

sec news digest

Issue 95-170

September 1, 1995

RULES AND RELATED MATTERS

RULES OF PRACTICE

On August 31, the Commission adopted technical amendments and associated corrections to its Rules of Practice stemming from the creation of the Office of Compliance Inspections and Examinations. The Rules of Practice are the procedural rules that govern Commission administrative proceedings. FOR FURTHER INFORMATION CONTACT: Andrew Glickman at (202) 942-0870. (Rel. 34-36174)

ENFORCEMENT PROCEEDINGS

IN THE MATTER OF NEW ALLIED DEVELOPMENT CORP., ERICA HULL, AND GRADY SANDERS

Administrative Law Judge Glenn Robert Lawrence sanctioned New Allied Development Corp., a Colorado corporation and issuer of penny stock; Erica J. Hull, its president; and Grady A. Sanders, a control person of the company in the matter of New Allied Development Corp., et al., Administrative Proceeding File No. 3-8395, Initial Decision Release No. 73 (August 31, 1995). Judge Lawrence found that New Allied, Hull and Sanders violated Securities Act Section 17(a) and Securities Exchange Act Section 10(b) and Rule 10b-5 thereunder by releasing fraudulent due diligence materials (Rule 15c2-11 disclosure statements) to broker-dealers and issuing press releases and other materials containing misrepresentations and/or omissions of material facts.

Information released by New Allied during the period January, 1991 to January, 1993 fraudulently misrepresented, among other things, the value of significant New Allied assets, the progress toward building a proposed casino in Black Hawk, Colorado, and the involvement of Sanders and other related persons in New Allied and their disciplinary histories involving securities fraud.

Further, Judge Lawrence found that Sanders violated the registration provisions of Securities Act Sections 5(a) and 5(c) by selling shares of New Allied stock for his benefit, via nominee accounts, without a

registration statement in effect and in the absence of a valid exemption from registration. Finally, Judge Lawrence determined that an indeterminate amount of Hull's and Sanders's personal expenses were improperly paid by New Allied.

Judge Lawrence, after carefully considering the contentions of the parties and the public interest, ordered that Hull and Sanders be permanently barred from association with the offering of any penny stock. Judge Lawrence also ordered that New Allied and Hull cease and desist from violating or causing violations of the antifraud provisions of the federal securities laws, and Sanders cease and desist from violating or causing violations of the antifraud and registration provisions. Finally, Judge Lawrence ordered that Respondents perform an accounting of the use of New Allied funds for payment of personal expenses, and disgorge any funds thereby improperly obtained; that Sanders disgorge the proceeds of his unregistered sales of New Allied stock in the amount of \$115,195, plus prejudgment interest; and that Hull and Sanders pay penalties totaling \$1.3 million.

Judge Lawrence's order will become the final decision of the Commission unless a party files a petition for review within fifteen days or the Commission reviews the decision on its own motion. (Initial Decision Release No. 73)

INITIAL DECISION SUSPENDS ADRIAN HAVILL FROM ASSOCIATION WITH ANY BROKER OR DEALER FOR TWO MONTHS

Administrative Law Judge Glenn R. Lawrence suspended Adrian C. Havill, a registered representative with the Vienna, Virginia branch of Scott & Stringfellow Investment Corp., a registered broker-dealer, from association with any broker or dealer under Section 15(b)(6) of the Securities Exchange Act of 1934 (Exchange Act) for a period of two months. Havill's clean record and misguided advice from his supervisors were considered as mitigating factors. Judge Lawrence ordered Havill under Section 21C of the Exchange Act to permanently cease and desist from committing or causing any violation and committing or causing any future violation of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

Havill was the account representative of John G. Broumas, former chairman of the board of Madison Bank of Virginia and a former director of James Madison, LTD. (JML), a bank holding company for Madison of Virginia. Havill executed for Broumas 7 wash trades and matched orders and 30 marking-the-close trades in JML stock. In executing these trades, Havill aided and abetted the violations of Broumas of 9(a)(1) and 9(a)(2) as well as 10(b) of the Exchange Act and Rule 10b-5 thereunder in connection with fraudulent conduct in the sale and purchase of JML stock. (Initial Decision No. 74)

GRAYSTONE NASH, INCORPORATED DISMISSED AS RESPONDENT

Graystone Nash, Incorporated, formerly a registered broker-dealer with headquarters in Bloomfield, New Jersey, was dismissed as respondent in pending administrative proceedings. The firm had completed the liquidation of its operations; the Commission cancelled its registration as a broker-dealer since it had ceased to engage in business as such; and the state of New Jersey had revoked its corporate charter. (Rel. 34-36174)

DISTRICT COURT GRANTS PRELIMINARY INJUNCTION AGAINST LIFE PARTNERS AND BRIAN PARDO

On August 30, the United States District Court for the District of Columbia issued a memorandum opinion and order granting the Commission's motion for a preliminary injunction and denying the defendants motion to dismiss in SEC v. Life Partners, Inc. and Brian D. Pardo (D.D.C. Civil No. 94-1861). The Court held that the Commission had made a strong prima facie showing of violations of the registration and antifraud provisions of the securities laws arising out of the defendants' offer and sale of interests in so-called viatical settlements. Accordingly the Court ordered the defendants, inter alia, to "forthwith bring their operations into compliance" with the securities laws and preliminarily enjoined them from violating Section 10(b) of the Exchange Act and Rule 10b-5. [SEC v. Life Partners, Inc. and Brian D. Pardo, Civil Action No. 94-1861, D.D.C.] (LR-14623)

INVESTMENT COMPANY ACT RELEASES

TRADEMARK FUNDS

An order has been issued under Section 8(f) of the Investment Company Act declaring that Trademark Funds has ceased to be an investment company. (Rel. IC-21327 - August 30)

TIFF INVESTMENT PROGRAM, INC. AND FOUNDATION ADVISERS INC.

An order has been issued on an application filed by TIFF Investment Program, Inc. (TIP) and Foundation Advisers Inc. (FAI) under Section 6(c) of the Investment Company Act for relief from the provisions of Section 15(a) of the Act and Rule 18f-2 under the Act. TIP is a registered investment company advised by FAI. FAI oversees the selection of other investment advisers for the TIP portfolios (Money Managers), monitors the Money Managers, and allocates assets among them. The order permits a Money Manager to serve as an investment adviser to one or more portfolios of TIP without receiving shareholder approval. (Rel. IC-21328 - August 30)

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY, ET AL.

An order has been issued under Section 17(b) of the Investment Company Act exempting The Lincoln National Life Insurance Company, Lincoln National Variable Annuity Fund A (Fund A), and Lincoln National Variable Annuity Fund B (Fund B) (collectively, Applicants) from the provisions of Section 17(a). Applicants have been granted exemptive relief to the extent necessary to permit the merger of Fund B into Fund A. (Rel. IC-21329 - August 30)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-NYSE-94-41) filed by the New York Stock Exchange that establishes uniform listing and trading guidelines for stock index, currency and currency index warrants. Publication of the order is expected in the Federal Register during the week of September 4. (Rel. 34-36165)

The Commission approved a proposed rule change (SR-PSE-94-28) filed by the Pacific Stock Exchange that establishes uniform listing and trading guidelines for stock index, currency and currency index warrants. Publication of the order is expected in the Federal Register during the week of September 4. (Rel. 34-36166)

The Commission approved a proposed rule change (SR-Phlx-94-49) filed by the Philadelphia Stock Exchange that establishes uniform listing and trading guidelines for stock index, currency and currency index warrants. Publication of the order is expected in the Federal Register during the week of September 4. (Rel. 34-36167)

The Commission approved a proposed rule change (SR-Amex-94-38) filed by the American Stock Exchange that establishes uniform listing and trading guidelines for stock index, currency and currency index warrants. Publication of the order is expected in the Federal Register during the week of September 4. (Rel. 34-36168)

The Commission approved a proposed rule change (SR-CBOE-94-34) filed by the Chicago Board Options Exchange that establishes uniform listing and trading guidelines for stock index, currency and currency index warrants. Publication of the order is expected in the Federal Register during the week of September 4. (Rel. 34-36169)

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 GALOOB LEWIS TOYS INC /DE/, 500 FORBES BLVD, SOUTH SAN FRANCISCO, CA 94080 (415) 952-1678 - 160,000 (\$1,230,000) COMMON STOCK. (FILE 33-62083 - AUG. 24) (BR. 12)
- S-3 LEHMAN BROTHERS HOLDINGS INC, AMERICAN EXPRESS TWR, 3 WORLD FINANCIAL CNTR, NEW YORK, NY 10048 (212) 526-7000 (FILE 33-62085 - AUG. 24) (BR. 12)
- S-8 ZYGO CORP, LAUREL BROOK RD, MIDDLEFIELD, CT 06455 (203) 347-8506 - 300,000 (\$8,062,500) COMMON STOCK. (FILE 33-62087 - AUG. 24) (BR. 8)
- S-3 ZYGO CORP, LAUREL BROOK RD, MIDDLEFIELD, CT 06455 (203) 347-8506 - 615,000 (\$16,528,125) COMMON STOCK. (FILE 33-62089 - AUG. 24) (BR. 8)
- S-8 ASHLAND INC, 1000 ASHLAND DRIVE, RUSSELL, KY 41169 (606) 329-3333 - 500,000 (\$1,703,125) COMMON STOCK. (FILE 33-62091 - AUG. 24) (BR. 3)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST SERIES 822, JOHN NUVEEN & CO INC, 333 WEST WACKER DRIVE, CHICAGO, IL 60606 (312) 917-7786 - INDEFINITE SHARES. (FILE 33-62093 - AUG. 24) (NEW ISSUE)
- S-3 PACIFICORP /OR/, 700 NE MULTNOMAH STE 1600, PORTLAND, OR 97232 (503) 731-2000 - 15,000,000 (\$275,625,000) COMMON STOCK. (FILE 33-62095 - AUG. 24) (BR. 8)
- S-8 IMMUCOR INC, 3130 GATEWAY DR, PO BOX 5625, NORCROSS, GA 30091 (404) 441-2051 - 328,000 (\$7,804,000) COMMON STOCK. (FILE 33-62097 - AUG. 24) (BR. 4)
- S-8 FONAR CORP, 110 MARCUS DR, MELVILLE, NY 11747 (516) 694-2929 - 10,000,000 (\$29,400,000) COMMON STOCK. (FILE 33-62099 - AUG. 24) (BR. 8)
- S-8 FAMILY STEAK HOUSES OF FLORIDA INC, 2113 FLORIDA BLVD, STE A, NEPTUNE BEACH, FL 32266 (904) 249-4197 - 1,000,000 (\$687,500) COMMON STOCK. (FILE 33-62101 - AUG. 24) (BR. 12)
- S-3 CILCORP INC, 300 HAMILTON BLVD STE 300, PEORIA, IL 61602 (309) 675-8810 - 419,937 (\$15,117,732) COMMON STOCK. (FILE 33-62105 - AUG. 24) (BR. 8)
- S-8 FIDELITY FINANCIAL BANKSHARES CORP, 2809 EMERYWOOD PKWY STE 500, RICHMOND, VA 23294 (804) 756-0200 - 180,416 (\$1,889,796.26) COMMON STOCK. (FILE 33-96106 - AUG. 22) (BR. 1)
- S-8 COPLEY PHARMACEUTICAL INC, 399 BOYLSTON ST 13TH FL, BOSTON, MA 02116 (617) 821-6111 - 500,000 (\$9,500,000) COMMON STOCK. (FILE 33-96118 - AUG. 23) (BR. 4)

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		
ACTEL CORP	CA							X		03/31/95	AMEND
ADVANTA HOME EQUITY LOAN TRUST 1994-4	NY			X		X				07/25/95	
ADVANTA HOME EQUITY LOAN TRUST 1995-1	NY			X		X				07/25/95	
AMERICAN FINANCIAL CORP	OH			X		X				08/23/95	
AMERICAN FINANCIAL ENTERPRISES INC /CT/	CT			X		X				08/23/95	
AMERICAN FINANCIAL GROUP INC /OH/	OH			X		X				08/23/95	
AMERICAN GAMING & ENTERTAINMENT LTD /DE	DE					X		X		08/15/95	
AMERICAN PREMIER UNDERWRITERS INC	PA			X		X				08/23/95	
ANCHOR PACIFIC UNDERWRITERS INC	DE					X				08/29/95	AMEND
ANTARES RESOURCES CORP	NY					X				08/23/95	
ARCADIAN CORP	DE		X					X		08/09/95	
ASSOCIATES FIRST CAPITAL CORP	DE							X		08/24/95	
AVALON PROPERTIES INC	MD		X					X		08/11/95	
BLUE JAY ENTERPRISES INC	DE					X				08/18/95	
BOATHMENS BANCSHARES INC /MO	MO					X		X		08/25/95	
BOSTON LIFE SCIENCES INC /DE	DE							X		06/15/95	AMEND
BROADWAY STORES INC	DE							X		08/14/95	AMEND
CAMBRIDGE TECHNOLOGY PARTNERS MASSACHUSE			X					X		08/21/95	
CAPITAL GUARANTY CORP /MD/	MD					X		X		08/18/95	
CARACO PHARMACEUTICAL LABORATORIES LTD	MI					X				07/06/95	
CAREER HORIZONS INC	DE								X	08/17/95	
CENTRAL ILLINOIS LIGHT CO	IL	X								08/28/95	
CHEMICAL BANKING CORP	DE			X		X				08/27/95	
CHEVY CHASE BANK FSB				X		X				08/15/95	
CHEVY CHASE MASTER CREDIT CARD TRUST	MD			X		X				08/15/95	
CHRYSLER FINANCIAL CORP	MI			X		X				08/24/95	
CILCORP INC	IL	X								08/28/95	
CIRCLE FINANCIAL CORPORATION	OH							X		08/11/95	
CITIBANK SOUTH DAKOTA N A	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA N A STAN CRED CARD						X				08/17/95	
CITIBANK SOUTH DAKOTA N A STAN CRED CD M	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CR CA MA T						X				08/17/95	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
CITIBANK SOUTH DAKOTA NA STAN CR CA MAS						X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRE CA MA						X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRE CD MAS	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRE CD MAS	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRE CD MAS	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRE CD MAS	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/85	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAN CRED CARD	DE					X				08/17/95	
CITIBANK SOUTH DAKOTA NA STAND CR CARD M	DE							X		07/26/95	
CITIBANK SOUTH DAKOTA NA STANDARD CR CA						X				08/17/95	
CITIBANK SOUTH DAKOTA NA STANDARD CREDIT	DE					X				08/17/95	
COMPREHENSIVE ENVIRONMENTAL SYSTEMS INC	DE							X		08/16/95	
CONTINENTAL WASTE INDUSTRIES INC	DE		X					X		12/31/95	
CORESTATES HOME EQUITY TRUST 1994-2	NY							X		08/21/95	
CYROS PHARMACEUTICAL CORP	CA		X					X		08/10/95	
DAIRY MART CONVENIENCE STORES INC	DE					X	X			08/10/95	
DANSKIN INC	DE					X	X			08/17/95	
DIXON TICONDEROGA CO	DE							X		05/19/95	
DWYER GROUP INC	DE					X		X		07/31/95AMEND	
ENTERRA CORP /DE/	DE					X		X		08/28/95	
EXECUTIVE SECURITIES INC	FL					X				08/18/95	
EXIDE CORP	DE							X		08/29/95	
FIRST NATIONAL BANCORP /GA/	GA							X		08/28/95	
FIRSTCITY FINANCIAL CORP	DE	X	X					X		07/03/95AMEND	
FLEETWOOD CREDIT 1995-B GRANTOR TRUST	CA					X	X			08/15/95	
FORD CREDIT AUTO LOAN MASTER TRUST	MI					X	X			09/05/95	
FOURTH FINANCIAL CORP	KS					X	X			08/25/95	
FSB FINANCIAL CORP	DE					X	X			08/17/95	
GASONICS INTERNATIONAL CORP	DE		X					X		08/10/95	
GOLDEN STAR RESOURCES LTD							X	X		08/22/95	
GOODRICH PETROLEUM CORP	DE		X					X		08/15/95	
GREAT FALLS BANCORP	NJ		X							08/16/95	
GREENLAND CORP	NV							X		08/21/95	
GROWTH FINANCIAL CORP	NJ					X				08/18/95	
GROWTH HOTEL INVESTORS	CA	X						X		08/17/95	
HILLHAVEN CORP	NV							X		06/30/95	
HOLLYWOOD ENTERTAINMENT CORP	OR		X					X		08/09/95	
HOMETOWN BANCORPORATION INC	DE					X	X			08/25/95	
HONDO OIL & GAS CO	DE					X				08/28/95	
HOST MARRIOTT CORP	DE					X	X			08/29/95AMEND	
HOUSEHOLD AFFINITY CREDIT CARD MASTER TR	DE							X		08/18/95	
HUNTINGTON BANCSHARES INC/MD	MD					X	X			08/16/95	
ILLINOIS POWER CO	IL	X								08/28/95	
ILLINOVA CORP	IL	X								08/28/95	
INSIGNIA FINANCIAL GROUP INC	DE					X	X			05/26/95	
INTERNATIONAL POULTRY CO INC	DE	X	X					X		08/10/95	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
INVG MORTGAGE SECURITIES CORP /DE/	MD							X		08/22/95	AMEND
JOHNSTOWN AMERICA INDUSTRIES INC	DE				X	X				08/23/95	
JUST FOR FEET INC	AL				X	X				08/25/95	
KANE PIPE LINE PARTNERS L P	DE							X		02/24/95	AMEND
KANE PIPE LINE PARTNERS L P	DE	X						X		08/27/95	
KANE SERVICES INC	DE							X		02/24/95	AMEND
KEARNY STREET REAL ESTATE CO LP	DE				X					07/31/95	AMEND
LASER VISION CENTERS INC	DE				X	X				08/01/95	
LOEWEN GROUP INC					X	X				08/22/95	
MATTEL INC /DE/	DE				X	X				08/29/95	
MERCER INTERNATIONAL INC	WA	X						X		08/12/95	
MICRONICS COMPUTERS INC /CA	CA				X					08/18/95	
MLH INCOME REALTY PARTNERSHIP	NY				X	X				08/16/95	
MOTOROLA INC	DE				X	X				08/29/95	
MPM TECHNOLOGIES INC	WA				X	X				08/22/95	
NATIONAL PROPERTY INVESTORS 4	CA	X						X		08/17/95	
NATIONAL PROPERTY INVESTORS 6	CA	X						X		08/17/95	
NEW WORLD POWER CORPORATION	DE				X	X				08/15/95	
NORTECH SYSTEMS INC	MN	X						X		08/23/95	
NORTHWESTERN PUBLIC SERVICE CO	DE	X			X	X				08/14/95	
NORWOOD PROMOTIONAL PRODUCTS INC	TX							X		06/13/95	AMEND
OCCIDENTAL PETROLEUM CORP /DE/	DE				X					08/18/95	
ORBIT SEMICONDUCTOR INC	DE	X						X		06/27/95	AMEND
PERSONAL COMPUTER PRODUCTS INC	DE				X					08/29/95	
PETSMART INC	DE				X	X				08/22/95	
PS PARTNERS VI LTD	CA	X								08/21/95	
RAILROAD FINANCIAL CORP	DE				X					08/15/95	
RENO AIR INC/NV/	NV				X	X				08/15/95	
ROSES STORES INC	DE	X								07/29/95	
ROSES STORES INC	DE	X								08/18/95	
RX MEDICAL SERVICES CORP	NV	X			X	X				08/10/95	
SCHAWK INC	DE				X					07/28/95	
SCRIPTEL HOLDING INC	DE				X			X		08/14/95	AMEND
SECOND NATIONAL FINANCIAL CORP	VA				X					08/17/95	
SECURITIZED ASSET SALES INC	DE				X	X				08/24/95	
SOURCE ONE MORTGAGE SERVICES CORP	DE							X		08/25/95	
SOURCE ONE MORTGAGE SERVICES CORP	DE							X		08/25/95	
SPS TECHNOLOGIES INC	PA	X						X		08/28/95	
STAR RESOURCES INC /DE/	DE	X						X		05/01/95	AMEND
STERIS CORP	OH				X					08/24/95	
SUNDANCE HOMES INC	IL							X		08/10/95	
SYMBOLICS INC	DE	X						X		08/09/95	
TANGRAM ENTERPRISE SOLUTIONS INC	PA				X					08/29/95	
TEREX CORP	DE	X								05/09/95	AMEND
TRANS ENERGY INC		X						X		08/07/95	
TREND LINES INC	MA				X					08/24/95	
UNITED DOMINION INDUSTRIES LIMITED		X								08/15/95	
UNITED WASTE SYSTEMS INC	DE				X	X				01/31/94	
UNOCAL CORP	DE				X					08/29/95	
VALHI INC /DE/	DE	X								09/30/95	
WASHINGTON MUTUAL SAVINGS BANK MORT BACK	WA							X		06/30/95	
WESTMARK GROUP HOLDINGS INC	CO				X	X				07/20/95	
WILSHIRE ASSET BACKED ADJUSTABLE RATE TR		X						X		08/03/95	
WILSHIRE ASSET BACKED FIXED RATE TRUST 1		X						X		08/03/95	
WORLDCOM INC /MS/	GA				X	X				08/23/95	
1ST BANCORP VIENNA INC	IL				X					08/11/95	