CA 90067 (213) 551-1000 - 388,087 (\$1,770,419) COMMON STOCK. (FILE 33-36279 - AUG. 08) (BR. 9)
- S-8 INTERNATIONAL BANCSHARES CORP, 1200 SAN BERNARDO AVE, LAREDO, TX 78042 (512) 722-7611 - 50,000 (\$700,000) COMMON STOCK. (FILE 33-36152 - AUG. 07) (BR. 1)
- S-11 NEW HOME FINANCE CORP, ONE FOUNTAIN PLAZA, BUFFALO, NY 14203 - 50,000,000 (\$50,000,000) PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 33-36156 - AUG. 07) (BR. 12 - NEW ISSUE)
- S-1 CERACON INC /CA/, 1101 N MARKET BLVD SUITE 9, SACRAMENTO, CA 95834 (916) 928-1933 - 1,437,500 (\$10,062,500) COMMON STOCK. 1,437,500 (\$12,075,000) COMMON STOCK. UNDERWRITER: KEAME SECURITIES CO INC. (FILE 33-36234 - AUG. 07) (BR. 6 - NEW ISSUE)
- S-1 WITH DESIGN IN MIND INTERNATIONAL INC, 9660 TOPANGA CANYON BLVD, CHATSWORTH, CA 91311 (818) 407-1286 - 770,500 (\$4,623,000) COMMON STOCK. 67,000 (\$482,400) COMMON STOCK. 837,500 (\$7,537,500) COMMON STOCK. (FILE 33-36261 - AUG. 08) (BR. 7)
- S-8 COGNEX CORP, 15 CRAWFORD ST, NEEDHAM, MA 02194 (617) 449-6030 - 35,500 (\$455,000) COMMON STOCK. (FILE 33-36262 - AUG. 08) (BR. 8)
- S-8 COGNEX CORP, 15 CRAWFORD ST, NEEDHAM, MA 02194 (617) 449-6030 - 507,500 (\$15,478,750) COMMON STOCK. (FILE 33-36263 - AUG. 08) (BR. 8)
- S-3 MDU RESOURCES GROUP INC, 400 N FOURTH ST, BISMARCK, ND 58501 (701) 222-7900 (FILE 33-36264 - AUG. 08) (BR. 8)
- S-8 PARKER AUTOMOTIVE CORP, 3505 CADILLAC AVE BLDG 0-110, COSTA MESA, CA 92626 (714) 641-1515 - 1,600,000 (\$4,800,000) COMMON STOCK. (FILE 33-36267 - AUG. 08) (BR. 10)
- S-4 AMERICAN EXPLORATION CO, 700 LOUISIANA STE 2100, HOUSTON, TX 77002 (713) 237-0800 - 10,731,801 (\$39,113,376.50) COMMON STOCK. (FILE 33-36268 - AUG. 08) (BR. 12)
- S-1 HUNTER ENVIRONMENTAL SERVICES INC, 2960 POST RD, SOUTHPORT, CT 06490 (203) 255-8777 - 195,334 (\$781,336) COMMON STOCK. (FILE 33-36270 - AUG. 08) (BR. 9)
- S-4 CAROLINA COMMUNITY BANKSHARES INC, 1300 WASHINGTON STREET, COLUMBIA, SC 29201 (803) 733-5500 - 393,527 (\$1,489,000) PREFERRED STOCK. (FILE 33-36271 - AUG. 08) (BR. 1 - NEW ISSUE)

REGISTRATIONS EFFECTIVE

August 8: American Exploration Company, 33-36268.

August 9: Gerrity Oil & Gas Corporation, 33-35623.

August 10: Alpnet, Inc., 33-35049; Domini Social Index Trust, 33-29180; Explosive Fabricators, Inc., 33-36059; Franklin American Corporation, 33-26453; In Home Health, Inc., 33-35424; Micro Healthsystems, Inc., 33-36085; and Royalty Mortgage Income Funds, III, IV, V and VI, 33-35235.

August 13: The Trust Advisory Group of Funds, Inc., 33-34154.

**ACQUISITION OF SECURITIES**

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the percent owned; and Column 7 - the status of the filing, i.e., new, update or revision.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/% OWNED	CUSIP/PRIOR%	FILING STATUS
ADT LTD LAIDLAW INC	COM 13D	8/ 1/90	28,455 28.8	00091510 0.0	NEW
AMERICAN DRUG SCREENS INC PETERSON ARTHUR R JR	COM 13D	7/ 5/90	1,900 22.8	02548010 19.2	NEW
AMERICAN DRUG SCREENS INC PETERSON ARTHUR R JR	COM 13D	7/ 5/90	1,900 22.8	02548010 19.2	RVISION
ANGELES CORP JMB REALTY CORP ET AL	COM NEW 13D	7/31/90	643 17.8	03462440 0.0	NEW
ATTWOODS PLC LAIDLAW INC	ORD 13D	7/25/90	26,331 29.5	04987010 0.0	NEW
BANNER INDS INC PASKE INVESTMENTS ET AL	CL A 13D	7/31/90	6,849 46.2	06654510 43.0	UPDATE
BATTERY ONE STOP INC ALLEN F STEPHEN ET AL	COM 13D	8/ 9/90	1,677 16.5	07199010 15.0	UPDATE
BATTERY ONE STOP INC DEBARTOLO EDWARD J SR ET AL	COM 13D	8/ 9/90	2,187 21.4	07199010 16.6	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ % OWNED	CUSIP/ PRIOR%	FILING STATUS
BLYTH HLDGS INC BMI HOLDING ET AL	COM 13D	8/ 1/90	753 25.1	09643410 0.0	NEW
BLYTH HLDGS INC HAULBOWLINE LTD	COM 13D	8/ 1/90	407 14.2	09643410 7.2	UPDATE
CALPROP CORP DEL ZACCAGLIN VICTOR ET AL	COM 13D	7/31/90	1,766 38.1	13135210 37.5	UPDATE
CENVEST INC PALITZ CLARENCE Y ET AL	COM 13D	8/ 2/90	295 7.4	15670210 0.0	NEW
CHYRON CORP HOLM GUNNAR V	COM 13D	8/10/90	799 6.9	17160510 0.0	NEW
COMPUTER TEL CORP AMOSKEAG BANK	COM 13D	7/30/90	0 0.0	20549910 N/A	UPDATE
COPPERWELD CORP DEL IMETAL	COM 13D	8/ 1/90	5,757 100.0	21768710 100.0	UPDATE
DANAHER CORP DEL WEST ASSOCIATES ET AL	COM 13D	8/ 9/90	1,050 3.6	23585110 4.1	UPDATE
DECORP INC COIT MICHAEL D	COM 13D	8/ 1/90	4,189 93.7	24364410 0.0	NEW
EAGLE PICHER INDS INC MILLER LLOYD I ESTATE OF	COM 13D	4/25/90	572 5.3	26980310 5.4	UPDATE
ELCOR CORP GAMCO INVESTORS INC ET AL	COM 13D	8/ 8/90	836 11.7	28444310 10.7	UPDATE
ELSCINT LTD ELBIT COMMERCIAL SYS	ORD 13D	3/ 7/90	43,787 65.7	29025410 72.9	UPDATE
FORTUNE FINL GROUP INC DYSON-KISSNER-MORAN CORP ET AL	COM 13D	8/ 8/90	496 11.4	34965110 10.0	UPDATE
GALAXY CABLEVISION L P GLEASON TOMMY L ET AL	UNIT LTD PTNR 13D	7/31/90	107 5.0	36317010 0.0	NEW
GENERAL SCIENCES CORP WEISMAN NEIL JONATHAN ET AL	COM 13D	8/ 6/90	397 21.0	37074110 19.4	UPDATE
GUNDLE ENVIRONMENTAL SYS INC STATE OF WISCONSIN INVEST BD	COM 13D	7/24/90	935 9.8	40280610 8.7	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ OWNED	CUSIP/ PRIOR	FILING STATUS
HAMPTONS BANCSHARES INC SHUKOW GERALD	COM 13D	8/ 7/90	46 5.5	40958210 5.7	NEW
HAMPTONS BANCSHARES INC SHUKOW GERALD	COM 13D	8/ 7/90	46 5.5	40958210 5.7	UPDATE
HEALTH CO INTL INC AIRLIE GROUP ET AL	COM 13D	8/ 7/90	555 7.2	42220010 5.3	UPDATE
HEARTLAND PARTNERS L P SPEARS BENZAK SALOMON&FARRELL	UT LTD PARTNER 13D	6/29/90	302 14.1	42235710 0.0	NEW
HEEKIN CAN INC TIGER ET AL	COM 13D	8/10/90	217 6.7	42279110 6.9	UPDATE
ICO INC MERCURY ASSET MGMT	COM 13D	7/30/90	1,520 10.8	44929410 9.7	UPDATE
IMMUCOR INC DIAGNOSTICS TRANSFUSION	COM 13D	7/27/90	725 16.6	45252610 16.6	UPDATE
JACOR COMMUNICATIONS KOSOFSKY MARVIN B	COM 13D	8/ 1/90	700 7.0	46985810 5.0	UPDATE
KENTUCKY MED INS CO BGC SPECIAL EQUITY L P	CL A 13D	7/31/90	204 16.3	49135910 14.7	UPDATE
LIQUI BOX CORP DAVIS SAMUEL NOEL	COM 13D	8/ 1/90	81 3.5	53631410 5.6	UPDATE
MICRONETICS INC NEW PASTERNAK KENNETH	COM 13D	8/ 7/90	152 7.3	59512210 5.4	UPDATE
NETWORKED PICTURE SYS INC GLOBAL FINANCIAL RES ET AL	COM 13D	7/31/90	7,555 54.4	64090710 38.2	UPDATE
NORCEN ENERGY RES LTD NORANDA INC ET AL	ORD SUB VTG 13D	7/23/90	26,534 83.7	65549288 30.8	UPDATE
NORTON CO GAMCO INVESTORS INC ET AL	COM 13D	8/ 9/90	0 0.0	66860510 11.3	UPDATE
PIC N SAVE CORP GIRARD PARTNERS L P ET AL	COM 13D	8/ 9/90	3,774 9.4	71952210 5.9	UPDATE
PIER 1 IMPORTS INC DEL STATE OF WISCONSIN INVEST BD	COM 13D	7/18/90	3,007 8.5	72027910 7.5	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ OWNED	CUSIP/ PRIOR	FILING STATUS
PROGRESSIVE BK INC CENTENNIAL ASSOC	COM 13D	8/ 3/90	166 5.7	74331310 0.0	NEW
SILICON VY GROUP INC STATE OF WISCONSIN INVEST BD	COM 13D	7/27/90	618 6.0	82706610 N/A	UPDATE
SUN SPORTSWEAR INC STATE OF WISCONSIN INVEST BD	COM 13D	8/ 2/90	289 5.2	86687510 0.0	NEW
TCBY ENTERPRISES INC STATE OF WISCONSIN INVEST BD	COM 13D	7/24/90	2,050 7.7	87224510 6.7	UPDATE
TVC IMAGE TECHNOLOGY AMERICAN SCREEN CO ET AL	COM 13D	7/31/90	1,600 5.4	87305810 5.1	UPDATE
TORO CO HARRIS ASSOCIATES INC	COM 13D	7/31/90	1,271 10.8	89109210 9.6	UPDATE
TRI-R SYS CORP WATSON GENERAL PICTURES	COM 13D	7/31/90	1,200 27.9	89557410 0.0	NEW
TRIAD SYS CORP HARRIS ASSOCIATES INC	COM PAR \$0.001 13D	7/31/90	940 9.1	89581820 6.5	UPDATE
UNITED ARTISTS ENTMT CO GAMCO INVESTORS INC ET AL	CL B 13D	8/ 8/90	5,722 8.6	90940520 7.5	UPDATE
VITALINK COMMUNICATIONS CORP STATE OF WISCONSIN INVEST BD	COM 13D	7/18/90	1,165 8.6	92847010 7.6	UPDATE