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# sec news digest

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May 2, 1991

U.S. SECURITIES AND  
EXCHANGE COMMISSION

## NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted under provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesdays, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, N.W., Washington, D.C. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

### CLOSED MEETING - TUESDAY, MAY 7, 1991 - 2:30 P.M.

The subject matter of the May 7 closed meeting will be: Institution of injunctive actions; Institution of administrative proceedings of an enforcement nature; Settlement of administrative proceedings of an enforcement nature; and Formal order of investigation.

### OPEN MEETING - THURSDAY, MAY 9, 1991 - 10:30 A.M.

The subject matter of the May 9 open meeting will be:

1. Consideration of whether to issue a release soliciting information and comments with respect to American Depositary Receipts (ADRs). The proposed solicitation of information and comments would be part of a review by the Commission of the marketplace for and regulations relating to ADRs. FOR FURTHER INFORMATION CONTACT: Anita Klein or Paul Dudek at (202) 272-3246.
2. Consideration of whether to issue a second Automation Review Policy statement that sets forth the Commission's views concerning: (1) the nature of the independent reviews that the self-regulatory organizations (SROs) are encouraged to obtain with respect to their automated trading and information dissemination systems; (2) the contents of SROs' annual reports on major systems changes and a process for provision

of notifications of material systems changes; and (3) notifications of significant systems problems. In addition, the Policy Statement requests comment on establishing a process to explore the development of generally accepted standards for automated systems of regulated entities with respect to computer audits, security and capacity. FOR FURTHER INFORMATION CONTACT: Eugene Lopez at (202) 272-2828.

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: Kaye Williams at (202) 272-2400.

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## COMMISSION ANNOUNCEMENTS

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### CUMULATIVE LIST OF SECTION 16 LETTERS AVAILABLE

Recently, the Division of Corporation Finance began publishing notice of staff correspondence interpreting the new Section 16 rules. A cumulative list of those letters has been prepared by the Office of Public Affairs, and is available from that Office and through the Public Reference Room. The list will be updated as correspondence is published. The letters themselves must be obtained by writing or visiting the Public Reference Room.

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## TRADING SUSPENSIONS

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### COMMISSION LIFTS SUSPENSION OF TRADING IN TEXSCAN STOCK

On May 1, the Commission issued an Order lifting the suspension of trading in the securities of Texscan Corporation that had begun at 9:30 a.m. (EST) on April 22, 1991, and was scheduled to terminate at 11:59 p.m. (EST) on May 3, 1991. In its Order lifting the suspension, which is effective at 9:30 a.m. EDT on May 2, 1991, the Commission states that it has filed an action in the U.S. District Court for the Southern District of New York [SEC v. Mark P. Malenfant, Thomas C. Payne, and Payne Financial Group, 91 Civ. 2996, MBM], alleging that the defendants have engaged and were about to engage in manipulative conduct with respect to Texscan securities. The Order also notes that a temporary restraining order enjoining the defendants from engaging in manipulative conduct and employing manipulative and deceptive devices in connection with the trading of securities was entered in the above-referenced action. The Commission's Order also states that the public interest and the protection of investors no longer require the trading suspension. (Rel. 34-29145)

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## CIVIL PROCEEDINGS

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### COMPLAINT NAMES MALENFANT, PAYNE AND PAYNE FINANCIAL GROUP

On May 1, the Commission announced the filing of a civil action against Mark P. Malenfant, Thomas C. Payne and Payne Financial Group, alleging that they are engaged

in an illegal manipulation of the stock of Texscan Corporation (Texscan), which is listed on the AMEX. The Commission obtained a temporary restraining order and seeks preliminary and permanent injunctive relief enjoining the defendants from violating Sections 9(a)(1), 9(a)(2) and 10(b) of the Exchange Act and Rule 10b-5. In addition, the Commission seeks a freeze order, disgorgement and a civil penalty under Section 21(d) of the Exchange Act. On April 22, 1991, the Commission suspended trading in Texscan stock.

The complaint charges that the defendants purchased or sold, or caused or solicited the purchase or sale of, Texscan common stock for the unlawful purpose of manipulating upwards the price of the stock. The alleged prearranged matching of purchases and sales of Texscan stock at increasingly higher prices is central to the manipulative scheme. [SEC v. Mark P. Malenfant, Thomas C. Payne, and Payne Financial Group, USDC SDNY, No. 91 Civ. 2996, MBM] (LR-12848)

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## CRIMINAL PROCEEDINGS

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### TOM SMITH SENTENCED

The Commission and the U.S. Attorney in Charleston, West Virginia announced that on April 15, 1991, Tom W. Smith, of Phoenix, Arizona, was sentenced to seven years imprisonment. Smith was convicted, after a week-long jury trial in January, of conspiracy to violate federal securities law and federal income tax law in connection with his alleged diversion of investor monies from Vista Oil and Gas Corporation. James R. Brundige, Jr. and Russell T. Poole, the other two defendants, had previously entered guilty pleas and have been sentenced to imprisonment. [U.S. v. Tom W. Smith, et al., USDC SD West Virginia, Criminal No. A90-0065] (LR-12849)

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## INVESTMENT COMPANY ACT RELEASES

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### PORTICO FUNDS

An order has been issued under Section 11(a) of the Investment Company Act approving certain offers of exchange among investment companies that are not all within the same "group of investment companies" as defined in Rule 11a-3 under the Act. (Rel. IC-18120 - April 29)

### COLUMBUS INCOME SHARES

A notice has been issued giving interested persons until May 24 to request a hearing on an application filed under Section 8(f) of the Investment Company Act for an order declaring that Columbus Income Shares, Inc. has ceased to be an investment company. (Rel. IC-18121 - April 29)

### VOYAGEUR GRANIT GOVERNMENT SECURITIES FUND

A notice has been issued giving interested persons until May 28 to request a hearing on an application filed by Voyageur Granit Government Securities Fund, Inc. for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-18122 - April 30)

#### VOYAGEUR GRANIT INSURED TAX EXEMPT FUND

A notice has been issued giving interested persons until May 28 to request a hearing on an application filed by Voyageur Granit Insured Tax Exempt Fund, Inc. for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-18123 - April 30)

#### NATIONAL REAL ESTATE FUND

An order has been issued under Section 8(f) of the Investment Company Act declaring that the National Real Estate Fund has ceased to be an investment company. (Rel. IC-18124 - April 30)

#### PAINWEBBER AMERICA FUND

An order has been issued under Section 6(c) of the Investment Company Act exempting PaineWebber America Fund, et al. from Sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), 22(c), and 22(d) of the Act and Rule 22c-1 thereunder. The order permits certain open-end investment companies (a) to issue three classes of shares representing interests in the same portfolio of securities. One of the classes of shares would convert into another class after a specified period permitting investors to benefit from lower Rule 12b-1 distribution fees. It also permits certain open-end investment companies to assess a contingent deferred sales load on certain redemptions of shares of one of the classes. (Rel. IC-18126 - May 1)

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#### HOLDING COMPANY ACT RELEASES

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#### MISSISSIPPI POWER COMPANY

An order has been issued authorizing Mississippi Power Company, an electric public-utility subsidiary company of The Southern Company, a registered holding company, to issue and sell, from time to time prior to March 31, 1992, up to an aggregate principal amount of \$50 million of first mortgage bonds (Bonds). Mississippi may purchase an insurance policy to guarantee the payment of the Bonds. Jurisdiction has been reserved over the proposed issuance and sale of up to \$50 million of additional Bonds and \$50 million of new preferred stock. (Rel. 35-25305)

#### CORRECTION

The May 1 issue of the Digest reported Southwestern Electric Power Company, Allegheny Generating Company and General Public Utilities Corporation with the release number (Rel. 35-25303). The correct release number is (Rel. 35-25306)

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## SIGNIFICANT NO-ACTION AND INTERPRETATIVE LETTERS

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### INTERPRETATION OF NEW RULES UNDER SECTION 16 OF THE EXCHANGE ACT

The Division of Corporation Finance has announced the publication of staff correspondence interpreting the new Section 16 rules. Copies of the letter 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 it relates, and the public availability date.

<u>Letter</u>	<u>Availability Date</u>	<u>Subject</u>
American Bar Association	May 2, 1991	Interpretive letter regarding Rule 16a-1(c)(3)(ii), Rule 16b-3(c)(2), and reporting pursuant to Section 16(a)

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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-3 REPUBLIC NEW YORK CORP, 452 FIFTH AVE, NEW YORK, NY 10018 (212) 525-6100 - 3,450,000 (\$172,500,000) PREFERRED STOCK. (FILE 33-40111 - APR. 25) (BR. 13)
- S-8 TRAVELERS CORP, ONE TOWER SQ, HARTFORD, CT 06183 (203) 277-0111 - 1,500,000 (\$36,562,500) COMMON STOCK. (FILE 33-40112 - APR. 25) (BR. 13)
- S-1 GULF STATES UTILITIES CO, 350 PINE ST, BEAUMONT, TX 77701 (409) 838-6631 - 6,000,000 (\$57,750,000) COMMON STOCK. (FILE 33-40113 - APR. 25) (BR. 13)
- S-1 AMERICAN DENTAL LASER INC, 600 WEST BIG BEAVER, TROY, MI 48084 (313) 649-0000 - 950,000 (\$12,350,000) COMMON STOCK. 1,235,000 (\$16,055,000) COMMON STOCK. UNDERWRITER: DAIN BOSWORTH INC, PENNSYLVANIA MERCHANT GROUP LTD. (FILE 33-40140 - APR. 24) (BR. 8 - NEW ISSUE)
- S-11 CML CHURCH MORTGAGE INC, 6 LOUDON RD, CONCORD, NH 03302 (603) 224-2373 - 25,096,834 (\$25,096,834) COMMON STOCK. 792,532 (\$792,532) COMMON STOCK. 620,378 (\$620,378) COMMON STOCK. (FILE 33-40144 - APR. 24) (BR. 12)

REGISTRATIONS CONTINUED

- S-1 APPLIED EXTRUSION TECHNOLOGIES INC /DE, MIDDLETOWN INDUSTRIAL PARK DRIVE,  
P O BOX 582, MIDDLETOWN, DE 19709 (302) 378-8888 - 3,450,000 (\$34,500,000)  
COMMON STOCK. UNDERWRITER: PAINEWEBBER INC. (FILE 33-40145 - APR. 24) (BR. 5  
- NEW ISSUE)
- S-8 POGO PRODUCING CO, 600 TRAVIS ST, PO BOX 61289, HOUSTON, TX 77002 (713) 651-4300 -  
500,000 (\$3,375,000) COMMON STOCK. (FILE 33-40146 - APR. 24) (BR. 3)
- S-1 CONFERTECH INTERNATIONAL INC, 240 APPLEWOOD TECH CTR, 2801 YOUNGFIELD, GOLDEN, CO  
80401 (303) 237-5151 - 45,000 (\$494,994.50) COMMON STOCK. 1,635,000 (\$8,992,505)  
COMMON STOCK. (FILE 33-40147 - APR. 24) (BR. 7)

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
S & M CO	COM		669	78377810	
SIEFF JOHN P	13D	3/ 6/91	45.7	45.3	UPDATE
SAGE SOFTWARE INC	COM		1,060	78667410	
FMR CORP	13D	4/12/91	10.1	5.7	UPDATE
SIZZLER RESTAURANTS INTL INC COM			0	83014010	
COLLINS FOODS INC	13D	3/25/91	100.0	100.0	UPDATE
STEVIA INC	COM		19,489	86031910	
ADDIS LAUANE C	13D	4/ 1/91	57.8	53.4	UPDATE
STEVIA INC	COM		21,158	86031910	
SUZUKI FRED K	13D	4/ 1/91	60.0	51.4	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
SUFFIELD FINL CORP COCCOMO JOHN A SR	COM 13D	4/22/91	595 9.9	86473010 8.6	UPDATE
THREE-FIVE SYS INC LANG EUGENE M ET AL	COM 13D	11/12/90	507 22.8	88599310 0.0	NEW
TUBOSCOPE CORP STATE OF WISCONSIN INVEST	COM BD	4/10/91	606 5.1	89859410 0.0	NEW
UNITED PARK CITY MINES CO CALLISTER LOUIS H JR	COM 13D	3/25/91	26 0.1	91131510 0.0	NEW
UNIVERSAL HEALTH RLT Y INCOME IDANTA PARTNERS ET AL	SH BEN INT 13D	4/17/91	524 7.4	91399010 0.0	NEW
VANTAGE POINT ENERGY CRAWLEY S LEE	COM 13D	5/ 1/90	110 6.5	92192710 0.0	NEW
WESTERN STAR BUS SYS ALLEN & CO INC ET AL	COM 13D	4/15/91	1,020 43.0	95959910 44.7	UPDATE
WHITTAKER CORP BLEICHROEDER ARNHOLD & S ET AL	COM PAR \$0.01 13D	4/12/91	378 5.1	96668040 0.0	NEW
WORKINGMENS CAP HLDGS INC BAYLISS EVERETT H	COM 13D	4/10/91	0 0.0	98138210 N/A	UPDATE
APPLIED BIOSCIENCE INTL INC HARRIS ROBERT H	COM 13D	4/25/91	504 5.0	03791710 6.6	UPDATE
APPLIED BIOSCIENCE INTL INC HIGHLAND JOSEPH H	COM 13D	4/25/91	504 5.0	03791710 6.6	UPDATE
APPLIED BIOSCIENCE INTL INC RODRICKS JOSEPH V	COM 13D	4/25/91	504 5.0	03791710 6.6	UPDATE
APPLIED BIOSCIENCE INTL INC WENGER ROBERT M	COM 13D	4/25/91	504 5.0	03791710 6.6	UPDATE
APPLIED BIOSCIENCE INTL INC WRENN GROVER C ET AL	COM 13D	4/25/91	485 4.8	03791710 6.6	UPDATE
BIOCONTROL TECHNOLOGY CONLEY JOHN F	COM 13D	6/ 7/90	675 5.5	09058610 0.0	NEW
BOLAR PHARMACEUTICAL INC RIVERS CLAIRE	COM 13D	3/21/91	1,142 5.3	09751610 0.0	NEW
CFS FINL CORP RUCKER GEO H RLT Y ET AL	COM 13D	4/ 1/91	227 7.6	12490310 6.5	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ XONNED	CUSIP/ PRIOR%	FILING STATUS
CENTRAL COAL & COKE CORP WINTHROP BEEKMAN ET AL	COM 13D	4/26/91	34 9.0	15314110 8.0	UPDATE
CENTURY MEDICORP MEMORIAL PATHOLOGY MED GROUP	COM 13D	10/23/90	239 5.6	15662030 0.0	NEW
CONFERTECH INTL INC VOLPE, WELTY & CO ET AL	COM NEW 13D	4/15/91	320 8.7	20690130 10.7	UPDATE
DOW JONES & CO INC DETRICK JUDSON W	COM 13D	4/19/90	4,628 4.6	26056110 0.0	NEW
DOW JONES & CO INC DETRICK JUDSON W	CL B CONV 13D	4/19/90	2,489 10.8	26056120 0.0	NEW
ELECTROMAGNETIC SCIENCES INC ROCKER DAVID A	COM 13D	4/23/91	483 6.8	28539710 5.6	UPDATE
ELECTROMAGNETIC SCIENCES INC ROCKER DAVID A	COM 13D	4/23/91	483 6.8	28539710 5.6	RVISION
F F O FINL GROUP INC BLACKBURN WILLIAM B	COM 13D	3/ 9/90	43 2.0	30299510 0.0	NEW
FIRST EXECUTIVE CORP DEL HICKS THOMAS O ET AL	COM 13D	4/26/91	3,339 3.9	32013510 5.9	UPDATE
HALLWOOD GROUP INC HALLWOOD ENERGY CORP	COM NEW 13D	4/19/91	255 4.2	40636430 0.0	NEW
HAVERFIELD CORP SHINRAK PETER E & PATRICIA	COM 13D	4/ 5/91	83 7.0	41941110 9.0	UPDATE
HOPPER SOLIDAY CORP FAHNESTOCK CO INC ET AL	COM 14D-1	4/29/91	1,791 89.3	44026310 0.0	UPDATE
HORIZON FINL SVCS INC OSBORNE RICHARD M	COM 13D	4/25/91	65 4.1	44099110 5.4	UPDATE
IONICS INC FIDELITY INTL LTD	COM 13D	4/16/91	313 5.7	46221810 7.1	UPDATE
IONICS INC FMR CORP	COM 13D	4/17/91	313 5.7	46221810 7.1	UPDATE
KANEB SVCS INC GAMCO INVESTORS INC ET AL	COM 13D	4/25/91	3,736 11.9	48417010 9.2	UPDATE
LANNETT COMPANY INC FARBER WILLIAM	COM 13D	3/11/91	63 20.4	51601210 19.4	UPDATE