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sec news digest

Issue 91-96

MAY 17 1991

May 17, 1991

NOTICE OF COMMISSION MEETINGS

CHANGES IN MEETINGS: ADDITIONAL ITEMS

The following additional matter will be considered at an open meeting on Monday, May 20, at 3:00 p.m.

Consideration of whether to issue a release proposing for comment amendments to Rule 31-1 under the Securities Exchange Act of 1934 (Act), which governs exemptions from Section 31 transaction fees. The proposal would exempt from the imposition of Section 31 fees transactions effected after regular trading hours involving orders of 15 securities or more executed at one aggregate price. FOR FURTHER INFORMATION CONTACT: Sharon Lawson at (202) 272-2406.

The following additional item will be considered at a closed meeting on Tuesday, May 21, at 2:30 p.m.: Formal order of investigation.

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: Ronald Mueller at (202) 272-2200.

ADMINISTRATIVE PROCEEDINGS

MANAGEMENT INTELLIGENCE FIVE CORPORATION AND LAWRENCE MURRAY SANCTIONED

On May 10, the Commission issued an Order Making Findings and Imposing Remedial Sanctions against Management Intelligence Five Corporation (MI-5) and its Chairman of the Board, Lawrence Murray (Murray). The Order is based on the Offers of Settlement of MI-5 and Murray.

The Commission found violations of the antifraud and registration provisions of the securities laws by Murray and the other control persons of MI-5, Venture Frontiers Corporation (Venture Frontiers) and Financial Management Professional Corporation (FMPC), prior to their becoming associated with MI-5. Murray was the principal of Venture Frontiers and FMPC.

The Commission further found that Murray and Venture made false statements in press releases misrepresenting the conditional nature and expected profitability of two Venture Frontiers overseas ventures. The Order further states that Murray and FMPC engaged in fraudulent offerings of unregistered limited partnership interests. On June 27, 1989, the Commission filed in the Eastern District of Pennsylvania an injunctive action against Murray, Venture Frontiers and FMPC based upon similar allegations. The action is still pending.

The Order revokes MI-5's registration as an investment adviser and bars Murray from association with any broker, dealer, municipal securities dealer, investment company or adviser. (Rel. IA-1277)

CIVIL PROCEEDINGS

BERNARD KORN SETTLES CIVIL INJUNCTIVE ACTION

On May 16, the New York Regional Office announced the filing of a civil action in New York against Bernard Korn (Korn) arising from his June 1989 purchase of Colorado Prime Corp. (Colorado Prime) securities while in possession of material non-public information relating to a leveraged buyout of Colorado Prime by Kohlberg & Co., L.P. and for his communication of this information to Edwin J. Kleiman (Kleiman), who also purchased Colorado Prime securities. The Commission has filed a separate action against Kleiman [SEC v. Kleiman, 91 Civ. 3354, KTD, USDC, SDNY] (LR-12860).

Simultaneously with the filing of the complaint, without admitting or denying the allegations, Korn consented to the entry of a Final Judgment permanently enjoining him from violating Sections 10(b) and 14(e) of the Securities Exchange Act of 1934 and Rules 10b-5 and 14e-3 thereunder. Korn further agreed to disgorge \$11,268.55, the amount he realized as a result of his unlawful trading, and to pay \$107,020.85 as a penalty under the Insider Trading and Securities Fraud Enforcement Act of 1988. Korn also agreed to cooperate with the Commission. [SEC v. Bernard Korn, 91 Civ. 3353, KTD, USDC, SDNY] (LR-12859)

CIVIL INJUNCTIVE ACTION FILED AGAINST EDWIN KLEIMAN

On May 16, the New York Regional Office announced the filing of a civil action in New York against Edwin J. Kleiman (Kleiman), arising from his June 1989 purchase of Colorado Prime Corp. (Colorado Prime) securities while in possession of material, non-public information relating to a leveraged buyout of Colorado Prime by Kohlberg & Co., L.P. The complaint seeks a Final Judgment permanently enjoining Kleiman from violating Sections 10(b) and 14(e) of the Securities Exchange Act of 1934 and Commission Rules 10b-5 and 14e-3 thereunder. The complaint also requests that Kleiman, an attorney and stockbroker from Lido Beach, New York, be ordered to disgorge \$84,483.75, the amount he realized as a result of his unlawful trading, and to pay prejudgment interest and a penalty under the Insider Trading and Securities Fraud Enforcement Act of 1988.

The complaint also alleges that Bernard Korn (Korn), a consultant to Colorado Prime's commercial bank, in breach of a duty, communicated to Kleiman material, non-public information about Kohlberg's plans to make a tender offer for Colorado Prime. Korn settled a separate action making similar allegations [SEC v. Bernard Korn, 91 Civ. 3353, KTD, USDC, SDNY] (LR-12859). [SEC v. Edwin J. Kleiman, 91 Civ. 3354, KTD, USDC, SDNY] (LR-12860)

CRIMINAL PROCEEDINGS

TIMOTHY GIBBONS AND MARK HOPKINS TRIED

The U.S. Attorney for the Eastern District of Arkansas and the Commission's Fort Worth Regional Office announced that on May 10 a jury convicted Timothy Bryan Gibbons (Gibbons) of criminal contempt of a previously entered Preliminary Injunction, as well as eight additional felony counts, in connection with a "free riding" scheme. Co-defendant Mark Brandon Hopkins (Hopkins) was acquitted of all charges. No sentencing date has been set.

The defendants were charged with willfully and knowingly conspiring and devising a "free riding" scheme. The defendants used the mail and telephone in interstate commerce to induce securities dealers to open trading accounts and trade government securities on behalf of Union National Mortgage Co. (UNMC).

The Commission's civil action seeking a permanent injunction against Gibbons and disgorgement as to Gibbons, Hopkins and UNMC remains pending. Hopkins and UNMC consented to Orders of Permanent Injunction on December 21, 1990 (LR-12805). The civil trial is set for the week of September 3, 1991. [U.S. v. Timothy Bryan Gibbons and Mark Brandon Hopkins, USDC, ED, AR, Criminal Action No. LR-CR-91-10] (LR-12857)

INVESTMENT COMPANY ACT RELEASES

MUTUAL RISK MANAGEMENT

A notice has been issued giving interested persons until June 6 to request a hearing on an application filed by Mutual Risk Management Ltd. (MRM), a foreign insurance holding company, for an order under Section 6(c) of the Investment Company Act allowing MRM to offer and sell its equity securities in the United States without registering as an investment company under the Act. Alternatively, MRM seeks an order under Section 3(b)(2) of the Act declaring that it is primarily engaged in a business or businesses other than that of investing, reinvesting, owning, holding or trading in securities. (Rel. IC-18149; International Series Rel. 271 - May 15)

WESTERN LIFE INSURANCE COMPANY

An order has been issued pursuant to Section 11 of the Investment Company Act approving the terms of certain offers of exchange involving certain mutual funds, variable annuity contracts and variable life insurance policies. (Rel. IC-18150 - May 15)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The Philadelphia Stock Exchange filed a proposed rule change (SR-PHLX-91-06) pursuant to Rule 19b-4 of the Securities Exchange Act. The proposed rule change awards "Applicant" status to prospective members so that they may have unescorted access to the Exchange trading floor for a period of twenty business days. Publication of the approval order is expected in the Federal Register during the week of May 20. (Rel. 34-29190)

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.

N-1A RIMCO MONUMENT FUNDS, FEDERATED INVESTORS TOWER, PITTSBURGH, PA 15222 (412) 288-7496
(FILE 33-40428 - MAY. 09) (BR. 22)

S-1 IDEXX CORP / DE, 100 FORE ST, PORTLAND, ME 04101 (207) 742-9100 - 600,000
(\$11,100,000) COMMON STOCK. 1,240,000 (\$22,940,000) COMMON STOCK. (FILE 33-40447 -
MAY. 08) (BR. 8 - NEW ISSUE)

S-8 VARIAN ASSOCIATES INC /DE/, 3100 HANSEN WAY, PALO ALTO, CA 94303 (415) 493-4000 -
3,000,000 (\$138,000,000) COMMON STOCK. (FILE 33-40460 - MAY. 09) (BR. 3)

S-1 MILLER DIVERSIFIED CORP, 23360 WELD COUNTY RD #35, LA SALLE, CO 80645 (303) 284-5556
- 3,000,000 (\$1,500,000) COMMON STOCK. 450,000 (\$56,250) COMMON STOCK. 700,000
(\$98,000) COMMON STOCK. (FILE 33-40461 - MAY. 06) (BR. 3)

S-3 SENSORMATIC ELECTRONICS CORP, 500 N W 12TH AVE, DEERFIELD BEACH, FL 33442
(305) 427-9700 - 115,000,000 (\$115,000,000) CONVERTIBLE DEBENTURES AND NOTES.
UNDERWRITER: LEHMAN BROTHERS, WERTHEIM SCHRODER & CO. (FILE 33-40462 - MAY. 09)
(BR. 7)

S-8 HI LO AUTOMOTIVE INC /DE, 8601 TAVENOR LANE, HOUSTON, TX 77075 (713) 991-6052 -
175,000 (\$2,275,000) COMMON STOCK. (FILE 33-40464 - MAY. 09) (BR. 1)

S-3 COMMERCE BANCORP INC /NJ/, COMMERCE ATRIUM, 1701 RTE 70 E, CHERRY HILL, NJ 08034
(609) 751-9000 - 500,000 (\$3,500,000) COMMON STOCK. (FILE 33-40465 - MAY. 09) (BR. 2)

S-1 SULCUS COMPUTER CORP, SULCUS CENTRE, 41 N MAIN ST, GREENSBURG, PA 15601
(412) 836-2000 - 2,968,720 (\$8,312,416) WARRANTS, OPTIONS OR RIGHTS. 2,968,720
(\$8,312,416) PREFERRED STOCK. 1,484,360 (\$4,156,208) PREFERRED STOCK. (FILE 33-40466
- MAY. 09) (BR. 10)

REGISTRATIONS CONTINUED

- S-1 REHABCARE CORP, 1795 CLARKSON RD STE 201, CHESTERFIELD, MO 63017 (314) 537-1238 - 1,700,000 (\$22,100,000) COMMON STOCK. 1,175,000 (\$15,275,000) COMMON STOCK. UNDERWRITER: KEMPER SECURITIES GROUP INC. (FILE 33-40467 - MAY. 09) (BR. 6)
- S-3 MERCANTILE BANCORPORATION INC, ONE MECANTILE CENTER, ST LOUIS, MO 63101 (314) 425-2525 - 1,495,000 (\$47,466,250) COMMON STOCK. UNDERWRITER: SALOMON BROTHERS INC. (FILE 33-40468 - MAY. 09) (BR. 2)
- S-8 PRIMERICA CORP /NEW/, 65 E 55TH ST, NEW YORK, NY 10022 (212) 891-8900 - 300,000 (\$8,906,250) COMMON STOCK. (FILE 33-40469 - MAY. 09) (BR. 12)

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
SUNRISE BANCORP INC KY CARLISLE WAYNE	COM 13D	5/ 2/91	44 5.0	86799310 0.0	NEW
URANIUM RES INC RIO ALGOM LTD	COM NEW 13D	5/10/91	2,301 27.0	91690130 27.0	UPDATE
VTN CORP KARCHER CARL N ET AL	COM 13D	5/ 8/91	744 5.8	91834610 7.1	UPDATE
VITALINK COMMUNICATIONS CORP NETWORK SYS CORP	COM 14D-1	5/13/91	2,771 20.4	92847010 0.0	NEW
WMS INDUSTRIES INC NATIONAL AMUSEMENTS INC ET AL	COM 13D	5/ 9/91	2,547 29.9	92929710 26.7	UPDATE
AMERICAN CAP CORP AMERICAN RANGER INC	COM 13D	12/15/89	2,785 13.4	02489810 0.0	NEW

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
AMERICAN CAP CORP CHASE DAVID T	COM 13D	12/15/89	15 0.1	02489810 0.0	NEW
AMERICAN HEALTH SERVICES CORP HARPENER AG ET AL	COM 13D	5/13/91	0 0.0	02691310 N/A	UPDATE
AMERICAN MED TECHNOLOGIES IN BRITTON JAMES L III	COM 13D	3/12/91	697 10.8	02799010 9.3	UPDATE
CHANTAL PRARMACEUTICAL CORP BURNISON CHANTAL ET AL	COM 13D	1/ 2/91	2,554 14.6	15930010 0.0	NEW
CITIZENS SVGS FINL CORP FROST PHILLIP ET AL	CL B 13D	4/ 1/91	245 8.5	17667010 6.7	UPDATE
DAKOTA BANCORP INC GACKSTETTER DEAN D	COM 13D	4/29/91	37 6.9	23391810 0.0	NEW
DAKOTA BANCORP INC LEINER WAYNE C ET AL	COM 13D	4/29/91	34 6.3	23391810 0.0	NEW
DATAPOINT CORP BREN PETER M TRUSTEE	COM PAR \$0.25 13D	5/ 6/91	2,700 26.7	23810020 0.0	NEW
DELTA WOODSIDE INDS INC NEW MADDREY EDWIN ERWIN II	COM 13D	5/13/91	3,788 20.1	24790910 0.0	NEW
DELTA WOODSIDE INDS INC NEW MICCO CORP	COM 13D	5/13/91	1,685 9.0	24790910 0.0	NEW
DELTA WOODSIDE INDS INC NEW MICKEL BUCK ALSTON	COM 13D	5/10/91	2,035 10.8	24790910 0.0	NEW
DELTA WOODSIDE INDS INC NEW SHAW MINOR MICKEL	COM 13D	5/10/91	1,947 10.3	24790910 0.0	NEW
E-Z SERVE CORP QUASHA ALAN GRANT ET AL	COM 13D	4/30/91	2,718 33.9	26932910 19.6	UPDATE
FARAH INC KORSANT PHILIP B ET AL	COM 13D	4/26/91	268 4.5	30738710 5.6	UPDATE
HALL FRANK B & CO INC RELIANCE FINANCIAL SVCS CORP	COM 13D	5/10/91	69,372 100.0	40589110 100.0	UPDATE
HARKEN ENERGY CORP QUASHA ALAN GRANT ET AL	COM 13D	3/12/91	9,037 20.6	41255210 0.0	RVISION
HEXCEL CORP STATE OF WISCONSIN INVEST	COM BD 13D	5/ 1/91	427 6.1	42829010 7.5	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
INCO RECYCLING INC HEDINGER HOWARD H	COM 13D	5/ 3/91	355 3.5	44968110 5.3	RVISION
LANGER BIOMECHANICS GROUP LANGER MARION	COM 13D	4/24/91	505 19.5	51570710 0.0	NEW
LOAN AMERICA FINANCIAL CORP FROST PHILLIP ET AL	CL B 13D	9/24/90	145 7.3	53945610 5.7	UPDATE
PATLEX CORP IRMAS SYDNEY M ET AL	COM 13D	5/ 9/91	392 6.7	70324410 6.2	UPDATE
PINELANDS INC GAMCO INVESTORS INC ET AL	COM 13D	5/10/91	1,485 8.7	72308910 7.6	UPDATE
PLAZA COMMUNICATIONS INC GEFFS TOLMAN	COM 13D	4/29/91	1,785 51.2	72814910 0.0	NEW
PURITAN BENNETT CORP STATE OF WISCONSIN INVEST BD	COM 13D	4/30/91	670 5.8	74629910 6.9	UPDATE
REPUBLIC AUTOMOTIVE PTS INC GAMCO INVESTORS INC ET AL	COM 13D	5/10/91	414 14.4	76028010 13.4	UPDATE
SOCIETY FOR SVGS BANCORP INC BERGMAN STANLEY N	COM 13D	11/16/89	532 4.5	83366510 7.7	UPDATE
SOCIETY FOR SVGS BANCORP INC CHASE ARNOLD L	COM 13D	11/16/89	305 2.6	83366510 0.0	NEW
SOCIETY FOR SVGS BANCORP INC CHASE DAVID T	COM 13D	11/16/89	18 0.2	83366510 0.0	NEW
SOCIETY FOR SVGS BANCORP INC CHASE RHODA L	COM 13D	11/16/89	110 0.9	83366510 0.0	NEW
SOCIETY FOR SVGS BANCORP INC FREEDMAN CHERYL CHASE	COM 13D	11/16/89	245 2.1	83366510 0.0	NEW
SOCIETY FOR SVGS BANCORP INC FREEDMAN ROGER M	COM 13D	11/16/89	78 0.7	83366510 0.0	NEW
SPRAGUE TECHNOLOGIES INC KORSANT PHILIP B ET AL	COM 13D	5/ 1/91	0 0.0	84934510 7.3	UPDATE
TECHNICAL COMMUNICATION CORP EMERGING GROWTH PARTNERS ET AL	COM 13D	4/ 8/91	70 5.7	87840910 9.9	UPDATE
TEJAS PWR CORP QUASHA ALAN GRANT ET AL	COM 13D	4/30/91	2,718 30.9	87907910 17.8	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
TELE OPTICS INC KOENIG HAROLD P ET AL	COM 130	4/29/91	261 15.9	87924710 0.0	NEW
WELLS FARGO & CO BUFFETT WARREN E ET AL	COM 130	5/14/91	5,031 9.8	94974010 9.8	UPDATE
WESTERN STAR BUS SYS ALLEN & CO INC ET AL	COM 130	4/30/91	792 33.4	95959910 43.0	UPDATE
WESTERN STAR BUS SYS AMERICAN DIVERSIFIED ENT INC	COM 130	4/30/91	173 7.3	95959910 0.0	NEW
ZENOX INC HORIZONTAL DRILLING INC ET AL	COM 130	5/10/91	38,207 66.0	98942510 61.4	UPDATE
ZEMEX CORP DENISON MINES LTD ET AL	COM 130	5/10/91	1,409 55.5	98991710 35.8	UPDATE

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		
AUTO DEPOT INC	DE					X	X			02/25/91	
CHEMICAL BANK GRANTOR TRUST 1990-A	NY					X	X			03/31/91	
JACKS INC	CO					X	X			04/23/91	
JEGEROIL CORP	DE	X	X			X	X			04/24/91	
MOREHOUSE INDUSTRIES INC	CA					X				04/22/91	
REPUBLIC NEW YORK CORP	MD							X		05/14/91	
RESIDENTIAL FUNDING MORTGAGE SECURITIES	DE					X	X			04/25/91	
SECURITY CHICAGO CORP	DE					X	X			05/03/91	
US WEST NEWVECTOR GROUP INC	CO	X						X		05/14/91	
WALL STREET FINANCIAL CORP /DE/	DE							X		04/22/91	