

# sec news digest

Issue 95-141

July 24, 1995

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## COMMISSION ANNOUNCEMENTS

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### PAUL MACO TO TESTIFY

On July 26, Paul S. Maco, Director of the Commission's Office of Municipal Securities, will testify before the House Subcommittee on Capital Markets, Securities, and Government Sponsored Enterprises of the Committee on Banking and Financial Services regarding the Municipal Securities Market. The hearing will be held in Room 2128 of the Rayburn House Office Building at 10:00 a.m.

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## RULES AND RELATED MATTERS

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### PAYMENT FOR INVESTMENT COMPANY SERVICES WITH BROKERAGE COMMISSIONS

The Commission issued a release adopting final rule and form amendments relating to the reporting of expenses by investment companies. The amendments require an investment company to reflect as expenses in its statement of operations, and in other financial information, certain liabilities of the company paid by broker-dealers in connection with allocation of the company's brokerage transactions to the broker-dealers and liabilities reduced by certain expense offset arrangements. In addition, the amendments require an investment company to disclose the average commission rate it paid in connection with the purchase and sale of portfolio securities, subject to a de minimis exception. (Rels. 33-7197; IC-21221)

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## ENFORCEMENT PROCEEDINGS

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### ADMINISTRATIVE PROCEEDINGS INSTITUTED, FINDINGS MADE AND SANCTIONS IMPOSED AGAINST SAMUEL WILLIAMS

The Commission instituted administrative proceedings, made findings and imposed remedial sanctions against Samuel L. Williams (Williams) Boca Raton, Florida. Williams was formerly a registered representative associated with Walnut Street Securities, Inc., a registered broker-dealer. Williams submitted, and the Commission accepted, an Offer of Settlement whereby he consented to the entry of an Order Making Findings and Imposing Remedial Sanctions containing findings that: (a) on October 6, 1993 Williams pled guilty to a twenty-nine count Information charging him with one count of Organized Fraud, seven counts of Grand Theft in the First Degree, eighteen counts of Grand Theft in the Second Degree, and three counts of Grand Theft in the Third Degree. The Information was based on violations in connection with the offer and sale of securities industry. (Rel. 34-35974)

### ADMINISTRATIVE PROCEEDINGS INSTITUTED, FINDINGS MADE AND SANCTIONS IMPOSED AGAINST WALNUT STREET SECURITIES, INC.

The Commission instituted administrative proceedings, made findings and imposed remedial sanctions against Walnut Street Securities Inc. (Walnut), a registered broker-dealer headquartered in St. Louis, Missouri. Walnut submitted, and the Commission accepted, an Offer of Settlement whereby Walnut consented to the entry of an Order Making Findings and Imposing Remedial Sanctions containing findings that: (a) from March 1991 to about May 13, 1992, Samuel L. Williams, a registered representative associated with Walnut, willfully violated the anti-fraud provisions of the federal securities laws; and (b) Walnut failed to establish procedures which would reasonably be expected to prevent and detect, insofar as possible, such violations. Walnut consented to a censure and to an undertaking. (Rel. 34-35975)

### SEC BRINGS ACTION AGAINST GARY SMITH

The Commission announced that on July 17 the Commission instituted administrative proceedings against Gary A. Smith (Smith) based on allegations by the Division of Enforcement that Smith willfully violated Sections 203(a), 204, 205(a) (2) and 206(4) of the Investment Advisers Act of 1940 and Rules 204-2, 204-3 and 206(4)-2(a) thereunder and that, on December 19, 1994, an Order of Permanent Injunction was entered against Smith, enjoining him from further violations of those provisions.

The Order Instituting Proceedings (Order) alleges that from April 1987 through December 19, 1994, Smith acted as an unregistered investment adviser. The Order further alleges that Smith had 115 client accounts, that his clients resided in 14 different states and foreign countries, and that he managed between \$3 million and \$5 million of client assets. The Order also alleges that least 75% of the value of the assets under Smith's management was comprised of securities. In addition, the Order alleges that Smith failed to: implement required safeguards for his customers' funds and securities in his custody and possession, identify client securities and their proper values, maintain required books and records, furnish Part II of his Form ADV or an equivalent document to clients and provide a nonassignability clause in his investment advisory contracts. (Rel. IA-1508)

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## INVESTMENT COMPANY ACT RELEASES

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### ASA LIMITED

An order has been issued under Section 7(d) of the Investment Company Act. The order permits applicant, a South African company registered as an investment company in the United States, to appoint Chase Manhattan Bank, N.A. as its custodian and to authorize Chase to appoint Standard Bank of South Africa as applicant's subcustodian. The order supersedes prior orders with respect to applicant's custodian arrangements. (Rel. IC-21220; International Series Rel. 829)

### TECHNOLOGY EQUITY AND INCOME TRUST, ET AL.

A notice has been issued giving interested persons until August 15 to request a hearing on an application filed by Morgan Stanley & Co. Inc., Technology Equity and Income Trust (Trust), and certain future closed-end investment companies underwritten by Morgan Stanley (together with the Trust, the Trusts). Applicants request a conditional order under Sections 6(c) and 17(b) of the Act for an exemption from Section 17(a)(2) to permit Morgan Stanley and other underwriters of the Trusts to purchase call options on securities held by the Trusts. (Rel. IC-21222 - July 21)

### INSTITUTIONAL SHORT DURATION GOVERNMENT PORTFOLIO

A notice has been issued giving interested persons until August 15 to request a hearing on an application filed by Institutional Short Duration Government Portfolio for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-21223 - July 21)

MYA TOMBSTONE FUND, INC.

A notice has been issued giving interested persons until August 15 to request a hearing on an application filed by MYA Tombstone Fund, Inc. (formerly MuniYield Arizona Fund, Inc.) for an order pursuant to Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-21224 - July 21)

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## SELF-REGULATORY ORGANIZATIONS

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### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

The Midwest Securities Trust Company filed a proposed rule change (SR-MSTC-95-08), which became effective upon filing but does not become operative for thirty days from the date of its filing on May 24, 1995. The proposed rule change establishes procedures for the orderly destruction of certain expired rights and warrants. Publication of the proposal is expected in the Federal Register during the week of July 24. (Rel. 34-35992)

A proposed rule change filed by the Chicago Stock Exchange to incorporate its dress code into the CHX's rules (SR-CHX-95-16) has become effective upon filing. Publication of the proposal is expected in the Federal Register during the week of July 24. (Rel. 34-36000)

### ACCELERATED APPROVAL TO PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-Phlx-95-41) by the Philadelphia Stock Exchange which reduces the value of its Semiconductor Index option to one-half its present value. Publication of the approval order is expected in the Federal Register during the week of July 24. (Rel. 34-35999)

The Commission temporarily approved a proposed rule change filed by the Philadelphia Depository Trust Company (SR-Philadep-95-01) relating to modifying procedures in conformity with Commission Rule 17Ad-16. (Rel. 34-36002)

### PROPOSED RULE CHANGE

The New York Stock Exchange filed a proposed rule change (SR-NYSE-95-25) to adopt arbitration procedures developed by the Securities Industry Conference on Arbitration. Publication of the proposal is expected in the Federal Register during the week of July 24. (Rel. 34-36001)

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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.

- S-1 SPORTS HEROES INC, 3 WESTCHESTER PLAZA, ELMSFORD, NY 10523  
(914) 345-8061 - 1,260,010 (\$1,023,758) COMMON STOCK. (FILE 33-94384 - JUL. 07) (BR. 1)
  
- S-8 VOICE POWERED TECHNOLOGY INTERNATIONAL INC, 15260 VENTURA BLVD STE 2200, SHERMAN OAKS, CA 91403 (818) 905-0950 - 854,082 (\$3,042,667.13) COMMON STOCK. (FILE 33-94502 - JUL. 12) (BR. 11)
  
- S-4 WASHINGTON MUTUAL INC, 1201 THIRD AVENUE, SEATTLE, WA 98101  
(206) 461-2000 - 1,287,422 (\$30,254,417) COMMON STOCK. (FILE 33-94504 - JUL. 12) (BR. 1)
  
- S-8 CHADMOORE WIRELESS GROUP INC, 4720 POLARIS ST, STE 1345, LAS VEGAS, NV 89103 (702) 891-5255 - 800,000 (\$8,299.20) COMMON STOCK. (FILE 33-94508 - JUL. 12) (BR. 7)
  
- S-1 PIEDMONT BANCORP INC, 260 SOUTH CHURTON ST, HILLSBOROUGH, NC 27278  
(919) 732-2143 - 2,446,625 (\$24,466,250) COMMON STOCK. (FILE 33-94512 - JUL. 12) (BR. 2 - NEW ISSUE)
  
- S-8 MULTICARE COMPANIES INC, 411 HACKENSACK AVE, HACKENSACK, NJ 07601  
(201) 488-8818 - 60,000 (\$1,053,600) COMMON STOCK. (FILE 33-94516 - JUL. 12) (BR. 5)
  
- S-8 BENSON EYECARE CORP, 555 THEODORE FREMD AVE, STE B 302, RYE, NY 10580  
(914) 967-9400 - 1,350,000 (\$13,162,500) COMMON STOCK. (FILE 33-94526 - JUL. 12) (BR. 9)
  
- S-1 GUILFORD PHARMACEUTICALS INC, 6611 TRIBUTARY ST, BALTIMORE, MD 21221  
(410) 631-6300 - \$11,475,000 COMMON STOCK. (FILE 33-94530 - JUL. 12) (BR. 4)
  
- S-1 AMERICAN NATIONAL BANCORP INC, 211 N LIBERTY ST, BALTIMORE, MD 21201  
(410) 752-0400 - 4,182,125 (\$38,701,250) COMMON STOCK. UNDERWRITER: CHARLES WEBBS & CO, FRIEDMAN BILLINGS RAMSEY & CO INC. (FILE 33-94540 - JUL. 13) (BR. 1 - NEW ISSUE)
  
- S-8 GLIMCHER REALTY TRUST, 20 SOUTH THIRD STREET, COLUMBUS, OH 43215  
(614) 621-9000 - 1,100,000 (\$22,757,250) COMMON STOCK. (FILE 33-94542 - JUL. 13) (BR. 6)
  
- S-8 GROUP TECHNOLOGIES CORP, 10901 MALCOLM MCKINLEY DR, TAMPA, FL 33612  
(813) 972-6000 - 120,000 (\$900,000) COMMON STOCK. (FILE 33-94544 - JUL. 13) (BR. 3)

REGISTRATIONS CONT.

- S-8 GROUP TECHNOLOGIES CORP, 10901 MALCOLM MCKINLEY DR, TAMPA, FL 33612 (813) 972-6000 - 300,000 (\$2,250,000) COMMON STOCK. (FILE 33-94546 - JUL. 13) (BR. 3)
- S-1 STORMEDIA INC, 390 REED ST, SANTA CLARA, CA 95050 (408) 988-1409 - 2,990,000 (\$116,236,250) COMMON STOCK. (FILE 33-94548 - JUL. 13) (BR. 9)
- S-1 SDL INC, 80 ROSE ORCHARD WAY, SAN JOSE, CA 95134 (408) 943-9411 - \$65,003,750 COMMON STOCK. (FILE 33-94554 - JUL. 13) (BR. 3)
- S-3 MID AMERICAN WASTE SYSTEMS INC, 1006 WALNUT ST, CANAL WINCHESTER, OH 43110 (614) 833-9155 - 708,573 (\$3,188,578.50) COMMON STOCK. (FILE 33-94556 - JUL. 13) (BR. 8)
- SB-2 AMERICAN TIRE CORP, 446 W LAKE ST, RAVEENA, OH 44266 (216) 296-8778 - 1,200,000 (\$14,400,000) COMMON STOCK. (FILE 33-94318-C - JUL. 12) (NEW ISSUE)
- S-3 GILEAD SCIENCES INC, 353 LAKESIDE DR, FOSTER CITY, CA 94404 (415) 574-3000 - 2,875,000 (\$53,187,500) COMMON STOCK. (FILE 33-94334 - JUL. 14) (BR. 4)
- S-1 FIRST INVESTORS FINANCIAL SERVICES GROUP INC, 675 BERING DR, STE 710, HOUSTON, TX 77057 (713) 977-2600 UNDERWRITER: BROWN ALEX & SONS INC, PRUDENTIAL SECURITIES INC. (FILE 33-94336 - JUL. 14) (BR. 12 - NEW ISSUE)
- F-6 CLIMAX INTERNATIONAL CO LTD, 111 WALL ST, C/O CITIBANK NA, NEW YORK, NY 10043 (212) 657-7691 - 10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-94506 - JUL. 12) (BR. 99 - NEW ISSUE)
- S-8 TELESKAN INC, 10550 RICHMOND AVE STE 250, HOUSTON, TX 77042 (713) 952-1060 - 425,000 (\$2,750,500) COMMON STOCK. (FILE 33-94514 - JUL. 12) (BR. 10)
- S-3 MONEY STORE INC /NJ/, 2840 MORRIS AVE, UNION, NJ 07083 (908) 686-2000 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-94518 - JUL. 12) (BR. 11)
- S-8 BCB FINANCIAL SERVICES CORP /PA/, 400 WASHINGTON ST, PO BOX 1097, READING, PA 19603 (610) 376-5933 - 40,000 (\$485,200) COMMON STOCK. (FILE 33-94524 - JUL. 12) (BR. 1)
- S-1 MEDNET MPC CORP, 871 C GRIER DRIVE, LAS VEGAS, NV 89119 (702) 361-3119 - 7,423,024 (\$23,196,950) COMMON STOCK. (FILE 33-94550 - JUL. 13) (BR. 1)
- S-3 AMERICAN RE CORP, 555 COLLEGE RD EAST, PRINCETON, NJ 08543 (609) 243-8819 - 9,660,000 (\$241,500,000) PREFERRED STOCK. (FILE 33-94558 - JUL. 14) (BR. 10)
- S-3 OPTA FOOD INGREDIENTS INC /DE/, 25 WIGGINS AVE, BEDFORD, MA 01730 (617) 276-5100 - 2,300,000 (\$32,775,000) COMMON STOCK. (FILE 33-94560 - JUL. 14) (BR. 3)

REGISTRATIONS CONT.

- S-8 RECLAIM INC /DE/, 8001 NORTH DALE MABRY HIGHWAY STE 101-A, TAMPA, FL 33614 (813) 935-8533 - 300,000 (\$759,000) COMMON STOCK. (FILE 33-94562 - JUL. 14) (BR. 7)
- S-8 COMMAND CREDIT CORP, 100 GARDEN CITY PLAZA, STE 200, GARDEN CITY, NY 11530 (516) 739-8800 - 15,000,000 (\$675,000) COMMON STOCK. (FILE 33-94564 - JUL. 13) (BR. 6)
- S-8 CIVIC BANCORP, 2101 WEBSTER ST, OAKLAND, CA 94612 (510) 836-6500 - 110,000 (\$715,000) COMMON STOCK. (FILE 33-94566 - JUL. 12) (BR. 1)
- S-8 CROSSMANN COMMUNITIES INC, 9202 N MERIDIAN ST, STE 300, INDIANAPOLIS, IN 46260 (317) 843-9514 - 300,000 (\$3,825,000) COMMON STOCK. (FILE 33-94568 - JUL. 13) (BR. 9)
- S-1 RIVER CITY BROADCASTING L P, 1215 COLE STREET, ST LOUIS, MO 63106 (817) 390-8500 - 150,000,000 (\$150,000,000) STRAIGHT BONDS. UNDERWRITER: BT SECURITIES CORP, GOLDMAN SACHS & CO, SALOMON BROTHERS INC. (FILE 33-94570 - JUL. 14) (BR. 8)
- S-8 DRY DAIRY INTERNATIONAL INC, 10105 AMBERWOOD ROAD, FT MYERS, FL 33912 (813) 768-3555 - 3,000,000 (\$360,000) COMMON STOCK. (FILE 33-94574 - JUL. 14) (BR. 3)
- S-4 FIRST STATE BANCORPORATION, 111 LOMAS AVE N W, ALBUQUERQUE, NM 87102 (505) 241-7500 - 206,966 (\$2,962,201.88) COMMON STOCK. (FILE 33-94576 - JUL. 14) (BR. 1)
- S-3 SPECTRUM HOLOBYTE INC, 2490 MARINER SQ LOOP STE 100, ALAMEDA, CA 94501 (510) 522-3584 - 1,421,210 (\$26,470,036.25) COMMON STOCK. (FILE 33-94580 - JUL. 14) (BR. 10)
- S-8 APPLIED INNOVATION INC, 5800 INNOVATION DRIVE, DUBLIN, OH 43017 (614) 798-2000 - 500,000 (\$27,562,500) COMMON STOCK. (FILE 33-94582 - JUL. 14) (BR. 8)
- S-8 NORTHSTAR HEALTH SERVICES INC, 750 HOLIDAY DR, FOSTER PLZA 9, PITTSBURGH, PA 15220 (412) 471-4900 - 800,000 (\$5,458,363) COMMON STOCK. (FILE 33-94584 - JUL. 14) (BR. 5)
- S-3 ADAPTIVE SOLUTIONS INC, 1400 NW COMPTON DR, STE 340, BEAVERTON, OR 97006 (503) 690-1236 - 825,000 (\$5,775,000) COMMON STOCK. (FILE 33-94586 - JUL. 14) (BR. 10)
- S-8 BIO VASCULAR INC, 2575 UNIVERSITY AVENUE, ST PAUL, MN 55114 (612) 631-3529 - 1,077,363 (\$6,640,733.72) COMMON STOCK. (FILE 33-94588 - JUL. 14) (BR. 8)
- S-8 BUTTREY FOOD & DRUG STORES CO, 601 6TH ST SW, GREAT FALLS, MT 59404 (406) 761-3401 - 500,000 (\$3,470,000) COMMON STOCK. (FILE 33-94590 - JUL. 14) (BR. 2)
- S-8 GYMBOREE CORP, 700 AIRPORT BLVD STE 200, BURLINGAME, CA 94010 (415) 579-0600 - 1,225,000 (\$34,835,937.50) COMMON STOCK. (FILE 33-94594 - JUL. 14) (BR. 7)
- S-3 DANKA BUSINESS SYSTEMS PLC, 11201 DANKA CIRCLE NORTH, ST PETERSBURG, FL 33716 (813) 576-6003 - 200,000,000 (\$200,000,000) FOREIGN CONVERTIBLE BONDS. (FILE 33-94596 - JUL. 14) (BR. 12)

REGISTRATIONS CONT.

- S-3 PERSEPTIVE BIOSYSTEMS INC, 38 SIDNEY ST, CAMBRIDGE, MA 02139  
(617) 621-1787 - 400,000 (\$5,436,000) COMMON STOCK. (FILE 33-94602 -  
JUL. 14) (BR. 8)
- S-8 PERSEPTIVE BIOSYSTEMS INC, 38 SIDNEY ST, CAMBRIDGE, MA 02139  
(617) 621-1787 - 600,000 (\$6,341,280) COMMON STOCK. (FILE 33-94606 -  
JUL. 14) (BR. 8)
- S-3 PERSEPTIVE BIOSYSTEMS INC, 38 SIDNEY ST, CAMBRIDGE, MA 02139  
(617) 621-1787 - 330,000 (\$3,484,800) COMMON STOCK. (FILE 33-94608 -  
JUL. 14) (BR. 8)
- S-1 PANORAMA INDUSTRIES INC, 3760 SOUTH HIGHLAND DR SUITE 300,  
SALT LAKE CITY, UT 84106 (801) 272-9283 - \$300,000,000 STRAIGHT BONDS.  
(FILE 33-94626 - JUL. 14) (BR. 8)
- S-1 PINNACLE SYSTEMS INC, 870 W MAUDE AVE, SUNNYVALE, CA 94086  
(408) 720-9669 - 1,811,250 (\$45,281,250) COMMON STOCK. (FILE 33-94630 -  
JUL. 17) (BR. 8)