

SEC NEWS DIGEST

Issue 96-200

October 21, 1996

ENFORCEMENT PROCEEDINGS

INITIAL DECISION RELEASED FOR KEVIN CAMPBELL

An administrative law judge has found that Kevin N. Campbell willfully violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933, and Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder, in connection with the offer and sale of \$258,000 worth of unregistered Balance for Life securities in 1993. Judge Brenda P. Murray assessed a penalty of \$550,000 against Mr. Campbell and ordered him barred from association with any broker or dealer, from participating in an offering of penny stock, and from being associated with a member of a national securities exchange or registered securities association; and to cease and desist from committing or causing any violations or future violations of the provisions of the securities statutes and regulations at issue. Judge Murray determined that Mr. Campbell should disgorge \$28,380, plus prejudgment interest, but did not order payment because Mr. Campbell has filed under Chapter 7 of the Bankruptcy Code. (Initial Decision No. 98)

COMPLAINT FILED AGAINST BERBUN ASSOCIATES, INC. AND DONALD BUNSI

The Commission announced the filing of a complaint in the United States District Court for the Eastern District of New York against Berbun Associates, Inc. (Berbun) and Donald Bunsis (Bunsis), alleging fraud in violation of the federal securities laws. The Commission's complaint alleges that Bunsis served as Berbun's principal operating officer and, from 1988 through 1993, solicited prospective investors in Berbun. During this same period of time, Bunsis practiced law and accounting at Bunsis & Bunsis, located in Garden City, New York. The complaint alleges that Bunsis and Berbun raised approximately \$2.9 million from investors by representing to prospective investors that Berbun would invest in secondary residential mortgages; Berbun would pool investors' monies so that each individual investor's monies would not be invested in any one second mortgage; and an investment in Berbun was low risk. Bunsis and Berbun offered prospective investors interest payments ranging from 8 - 12% on their investment.

The complaint further alleges that these representations by Bunsis and Berbun were false and misleading because Bunsis diverted investor monies to repay certain favored investors, make payments to

himself and his firm, make loans to Briarhall Country Club, a business in which Bunsis was a 50% owner, and make an investment in Movie Moguls, Inc., a business in which Bunsis was a part-owner. The complaint also alleges that the Briarhall and Movie Moguls loans were never repaid and, as a result, Berbun failed to repay the investments made by many of its investors.

The complaint alleges that Berbun and Bunsis violated Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder. The complaint seeks injunctive relief, disgorgement plus prejudgment interest, civil penalties, and an accounting. [SEC v. Berbun Associates, Inc. and Donald Bunsis, CV96-5117, EDNY, ILG] (LR-15127)

COMPLAINT FILED ALLEGING INSIDER TRADING IN THE SECURITIES OF INTELLIGENT ELECTRONICS, INC.

On October 18, a complaint was filed in U.S. District Court for the Eastern District of Michigan against Mark J. Aronds and Michael J. Garzoni. The complaint alleges that in late 1992 in the course of his employment at the Kmart Corporation of Troy, Michigan, Garzoni obtained material, non-public information about Intelligent Electronics' sale of its BizMart, Inc. subsidiary to OfficeMax, Inc., a subsidiary of Kmart. The complaint alleges that Garzoni tipped Aronds, president of the Network Group, Inc., a Houston, Texas-based commercial real estate brokerage firm. From November 16 to December 3, 1992, Aronds, invested \$176,677 in Intelligent Electronics common stock and call option contracts. Aronds later sold his securities for a total profit of \$263,835. The Commission is seeking permanent injunctions against Aronds and Garzoni, as well as disgorgement of all illegal profits, prejudgment interest and penalties.

The United States Attorney's Office for the Eastern District of Michigan also announced that indictments had been returned against Aronds and Garzoni for insider trading and other conduct. [SEC v. Mark J. Aronds and Michael J. Garzoni, Civil Action No. 96-74813, USDC/Eastern District of Michigan] (LR-15128)

INVESTMENT COMPANY ACT RELEASES

HOME NETWORK UNIT INVESTMENT TRUST

A notice has been issued giving interested persons until November 12 to request a hearing on an application filed by Home Network Unit Investment Trust for an order under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-22287 - October 17)

DIVERSIFIED INVESTORS STRATEGIC VARIABLE FUNDS, ET AL.

An order has been issued under Section 6(c) of the Investment Company Act exempting Diversified Investors Strategic Variable Funds, Diversified Investors Variable Funds, Diversified Investors Portfolios, AUSA Life Insurance Company, Inc. (AUSA), Diversified Investment Advisors, Inc., and Diversified Investors Securities Corp. (collectively, Applicants) from Section 12(d) of the Act, and under Sections 6(c) and 17(b) of the Act exempting Applicants from Section 17(a) of the Act. The requested order permits Applicants to create a "fund of funds," organized as a managed separate account (with subaccounts) of AUSA, as an available investment vehicle underlying group variable annuity contracts offered by AUSA. Each subaccount of the "fund of funds" will allocate all of its assets among certain registered separate accounts or subaccounts established by AUSA (which will be "feeder" funds in a "master-feeder" structure) without regard to the percentage limitations of Section 12(d)(1) of the Act. Each feeder fund, in turn, will invest 100% of its assets in a corresponding series of an underlying "master" fund. (Rel. IC-22288 - October 17)

HARCOURT-SYMES, LTD F/N/A FIRST AUGUST FINANCIAL CORPORATION

An order has been issued on an application filed by Harcourt-Symes, Ltd under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-22289 - October 17)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

The Philadelphia Stock Exchange filed a proposed rule change (SR-PHLX-96-42) to amend PHLX Rule 960.7, "Offer of Settlement," to limit the time when a respondent may submit a written settlement offer to the PHLX's Business Conduct Committee to within 120 calendar days immediately following the date of service of the statement of charges upon the respondent. Publication of the notice is expected in the Federal Register during the week of October 21. (Rel. 34-37838)

The American Stock Exchange filed a proposed rule change (SR-Amex-96-35) relating to trading of options on The Tobacco Index. Publication of the notice is expected in the Federal Register during the week of October 21. (Rel. 34-37839)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Chicago Board Options Exchange to amend Exchange Rule 6.70, Floor Broker Defined, to clarify under what circumstances a floor broker may accept orders directly from public customers (SR-CBOE-96-62) has become effective under Section

19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of October 21. (Rel. 34-37840)

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 following companies 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		
ACNIELSEN CORP	DE					X	X			10/17/96	
ADVANTA CREDIT CARD MASTER TRUST II	DE					X	X			10/18/96	
ADVANTA NATIONAL BANK USA /PA/						X	X			10/18/96	
ANTARES RESOURCES CORP	NY					X	X			10/18/96	
APAC TELESERVICES INC	IL					X	X			10/17/96	
ARMSTRONG WORLD INDUSTRIES INC	PA					X	X			10/18/96	
ASCENT ENTERTAINMENT GROUP INC	DE					X				09/04/96	AMEND
ATLAS CORP	DE		X			X				10/12/96	
ATLAS CORP	DE					X				10/18/96	
AVONDALE INC	GA					X	X			10/18/96	
AVONDALE INC	GA					X				10/18/96	
BA MASTER CREDIT CARD TRUST /								X		09/30/96	
BEAR STEARNS ASSET BACKED SECURITIES INC	DE					X				09/25/96	
BEAR STEARNS ASSET BACKED SECURITIES INC	DE					X				09/25/96	
BEAR STEARNS MORTGAGE SECURITIES INC	DE					X				09/25/96	
BEAR STEARNS MORTGAGE SECURITIES INC	DE					X				09/25/96	
BEAR STEARNS MORTGAGE SECURITIES INC	DE					X				09/25/96	
BEAR STEARNS MORTGAGE SECURITIES INC	DE					X				09/25/96	
BEST PRODUCTS CO INC	VA					X	X			10/18/96	
BHC FINANCIAL INC	DE			X						10/17/96	
BOATMENS NATIONAL BANK OF ST LOUIS						X	X			10/15/96	
BOATMENS NATIONAL BANK OF ST LOUIS						X	X			10/15/96	
BRAUVIN CORPORATE LEASE PROGRAM IV L P	DE					X				10/11/96	
BRAUVIN HIGH YIELD FUND L P	DE					X				10/11/96	
BRAUVIN HIGH YIELD FUND L P II	DE					X				10/11/96	
BRAUVIN INCOME PLUS L P III	DE					X				10/11/96	
CAPITOL COMMUNITIES CORP	NY					X	X			10/05/96	
CAPTEC FRANCHISE CAPITAL PARTNERS LP III	DE					X				10/16/96	
CARDINAL HEALTH INC	OH					X				10/11/96	
CAREER HORIZONS INC	DE					X				10/09/96	
CARVER BANCORP INC	DE					X	X			10/17/96	
CHARTWELL RE CORP	DE					X				10/14/96	

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
CHARTWELL RE HOLDINGS CORP	DE				X					10/18/96	
CHASE COMMERCIAL MORTGAGE SECURITIES COR	NY				X	X				08/31/96	
CHASE MANHATTAN BANK /NY/	NY				X	X				09/30/96	
CHASE MANHATTAN BANK /NY/	NY				X	X				10/15/96	
CHASE MANHATTAN BANK /NY/	NY				X	X				10/15/96	
CHASE MANHATTAN BANK /NY/	NY				X	X				10/15/96	
CHASE MANHATTAN BANK /NY/	NY				X	X				10/15/96	
CHASE MANHATTAN BANK USA	DE				X	X				10/15/96	
CHS ELECTRONICS INC	UT		X			X				10/04/96	
CIRCLE FINE ART CORP	DE			X		X				10/11/96	
CLARK REFINING & MARKETING INC	DE		X							10/04/96	
CLARK USA INC /DE/	DE	X								10/04/96	
CLEAR CHANNEL COMMUNICATIONS INC	TX		X			X				08/05/96	AMEND
COGNIZANT CORP	DE				X	X				10/15/96	
COMMUNITY FIRST BANKSHARES INC	DE				X					10/01/96	
CONTIMORTGAGE HOME EQUITY LN TR 1996-1	DE				X	X				10/15/96	
CONTIMORTGAGE HOME EQUITY LOAN TRUST 199					X	X				09/15/96	
CPI CORP	DE		X		X	X				10/17/96	
CRYOMEDICAL SCIENCES INC	DE				X	X				10/02/96	
DE ANZA PROPERTIES X	CA				X					10/11/96	
DIGITAL SYSTEMS INTERNATIONAL INC	WA				X	X				10/14/96	
DONNKENNY INC	DE				X					10/15/96	
ELTRON INTERNATIONAL INC	CA				X	X				10/16/96	
ENROTEK CORP	NV	X								08/23/96	
ENROTEK CORP	NV				X					09/24/96	
FIRST FINANCIAL BANCORP /CA/	CA				X	X				10/18/96	
FIRST MIDWEST FINANCIAL INC	DE				X	X				10/18/96	
FIRST REPUBLIC BANCORP INC	DE	X								09/30/96	
FIRST USA CREDIT CARD MASTER TRUST	DE				X	X				10/18/96	
FIRST USA PAYMENTECH INC	DE		X			X				08/19/96	AMEND
FRANKLIN ELECTRONIC PUBLISHERS INC	PA		X			X				10/04/96	
FROST HANNA MERGERS GROUP INC	FL				X					10/14/96	
FURNITURE BRANDS INTERNATIONAL INC	DE					X				10/18/96	
GILBERT ASSOCIATES INC/NEW	DE				X					10/18/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
GREEN TREE FINANCIAL CORP	MN				X	X				10/15/96	
HARTFORD LIFE INSURANCE CO	CT				X	X				10/18/96	
HORMEL FOODS CORP /DE/	DE	X								10/15/96	
INNOTECH INC	DE				X					10/15/96	
INSILCO CORP/DE/	DE		X			X				10/04/96	
INTEK DIVERSIFIED CORP	DE		X							09/20/96	AMEND
INTERNATIONAL BASIC RESOURCES INC	ID				X	X				10/10/96	
ITT HARTFORD GROUP INC /DE	DE				X	X				10/18/96	
KEYCORP /NEW/	OH				X	X				10/17/96	
LIFE RE CORP	DE	X								10/03/96	
MALLON RESOURCES CORP	CO	X								10/18/96	
MANAGEMENT TECHNOLOGIES INC	NY				X	X				10/18/96	AMEND
MARINER HEALTH GROUP INC	DE		X		X	X				10/03/96	

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		1	2	3	4	5	6	7	8			
MELLON BANK NA MELLON BANK HOME EQUITY L	MA				X	X					10/10/96	
MERCANTILE CREDIT CARD MASTER TRUST	NY				X	X					10/08/96	
MERISEL INC /DE/	DE	X									06/30/96	
MIDAMERICAN ENERGY CO	IA				X	X					10/17/96	
MONTEREY PASTA CO	CA					X					10/04/96	
NASH FINCH CO	DE					X					01/02/96	AMEND
NGC CORP	DE				X	X					10/16/96	
NTS PROPERTIES VI/MD	MD				X						10/17/96	
OAKWOOD MORTGAGE INVESTORS INC					X						10/16/96	
OCCIDENTAL PETROLEUM CORP /DE/	DE				X						10/17/96	
OMNI MULTIMEDIA GROUP INC	DE	X				X					10/18/96	
OMNI USA INC	NV	X				X					10/18/96	
PEGASUS AIRCRAFT PARTNERS II L P	DE				X						09/30/96	
PEGASUS AIRCRAFT PARTNERS L P	DE				X						09/30/96	
REGENT BANCSHARES CORP	NJ				X	X					10/02/96	
SCIENTIFIC SOFTWARE INTERCOMP INC	CO	X									10/18/96	
SEAGULL ENERGY CORP	TX	X				X					09/10/96	AMEND
SEAGULL ENERGY CORP	TX	X				X					10/03/96	
SPARTA PHARMACEUTICALS INC	DE				X	X					09/03/96	AMEND
SPECIALIZED HEALTH PRODUCTS INTERNATIONA	DE	X									10/14/96	
TITANIUM METALS CORP	DE				X	X					10/18/96	
TOTAL RENAL CARE HOLDINGS INC	DE				X	X					10/18/96	
UCI MEDICAL AFFILIATES INC	DE	X				X					10/14/96	
ULTRAK INC	CO					X					08/23/96	AMEND
UNIVERSAL AUTOMOTIVE INDUSTRIES INC /DE/	DE				X						10/11/96	
UROMED CORP	MA				X	X					10/09/96	
WEEKS CORP	GA					X					08/09/96	AMEND
WESTERN OHIO FINANCIAL CORP	DE				X	X					10/17/96	