

sec news digest

Issue 95-154

August 10, 1995

COMMISSION ANNOUNCEMENTS

CLOSED MEETING - TUESDAY, AUGUST 15, 1995 - 10:00 A.M.

The subject matter of the closed meeting scheduled for Tuesday, August 15, 1995, at 10:00 a.m., will be: Institution of administrative proceedings of an enforcement nature; Settlement of administrative proceedings of an enforcement nature; Institution of injunctive action; and Opinion.

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 at (202) 942-7070.

ENFORCEMENT PROCEEDINGS

CEASE AND DESIST PROCEEDINGS INSTITUTED AGAINST SOUND ADVICE INC., PETER BESHOURI, AND ROY CASEY

The Commission announced that it issued an Order Instituting Cease and Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934 (Exchange Act), Findings, and Order of the Commission against Sound Advice, Inc. (Sound Advice), Peter Beshouri (Beshouri) of Dania, Florida, Sound Advice's president, chief executive officer and chairman, and Roy Casey (Casey) of Los Angeles, California, Sound Advice's former chief financial officer. The Commission simultaneously accepted Offers of Settlement from them pursuant to which, without admitting or denying the Commission's findings, they consented to the entry of the Order, which requires that Sound Advice cease and desist from committing or causing any violation, and any future violation, of Sections 13(a) and 13(b) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13, and that Beshouri and Casey cease and desist from causing

any violation, or any future violation, of these provisions and Rule 13b2-1. The Commission found that from June 30, 1991 until December 31, 1991, Sound Advice materially misstated its financial statements in its periodic reports. Sound Advice's June 30, 1991 financial statements failed to conform with generally accepted accounting principles as a result of a breakdown in Sound Advice's internal accounting controls. (Rel. 34-36069; AAE Rel. 696)

ORDER INSTITUTING PUBLIC PROCEEDINGS, MAKING FINDINGS, AND IMPOSING SANCTIONS ENTERED AGAINST THOMAS RISHER

On August 9, the Commission instituted public administrative proceedings and issued an order making findings and imposing sanctions against Thomas Risher (Risher), former branch office manager of the Hilton Head, South Carolina branch office of Prudential Securities, Inc. The Commission simultaneously accepted Risher's Offer of Settlement, pursuant to which he consented, without admitting or denying the Commission's findings, to an order suspending him from association in a supervisory or proprietary capacity with any broker, dealer, investment company, investment adviser or municipal securities dealer for a period of six months.

In the Order, the Commission found that, between September 1988 and January 1989, Risher failed reasonably to supervise a registered representative, subject to his supervision, who churned an elderly customer's account and engaged in various other fraudulent practices. Among other things, Risher failed to permanently halt the trading in the customer's account, after he determined that the trading was unsuitable for the customer. (Rel. 34-36071)

THOMAS ACKERLY ENJOINED

On July 11, the U.S. District Court for the District of New Jersey entered a final judgment against Thomas V. Ackerly permanently enjoining him from violating the registration and antifraud provisions of the federal securities laws. Ackerly was formerly the president of Graystone Nash, Incorporated, a penny stock brokerage firm. The Commission had alleged that Ackerly and other of the defendants, directly or indirectly, offered and sold securities in initial public offerings by means of misstatements, omissions and other manipulative and deceptive practices, orchestrated aftermarkets for such securities at artificial prices and thereafter maintained, dominated, controlled and manipulated the markets for such securities. Ackerly consented to the entry of the final judgment without admitting or denying the allegations in the Commission's complaint. [SEC v. Graystone Nash, Inc., et al., 91 Civ. 4327, AMW, D.N.J.] (LR-14596)

THOMAS ACKERLY BARRED

The Commission issued an Order finding that Thomas V. Ackerly willfully violated the registration and antifraud provisions of the federal securities laws and barring him from association with any broker, dealer, municipal securities dealer, investment adviser and investment company. Ackerly was the president of Graystone Nash, Incorporated, a penny stock broker-dealer. The Commission found, among other things, that in 1987 and 1988, Ackerly adopted and enforced certain fraudulent practices in connection with offerings of units of common stock and warrants by Graystone, including the repurchase in the aftermarket of units sold, requiring sales of common stock in the aftermarkets in certain ratios to units in the offerings, and the allocation of common stock to be sold at increasing, artificial "tick prices" predetermined by Graystone. The Order also found that Ackerly caused Graystone to engage in manipulative practices in order to maintain, dominate and control the markets in the securities Graystone had taken public. Ackerly consented to the issuance of the Order by the Commission without admitting or denying the findings therein. (Rel. 34-36073)

DENNIS WILLIAMS BARRED

The Commission issued an Order finding that Dennis M. Williams willfully violated the registration and antifraud provisions of the federal securities laws and barring him from association with any broker, dealer, municipal securities dealer, investment adviser and investment company. Williams was the owner of many of the franchised retail offices of Graystone Nash, Incorporated, a penny stock broker-dealer. The Commission found, among other things, that in 1987 and 1988 Williams enforced certain fraudulent practices in connection with offerings of units of common stock and warrants by Graystone, including the repurchase in the aftermarket of units sold, requiring sales of common stock in the aftermarkets in certain ratios to units in the offerings, and the allocation of common stock to be sold at increasing, artificial "tick prices" predetermined by Graystone. Williams consented to the issuance of the Order by the Commission without admitting or denying the findings therein. (Rel. 34-36074)

INVESTMENT COMPANY ACT RELEASES

FIRST INVESTORS UNIT INVESTMENT FUND

An order has been issued under Section 8(f) of the Investment Company Act declaring that First Investors Unit Investment Fund has ceased to be an investment company. (Rel. IC-21272 - August 8)

AUSA LIFE INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until September 5 to request a hearing on an application filed by AUSA Life Insurance Company, Inc. (AUSA Life), AUSA Series Annuity Account B (Variable Account), and InterSecurities, Inc. (collectively, Applicants). The Applicants seek an order under Section 6(c) of the Investment Company Act granting exemptions from the provisions of Sections 26(a)(2)(C) and 27(c)(2) of the Act to the extent necessary to permit the deduction of a mortality and expense risk charge from the assets of the Variable Account in connection with the issuance and sale of certain variable annuity contracts (Contracts). Exemptive relief also is requested to the extent necessary to permit the deduction of a mortality and expense risk charge from the assets of any other separate account established in the future by AUSA Life, in connection with the issuance of variable annuity contracts that are substantially similar in all material respects to the Contracts. (Rel. IC-21273 - August 8)

LANDMARK VIP FUNDS, ET AL.

A notice has been issued giving interested persons until September 5 to request a hearing on an application filed by Landmark VIP Funds (Trust), Citibank, N.A. and certain life insurance companies and their separate accounts investing now or in the future in the Trust (collectively, Applicants). Applicants seek an order under Section 6(c) of the Investment Company Act granting exemptions from the provisions of Sections 9(a), 13(a), 15(a) and 15(b) of the Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder to the extent necessary to permit shares of any current or future series of the Trust to be sold to and held by separate accounts funding variable annuity and variable life insurance contracts issued by both affiliated and unaffiliated life insurance companies. (Rel. IC-21274 - August 8)

AMERITAS LIFE INSURANCE CORP, ET AL.

An order has been issued pursuant to Section 6(c) of the Investment Company Act exempting Ameritas Life Insurance Corp. (Ameritas), Ameritas Life Insurance Corp. Separate Account LLVL, and Ameritas Investment Corp. (collectively, Applicants) from Section 27(c)(2) of the Act and Rule 6e-3(T)(c)(4)(v) thereunder to the extent necessary to permit the Applicants to deduct from premium payments received an amount that is reasonable in relation to Ameritas's increased federal tax burden resulting from the application of Section 848 of the Internal Revenue Code of 1986 as amended, without treating such deduction as sales load. (Rel. IC-21275 - August 8)

SUNAMERICA SERIES TRUST, ET AL.

A conditional order has been issued on an application filed by SunAmerica Series Trust, et al. under Section 6(c) of the Investment Company Act for an exemption from Section 17(e) of the Act and Rule 17e-1 thereunder. The order permits each present and future portfolio of applicants and other registered investment companies that in the future are in the same "group of investment companies," as defined in Rule 11a-3, to use affiliated persons of affiliated persons of such portfolio as brokers in connection with certain principal transactions by the portfolio, and to pay commissions, fees, or other remuneration to such brokers without complying with the monitoring and recordkeeping requirements set forth in Rule 17e-1. Each broker would be an affiliated person of an affiliated person of the portfolio solely by reason of subadvisory relationships with other portfolios that are affiliated persons of the portfolio engaging in the transaction. (Rel. IC-21276 - August 9)

SELF-REGULATORY ORGANIZATIONS

DELISTING GRANTED

An order has been issued granting the application of the New York Stock Exchange to strike from listing and registration Grow Group, Inc., Common Stock, \$.10 Par Value. (Rel. 34-36068)

SIGNIFICANT NO-ACTION, EXEMPTIVE AND INTERPRETIVE LETTERS

INTERPRETATION OF RULES UNDER SECTION 16 OF THE EXCHANGE ACT

The Division of Corporation Finance has announced the publication of significant staff correspondence interpreting the new Section 16 rules. Copies of the letters may be obtained by writing to, or by making a request in person at, the Public Reference Room, Securities and Exchange Commission, 450 5th Street, N.W., Room 1024, Washington, D.C., 20549. Each request must state the name of the subject company, the Act and the Section of the Act to which the letter relates, and the public availability date.

<u>Letter</u>	<u>Availability Date</u>	<u>Subject</u>
<u>Time Warner Inc.</u>	<u>August 9, 1995</u>	<u>Rule 16c-4</u>

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 CELLULAR COMMUNICATIONS OF PUERTO RICO INC, 150 EAST 58TH ST, NEW YORK, NY 10155 (212) 355-3466 - 160,000 (\$4,980,800) COMMON STOCK. (FILE 33-95274 - AUG. 01) (BR. 7)
- S-8 CELLULAR COMMUNICATIONS OF PUERTO RICO INC, 150 EAST 58TH ST, NEW YORK, NY 10155 (212) 355-3466 - 140,000 (\$4,358,200) COMMON STOCK. (FILE 33-95276 - AUG. 01) (BR. 7)
- F-9 FALCONBRIDGE LTD \CAN\, 95 WELLINGTON ST WEST, STE 1200, TORONTO CANADA, A6 (416) 956-5700 - 500,000,000 (\$500,000,000) STRAIGHT BONDS. (FILE 33-95280 - AUG. 01) (BR. 6)
- S-8 INTEGRATED SILICON SOLUTION INC, 680 ALMANOR DR, SUNNYVALE, CA 94086 (408) 733-4774 - 2,890,831 (\$68,229,995.50) COMMON STOCK. (FILE 33-95282 - JUL. 31) (BR. 3)
- S-8 BANYAN SYSTEMS INC, 120 FLANDERS ROAD, WESTBORO, MA 01581 (508) 898-1000 - 450,000 (\$5,400,000) COMMON STOCK. (FILE 33-95288 - AUG. 01) (BR. 10)
- S-8 PURE SOFTWARE INC, 1309 SOUTH MARY AVE, SUNNYVALE, CA 94087 (408) 720-1600 - 3,749,329 (\$71,237,251) COMMON STOCK. (FILE 33-95290 - AUG. 01) (BR. 10)
- S-8 ECHOSTAR COMMUNICATIONS CORP, 90 INVERNESS CIRCLE EAST, ENGLEWOOD, CO 80112 (303) 799-8222 - 10,322,208 (\$145,670,867.88) COMMON STOCK. (FILE 33-95292 - JUL. 31) (BR. 8)
- S-8 COMPREHENSIVE ENVIRONMENTAL SYSTEMS INC, 72-B CABOT ST, W BABYLON, NJ 07306 (516) 694-7060 - 2,700,000 (\$4,050,000) COMMON STOCK. (FILE 33-95296 - AUG. 01) (BR. 8)
- S-8 TASTY FRIES INC, 650 SENTRY PARKWAY SUITE ONE, BLUE BELL, PA 19422 (610) 941-2109 - 1,344,000 (\$174,720) COMMON STOCK. (FILE 33-95302 - AUG. 01) (BR. 5)
- S-8 SUGEN INC, 515 GALVESTON DR, REDWOOD CITY, CA 94063 (415) 306-7700 - 500,000 (\$3,723,963.56) COMMON STOCK. (FILE 33-95304 - AUG. 01) (BR. 4)
- S-8 NATIONAL BEVERAGE CORP, ONE NORTH UNIVERSITY DRIVE, BUILDING A 4TH FLOOR, FORT LAUDERDALE, FL 33324 (305) 581-0922 - 902,000 (\$4,240,632) COMMON STOCK. (FILE 33-95308 - AUG. 01) (BR. 11)
- S-3 FIRST MANISTIQUE CORP, 130 S CEDAR ST, PO BOX 369, MANISTIQUE, MI 49854 (906) 341-8401 - 750,000 (\$43,500,000) COMMON STOCK. (FILE 33-61533 - AUG. 03) (BR. 1)

REGISTRATIONS CONT.

- S-8 WELLS GARDNER ELECTRONICS CORP, 2701 N KILDARE AVE, CHICAGO, IL 60639
(312) 252-8220 - 600,000 (\$3,525,000) COMMON STOCK. (FILE 33-61535 -
AUG. 03) (BR. 10)
- S-4 KEYCORP /NEW/, 127 PUBLIC SQ, CLEVELAND, OH 44114 (216) 689-3000 -
11,901,016 (\$311,232,990) COMMON STOCK. (FILE 33-61539 - AUG. 03) (BR. 2)
- S-4 RPM INC/OH/, 2628 PEARL RD, P O BOX 777, MEDINA, OH 44258 (216) 273-5090
- 150,000,000 (\$150,000,000) STRAIGHT BONDS. (FILE 33-61541 - AUG. 03)
(BR. 2)
- S-8 ROBERTS PHARMACEUTICAL CORP, MERIDIAN CENTRE II, 4 INDUSTRIAL WAY W,
EATONTOWN, NJ 07724 (908) -38-9-11 - 1,000,000 (\$19,187,500) COMMON STOCK.
(FILE 33-61543 - AUG. 03) (BR. 4)
- N-1A STRONG INSTITUTIONAL FUNDS INC, 100 HERITAGE RESERVE, MENOMONEE FALLS,
WI 53051 (414) 359-3454 - INDEFINITE SHARES. (FILE 33-61545 - AUG. 03)
(BR. 17)
- S-8 VALLEY NATIONAL BANCORP, 1445 VALLEY RD, WAYNE, NJ 07474 (201) 305-8800
- 1,430 (\$10,238.80) COMMON STOCK. (FILE 33-61547 - AUG. 03) (BR. 1)
- S-8 CHAMPION HEALTHCARE CORP /TX/, 14340 TORREY CHASE STE 320, HOUSTON, TX
77014 (713) 583-5491 - 1,077,164 (\$7,876,761.75) COMMON STOCK. (FILE
33-61549 - AUG. 03) (BR. 6)
- S-3 ADVANTA CORP, 650 NAAMANS RD, BRANDYWINE CORP CTR, CLAYMONT, DE 19703
(215) 657-4000 - 25,000,000 (\$25,000,000) STRAIGHT BONDS. (FILE 33-61555 -
AUG. 04) (BR. 11)
- S-4 SOUTHTRUST CORP, 420 N 20TH ST, BIRMINGHAM, AL 35203 (205) 254-5000 -
361,600 (\$4,710,916) COMMON STOCK. (FILE 33-61557 - AUG. 04) (BR. 1)
- S-1 MIDWEST EXPRESS HOLDINGS INC, 4915 SOUTH HOWELL AVE, MILWAUKEE, WI 53207
(414) 747-4000 - 5,140,000 (\$71,960,000) COMMON STOCK. (FILE 33-95212 -
AUG. 01) (BR. 4 - NEW ISSUE)
- S-1 PERSONNEL GROUP OF AMERICA INC, 3720 ONE FIRST UNION CENTER,
301 SOUTH COLLEGE ST, CHARLOTTE, NC 28202 (704) 333-1322 - 9,200,000
(\$156,400,000) COMMON STOCK. UNDERWRITER: PAINWEBBER INC,
SMITH BARNEY INC. (FILE 33-95228 - AUG. 01) (BR. 6 - NEW ISSUE)
- S-4 VALUJET INC, 1800 PHOENIX BLVD, STE 126, ATLANTA, GA 30349
(404) 907-2580 - 10,602,325 (\$296,202,454.68) COMMON STOCK. (FILE
33-95232 - AUG. 01) (BR. 4 - NEW ISSUE)
- S-1 ZYCON CORP, 445 EL CAMINO REAL, SANTA CLARA, CA 95050 (408) 241-9900 -
4,600,000 (\$55,200,000) COMMON STOCK. (FILE 33-95284 - AUG. 01) (BR. 3
- NEW ISSUE)
- S-8 SHO ME FINANCIAL CORP, 109 N HICKORY, MT VERNON, MO 65712 (417) 466-2171
- 204,987 (\$2,975,875) COMMON STOCK. (FILE 33-95348 - AUG. 02) (BR. 1)
- S-3 BURLINGTON INDUSTRIES INC /DE/, 3330 W FRIENDLY AVE, GREENSBORO, NC
27410 (910) 379-2000 - 400,000,000 (\$400,000,000) STRAIGHT BONDS. (FILE
33-95350 - AUG. 02) (BR. 8)
- S-8 PRECISION SYSTEMS INC, 11800 30TH COURT NORTH, ST PETERSBURG, FL 33716
(813) 572-9300 - 1,000,000 (\$8,000,000) COMMON STOCK. (FILE 33-95356 -
AUG. 02) (BR. 7)
- S-8 SMARTFLEX SYSTEMS INC, 14312 FRANKLIN AVE, TUSTIN, CA 92680
(714) 838-8737 - 200,000 (\$2,400,000) COMMON STOCK. (FILE 33-95358 -
AUG. 02) (BR. 9)

REGISTRATIONS CONT.

- S-8 TODAYS MAN INC, 835 LANCER DR, MOORESTOWN WEST CORPORATE CNTR,
MOORESTOWN, NJ 08057 (609) 235-5656 - 310,000 (\$3,313,125) COMMON STOCK.
(FILE 33-95360 - AUG. 02) (BR. 2)
- S-8 PEGASUS GOLD INC, 601 WEST FIRST AVENUE, SUITE 1500, SPOKANE, WA 99204
(509) 624-4653 - 1,500,000 (\$15,375,000) COMMON STOCK. (FILE 33-95362 -
AUG. 02) (BR. 2)
- S-8 WELLSFORD RESIDENTIAL PROPERTY TRUST, 610 FIFTH AVENUE, NEW YORK, NY
10020 (212) 333-2300 - 850,000 (\$18,540,088) COMMON STOCK. (FILE 33-95364
- AUG. 02) (BR. 6)
- S-3 TRACOR INC /DE, 6500 TRACOR LANE, AUSTIN, TX 78725 (512) 926-2800 -
1,776,184 (\$26,864,783) COMMON STOCK. (FILE 33-95370 - AUG. 02) (BR. 8)
- S-8 SMARTFLEX SYSTEMS INC, 14312 FRANKLIN AVE, TUSTIN, CA 92680
(714) 838-8737 - 280,000 (\$3,360,000) COMMON STOCK. (FILE 33-95372 -
AUG. 02) (BR. 9)
- S-3 REALTY INCOME CORP, 220 W CREST ST, ESCONDIDO, CA 92025 (619) 741-2111
(FILE 33-95374 - AUG. 03) (BR. 5)
- S-8 HELLO DIRECT INC /DE/, 5884 EDEN PARK PLACE, SAN JOSE, CA 95138
(408) 972-1990 - 723,007 (\$6,417,539.18) COMMON STOCK. (FILE 33-95376 -
AUG. 03) (BR. 2)
- S-8 HGI REALTY INC, 1050 WEST WESTERN AVE, MUSKEGON, MI 49441 (616) 728-5170
- 687,712 (\$19,771,720) COMMON STOCK. (FILE 33-95380 - AUG. 03) (BR. 6)
- S-4 SILVERADO MINES LTD, SUITE 505 1111 WEST GEORGIA ST,
VANCOUVER BC CANADA V6E 4M5, A1 (604) 689-1535 - 100,000 (\$78,100)
COMMON STOCK. (FILE 33-95382 - AUG. 03) (BR. 2)
- S-8 NETWORK EXPRESS INC, 4251 PLYMOUTH RD, ANN ARBOR, MI 48105
(313) 761-5005 - 250,000 (\$4,625,000) COMMON STOCK. (FILE 33-95384 -
AUG. 03) (BR. 9)