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# sec news digest

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CIVIL PROCEEDINGS

U.S. SECURITIES AND  
EXCHANGE COMMISSION

## PROPOSED SETTLEMENT AGREEMENTS AND PLANS OF DISTRIBUTION FILED IN LEVINE AND WILKIS CASES

The Commission announced that on March 8, it filed revised plans of distribution of disgorged assets in the insider trading cases of SEC v. Levine and SEC v. Wilkis. The plans, which must be approved by the district court, incorporate settlement agreements between the Commission and the Internal Revenue Service and between the Commission and the New York State Department of Taxation and Finance. If the court approves the plans, notice will be given to all potential claimants of the securities traded and how to file claims. Until court approval, no claims are to be submitted.

Copies of the plans may be obtained from James Nespole, Receiver, Fulbright and Jaworski, 345 Park Ave., New York, New York 10154. FOR FURTHER INFORMATION CONTACT: Richard A. Kirby, 202-272-7374, or Barry R. Goldsmith, 202-272-2219. [SEC v. Dennis B. Levine, et al., 86 Civ. 3726 RO, SEC v. Robert M. Wilkis, et al., 86 Civ. 5182 (RO), U.S.D.C., S.D.N.Y.] (LR-12804)

## UNION NATIONAL MORTGAGE CO. AND MARK HOPKINS PERMANENTLY ENJOINED

The Fort Worth Regional Office of the Commission announced that on December 21, 1990, the federal district court permanently enjoined Union National Mortgage Company (UNMC) and Mark Brandon Hopkins (Hopkins), Little Rock, Arkansas, from violating the anti-fraud provisions of the federal securities laws. The defendants consented to the Order without admitting or denying the complaint's allegations. The issue of disgorgement was reserved for determination by the Court.

As previously announced, the Commission sought and obtained a Temporary Restraining Order and Preliminary Injunction (July 18 and August 9, 1990, respectively) against UNMC, Hopkins, and Timothy Bryan Gibbons (Gibbons) for their alleged use of a "free-riding scheme." (LR-12578). The defendants allegedly made material misrepresentations and omissions to induce broker-dealers to open trading accounts. According to the complaint, the defendants sold or purchased government securities on behalf of UNMC, then failed to pay for or deliver securities causing broker-dealers to incur losses of nearly \$221,000, and resulting in profits to the defendants of at least \$227,000. The action remains pending as to defendant Gibbons. [SEC v. Union National Mortgage Co., Mark Brandon Hopkins, and Timothy Bryan Gibbons, USDC/ED AR/Civil Action No. LR-C-90-508] (LR-12805)

**COURT FREEZES PERSONAL ASSETS OF BARRY KING AND ORDERS WELLESLEY MORTGAGE CORPORATION TO FILE UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

The Boston Regional Office announced that on March 8, the District Court for Massachusetts granted an application by the Commission for an Order prohibiting Barry L. King (King) from transferring or otherwise disposing of assets except to meet ordinary and necessary living expenses. The Court also ordered Wellesley Mortgage Corporation (WMC), a King-owned entity now under the supervision of a Special Agent appointed in the Commission's action, to file under Chapter 11 of the Bankruptcy Code.

WMC and King, who consented to the freeze order at a March 8 hearing, were permanently enjoined on December 12, 1990 from violating the antifraud and registration provisions of the securities laws, and King was ordered to comply with the terms of a Commission bar Order. WMC and two other King-owned entities were ordered to provide restitution to investors. The September 28, 1990 Complaint alleged that the defendants, by offering unregistered interests in a mortgage pool, operated as an unregistered investment adviser, violated the registration and antifraud provisions of the securities laws and violated the terms of a prior Commission bar Order. [SEC v. Wellesley Mortgage Corporation, et al., No. 90-12347H] (LR-12808)

**ORDER OF PERMANENT INJUNCTION ENTERED AGAINST JOHN FORSBERG**

The Fort Worth Regional Office announced that on March 1, an Order of Permanent Injunction and Other Equitable Relief (Order) was entered against John J. Forsberg (Forsberg) who was charged with three other individuals and twenty-two entities in a Commission injunctive action filed September 5, 1990, in the U. S. District Court for the Northern District of Texas. The Order, which Forsberg consented to on a neither admit nor deny basis, enjoins Forsberg from further violations of the anti-fraud provisions of the federal securities laws.

The Commission's complaint charged the defendants with engaging in a "Ponzi scheme" by raising \$6.7 million through sales of securities in the form of limited partnership interests, debentures, promissory notes and bonds. The sales were made based on material misrepresentations and omissions of material fact concerning, among other things, the use of investor funds and the compensation paid to the defendants. The Order also directs Forsberg to disgorge \$152,719, plus prejudgment interest. In the event the parties cannot agree as to Forsberg's financial ability to pay any or all of the disgorgement amount, the Court will decide the issue at a subsequent hearing. [SEC v. Maxwell C. Huffman, Jr. et. al., Civil Action No. CA 3-90-2036-H] (LR-12809)

**COMPLAINT ALLEGES VIOLATIONS OF SECTION 10(b) AND RULE 10b-5**

The Commission filed a complaint on March 18, against Paul Borman, former chairman, chief executive officer, and principal shareholder of Borman's, Inc., alleging that Borman violated Section 10(b) of the Exchange Act and Rule 10b-5 by authorizing the issuance of a misleading press release in which Borman's disclaimed any knowledge of the reasons for unusual trading in the company's stock at a time when Borman was engaged in discussions with another company regarding a possible acquisition of Borman's. Borman has consented to the entry of a permanent injunction prohibiting him from engaging in future violations of Section 10(b) and Rule 10b-5. [SEC v. Paul Borman, Civil Action No. 91 0567 (MBB), USDC, D.C.] (LR-12811)

## CIVIL ACTION AGAINST NEIL ROGEN FILED

The Commission announced the filing, on March 18, of a complaint for Permanent Injunction in the U.S. District Court for the Southern District of New York against Neil E. Rogen (Rogen), alleging that he violated Sections 5(b), 5(c) and 17(a) of the Securities Act of 1933, Sections 10(b), 13(a) and 16(a) of the Securities Exchange Act of 1934 and various rules thereunder. The complaint alleges that Rogen, formerly the chairman of Memory Metals, Inc. (Memory Metals), now known as Memry Corporation, engaged in such violations in connection with: (a) Memory Metals' initial public offering in 1984, (b) materially false and misleading press releases issued by Memory Metals, (c) the improper offer of securities of Memory Metals without a registration statement filed with the Commission and the use of an improper prospectus to offer such securities, (d) an inaccurate annual report of Memory Metals on Form 10-K filed with the Commission, and (e) the failure to timely file with the Commission statements of changes in Rogen's beneficial ownership of Memory Metals securities and inaccurate filings of such statements of beneficial ownership. [SEC v. Neil E. Rogen, U.S.D.C., SDNY, Civil Action No. 91 Civ. 1822, March 18] (LR-12812)

## COMPLAINT AGAINST PHILLIP STEVENS

The Commission announced today the filing of a civil complaint in the U.S. District Court for the Southern District of New York against Phillip J. Stevens. The Complaint alleges that Stevens violated Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act of 1934 and Rule 10b-5 thereunder by releasing material nonpublic information to certain securities analysts prior to an announcement concerning Ultrasystems' first quarter earnings on May 15, 1987, and that clients of certain of the analysts sold Ultrasystems stock prior to the announcement.

Stevens, without admitting or denying the allegations of the complaint, consented to the entry of a permanent injunction against future violations. In addition, Stevens agreed to pay \$126,455.00, which represents the amount of losses avoided by those shareholders who received material nonpublic information concerning Ultrasystems' first quarter from analysts and sold Ultrasystems stock prior to the announcement. [SEC v. Phillip J. Stevens, USDC SDNY, 91 Civ. 1869, CSH] (LR-12813)

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## INVESTMENT COMPANY ACT RELEASES

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### THE GOVERNMENT OF ISRAEL

A notice has been issued giving interested persons until March 27 to request a hearing on an application filed by the Government of Israel (Israel) for an order exempting certain grantor trusts from all provisions of the Act except sections 26 (with certain exceptions), 36, 37 and, to the extent necessary to implement the foregoing sections, 38 through 53, in connection with each trust's issuance of a single class of non-redeemable certificates representing fractional undivided interests in Israel's note held by such trust. (Rel. IC-18047; International Series Rel. No. 242 - March 18)

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## HOLDING COMPANY ACT RELEASES

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### CONSOLIDATED NATURAL GAS COMPANY

A notice has been issued giving interested persons until April 9 to request a hearing on a proposal by Consolidated Natural Gas Company (Consolidated), a registered holding company, subject to stockholder approval, to implement its 1991 Stock Incentive Plan (Plan) and issue up to three million shares of common stock, as necessary to grant awards to Consolidated system employees according to the terms of the Plan. Consolidated has been authorized to solicit proxies from its stockholders for approval of the Plan at the annual meeting to be held on May 21, 1991. (Rel. 35-25274)

### EASTERN UTILITIES ASSOCIATES NEW ENGLAND ELECTRIC SYSTEM

A notice has been issued giving interested persons until April 8 to request a hearing on a proposal by Eastern Utilities Associates (EUA), a registered holding company, its direct subsidiaries, EUA Ocean State Corporation (EUA-OS), Blackstone Valley Electric Company and EUA Service Corporation, and its indirect subsidiary Ocean State Power (OSP); and by New England Electric System (NEES), a registered holding company, and its direct subsidiaries, Narragansett Energy Resources Company (NERC) and New England Power Service Company, and its indirect subsidiary OSP, whereby (1) EUA-OS and NERC will make distributions of capital to EUA and NEES, respectively, by means of common stock repurchases or the payment of dividends out of capital, and (2) EUA-OS and NERC will make additional capital contributions to their subsidiary OSP. (Rel. 35-25275)

### NEW ENGLAND HYDRO-TRANSMISSION CORPORATION

A notice has been issued giving interested persons until April 8 to request a hearing on a proposal by New England Hydro-Transmission Corporation and New England Hydro-Transmission Electric Company, Inc., electric transmission subsidiary companies of New England Electric System and Northeast Utilities, both registered holding companies, whereby, through October 31, 1993, each company would issue short-term promissory notes to banks up to a combined amount outstanding at any time not exceeding \$25 million. (Rel. 35-25275)

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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-18 EMPIRE VENTURES INC/DE, 159 PARK AVE, RUTHERFORD, NJ 07070 (201) 939-7200 - 25,000 (\$100,000) COMMON STOCK. 250,000 (\$1,250,000) COMMON STOCK. 250,000 (\$1,750,000) COMMON STOCK. 250,000 (\$2,250,000) COMMON STOCK. (FILE 33-39231-NY - MAR. 06)  
(BR. 14 - NEW ISSUE)

REGISTRATIONS CONTINUED

- S-18 EXCEPTIONAL ENTERPRISES INC, 159 PARK AVE, RUTHERFORD, NJ 07070 (201) 939-7200 - 8,000 (\$24,000) COMMON STOCK. 400,000 (\$1,400,000) COMMON STOCK. 400,000 (\$1,700,000) COMMON STOCK. 400,000 (\$2,000,000) COMMON STOCK. (FILE 33-39263-NY - MAR. 05) (BR. 14 - NEW ISSUE)
- S-3 CIGNA CORP, ONE LIBERTY PL, 1650 MARKET ST P O BOX 7716, PHILADELPHIA, PA 19192 (215) 523-4000 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE 33-39269 - MAR. 12) (BR. 10)
- N-2 PREFERRED INCOME FUND INC, 301 E COLORADO BLVD STE 720, C/O FLAHERTY & CRUMRINE INC, PASADENA, CA 91101 (818) 795-7300 - 500 (\$50,000,000) PREFERRED STOCK. (FILE 33-39270 - MAR. 12) (BR. 18)
- S-1 EAGLE BANCORP INC /DE/, 227 CAPITOL ST, CHARLESTON, WV 25301 (304) 340-4600 - 45,450 (\$749,925) COMMON STOCK. (FILE 33-39356 - MAR. 11) (BR. 1)
- S-3 RYLAND ACCEPTANCE CORPORATION FOUR, 10221 WINCOPIN CIR, P O BOX 1110, COLUMBIA, MD 21044 (301) 964-8260 - 1,000,000,000 (\$1,000,000,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 33-39357 - MAR. 11) (BR. 11)
- S-8 LANDMARK GRAPHICS CORP, 333 CYPRESS RUN, HOUSTON, TX 77094 (713) 579-4700 - 1,250,000 (\$28,125,000) COMMON STOCK. (FILE 33-39358 - MAR. 11) (BR. 9)
- S-3 ASHLAND OIL INC, 1000 ASHLAND DRIVE, RUSSELL, KY 41169 (606) 329-3333 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-39359 - MAR. 11) (BR. 3)
- S-11 PAINWEBBER MORTGAGE ACCEPTANCE CORPORATION IV, 1285 AVENUE OF THE AMERICAS, NEW YORK, NY 10019 - 600,000,000 (\$600,000,000) PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 33-39360 - MAR. 11) (BR. 12)
- S-11 MERIDIAN ASSET ACCEPTANCE CORP, 601 PENN ST 4TH FL, READING, PA 19601 - 400,000 (\$400,000) PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 33-39361 - MAR. 11) (BR. 12 - NEW ISSUE)
- S-3 HOUSTON LIGHTING & POWER CO, 611 WALKER AVE, HOUSTON, TX 77002 (713) 228-9211 - 125,000,000 (\$125,000,000) MORTGAGE BONDS. (FILE 33-39362 - MAR. 11) (BR. 8)
- S-1 SEARS RECEIVABLES FINANCING GROUP INC, 3711 KENNETT PIKE, GREENVILLE, DE 19807 (302) 888-3176 - 500,000,000 (\$500,000,000) EQUIPMENT TRUST CERTIFICATES. UNDERWRITER: DEAN WITTER REYNOLDS INC, GOLDMAN SACHS & CO, SALOMON BROTHERS INC. (FILE 33-39364 - MAR. 12) (BR. 11)
- S-6 DEFINED ASSET FDS MUN INVT TR FD ONE HUNDRED SIXTY SIX INS, P O BOX 9051, C/O MERRILL LYNCH PIERCE FENNER & SMITH, PRINCETON, NJ 08543 - INDEFINITE SHARES. (FILE 33-39366 - MAR. 12) (BR. 22 - NEW ISSUE)
- S-6 DEFINED ASSET FDS MUN INVT TR FD MULTISTATE SERIES 8M, P O BOX 9051, C/O MERRILL LYNCH PIERCE FENNER & SMITH, PRINCETON, NJ 08543 - INDEFINITE SHARES. (FILE 33-39367 - MAR. 12) (BR. 22 - NEW ISSUE)
- S-6 DEFINED ASSET FDS MUN INVT TR FD MULTISTATE SERIES 8O, P O BOX 9051, C/O MERRILL LYNCH PIERCE FENNER & SMITH, PRINCETON, NJ 08543 - INDEFINITE SHARES. (FILE 33-39368 - MAR. 12) (BR. 22 - NEW ISSUE)
- S-1 ENZON INC, 40 CRAGWOOD RD, SOUTH PLAINFIELD, NJ 07080 (201) 668-1800 - 2,875,000 (\$26,953,125) COMMON STOCK. (FILE 33-39391 - MAR. 12) (BR. 4)
- S-8 UNR INDUSTRIES INC, 332 S MICHIGAN AVE, CHICAGO, IL 60604 (312) 341-1234 - 2,500,000 (\$10,818,543) COMMON STOCK. (FILE 33-39422 - MAR. 11) (BR. 6)

## 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
BCI GEONETICS INC UNIT	UNIT	01/12/1990	222	05534620	
EMONTOR N V	13D	2/ 5/91	11.2	18.5	UPDATE
BCI GEONETICS INC UNIT	UNIT	01/12/1990	0	05534620	
NEW YORK & FOREIGN SECS CORP	13D	2/ 5/91	0.0	N/A	UPDATE
BAKER MICHAEL CORP	COM		172	05714910	
FIDELITY INTL LTD	13D	2/13/91	5.9	4.9	UPDATE
BAKER MICHAEL CORP	COM		172	05714910	
FMR CORP	13D	3/ 1/91	5.9	4.9	UPDATE
DILLARD DEPT STORES INC	CL A		8,964	25406310	
VENDAMERICA B V	13D	3/14/91	24.3	32.4	UPDATE
EXPLORATION OF LOUISIANA	COM		5,500	30213410	
MERCURY ASSET MGMT	13D	2/21/91	6.3	6.8	UPDATE
FEDL NATL MTG DTD 10/11/88	COM		22,078	31358610	
FIDELITY INTL LTD	13D	2/28/91	8.1	8.6	UPDATE
FEDL NATL MTG DTD 10/11/88	COM		22,078	31358610	
FMR CORP	13D	3/ 1/91	8.1	8.6	UPDATE
HAMILTON OIL CORP	COM PAR \$0.25		13,172	40784810	
BHP HLDGS	13D	3/12/91	50.1	49.9	UPDATE
ICO INC	COM		2,155	44929410	
MERCURY ASSET MGMT	13D	2/19/91	15.4	14.2	UPDATE
IMAGE RETAILING GROUP INC	COM		115	45291510	
LOCKWOOD RICHARD	13D	3/ 4/91	5.6	0.0	NEW

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
KINGFISHER BANCORP INC HASENFRATZ WAYNARD LOYD	COM 13D	12/31/90	4 5.0	49570099 0.0	NEW
LDOS COMMUNICATIONS INC PORTER JOHN A	CL A 13D	2/15/91	467 5.8	50199310 7.3	UPDATE
MAINE PUB SVC CO FIDELITY INTL LTD	COM 13D	3/ 1/91	134 7.6	56048310 9.1	UPDATE
MAINE PUB SVC CO FMR CORP	COM 13D	2/28/91	134 7.6	56048310 9.1	UPDATE
METALCLAD CORP KESLER GRANT S	CL A 13D	2/28/91	1,356 25.5	59114210 0.0	NEW
MICROM TECHNOLOGY INC AMSTRAD PLC ET AL	COM 13D	3/11/91	1,941 5.3	59511210 7.0	UPDATE
NFS FINL CORP CHURCHILL WINSTON J ET AL	COM 13D	3/ 6/91	156 5.7	62910410 0.0	NEW
NETWORK SYS CORP FIDELITY INTL LTD	COM 13D	2/27/91	2,167 7.4	64121710 8.4	UPDATE
NETWORK SYS CORP FMR CORP	COM 13D	2/22/91	2,167 7.4	64121710 8.4	UPDATE
SEQUA CORP GAMCO INVESTORS INC ET AL	CL A 13D	3/ 4/91	318 3.3	81732010 0.0	NEW
VALLEY INDS INC FERGUSON KATHLEEN M ET AL	COM 13D	3/ 4/91	2,322 25.6	91972010 0.0	NEW
XYTRONYX INC APPLEBY EDGAR O	COM 13D	3/12/91	305 9.5	98417510 7.8	UPDATE
YG DEVELOPMENT CO ROMAN RICHARD	COM 13D	2/19/91	80 7.8	98423710 0.0	NEW
YG DEVELOPMENT CO SHEA EDMUND H JR	COM 13D	2/19/91	180 15.9	98423710 14.1	UPDATE
YG DEVELOPMENT CO SHEA JOHN F ET AL	COM 13D	2/19/91	80 7.8	98423710 0.0	NEW

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		
SUMMAGRAPHS CORP	DE					X				03/11/91	
SYNOVUS FINANCIAL CORP	GA	X						X		03/07/91	
TCF FINANCIAL CORP	DE							X		02/26/91	AMEND
TECH TIME INC	FL	X								03/08/91	
TECHNALYSIS CORP	MN					X				03/07/91	
TEXAS AMERICAN GROUP INC	TX			X		X				01/30/91	AMEND
TIMBERLINE MINERALS INC	NV					X				03/08/91	
TONS OF TOYS INC	DE				X					02/01/91	
TPI ENTERPRISES INC	NJ					X	X			03/04/91	
TSI CORP /DE/	DE	NO ITEMS								02/12/91	AMEND
TSL INC	CO					X				02/26/91	
TYLER CORP /NEW/	DE	NO ITEMS								02/20/91	AMEND
U S THRIFT OPPORTUNITY PARTNERS L P	DE						X			01/16/91	AMEND
UNITED GAMING INC	NV				X					02/04/91	AMEND
UNIVERSAL MANUFACTURING CO	NE					X				02/25/91	
US WEST INC	CO						X			03/14/91	
USA WASTE SERVICES INC	OK						X			11/30/90	AMEND
VALCO COMMUNICATIONS INC	FL				X	X				02/26/91	
WELLS FARGO BANK REAL ESTATE EQUITY COMM	CA			X	X					03/04/91	
WESTAMERICA INC	MN				X	X				02/07/91	
WESTFED HOLDINGS INC	DE					X				02/06/91	AMEND
WHIRLPOOL CORP /DE/	DE					X				03/06/91	
XSIRIUS SUPERCONDUCTIVITY INC /DE/	DE					X	X			03/08/91	
3 D SYSTEMS INC			X				X			12/31/90	