

sec news digest

Issue 95-85

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ENFORCEMENT PROCEEDINGS

ADMINISTRATIVE PROCEEDINGS ORDERED AGAINST DELPHOI PARTNERS AND WILLIAM LANGE

On April 26, the Commission instituted public administrative proceedings against Delphoi Partners (Delphoi), a California partnership located in Orinda, California, and William E. Lange (Lange), a resident of Orinda, California, founder of Delphoi and sole director and officer of the California corporation that is the general partner of Delphoi.

Simultaneously with the institution of these proceedings, the Commission accepted Delphoi and Lange's Offer of Settlement in which they consented, without admitting or denying the Commission's findings, to the issuance of an order ordering Delphoi to cease and desist from committing or causing any violation of, and from committing or causing any future violation of, Section 5(a) and 5(c) of the Securities Act of 1933, and Section 7(a) of the Investment Company Act of 1940; ordering Lange to cease and desist from committing or causing any violation of, and from committing or causing any future violation of, Section 5(a) and 5(c) of the Securities Act of 1933, and from causing any violations of, and from causing any future violation of, Section 7(a) of the Investment Company Act of 1940; ordering Delphoi and Lange to make an accounting to the Commission of the assets and financial condition of Delphoi; ordering Delphoi to liquidate and distribute its assets to its interest holders, and ordering Lange to pay a civil money penalty in the amount of \$10,000.

The sanctions are based on the Commission's finding that Delphoi and Lange engaged in the unregistered offer and sale of securities of Delphoi to the general public, that Delphoi failed to register as an investment company, and that Lange willfully aided and abetted Delphoi's failure to register as an investment company. (Rels. 33-7165; IC-21030)

CIVIL ACTION AGAINST C'EST LESTIAL WATERS, INC., ET AL.

On April 27, the Honorable William L. Standish of the United States District Court for the Western District of Pennsylvania entered a temporary restraining order against C'est Lestial Waters, Inc. (CWI) and related entities, and against Robert C. Wagner (R. Wagner), Christine S. Wagner (C. Wagner), Richard A. Jones (Jones) and entities under his control, and David R. Roddy (D. Roddy) and Wayne J. Conners (Conners) and entities under their control. The Order freezes defendants' assets and enjoins them from continuing to engage in the fraudulent offer and sale of securities. The Commission also seeks preliminary and permanent injunctions, an accounting, disgorgement and the imposition of civil penalties.

The Commission alleges that the defendants sold \$6 million of unregistered securities to 100 investors located in at least four states. The defendants made misrepresentations and omissions to investors concerning both the security of the investment and the use of investor proceeds. All of the defendants were charged with violating antifraud provisions of the federal securities laws; CWI, R. Wagner, C. Wagner and Jones, and D. Roddy, Conners and the entities under their control were charged with violating the securities registration provisions; and the entities controlled by D. Roddy and Conners were charged with violating the broker-dealer registration provisions. [SEC v. C'est Lestial Waters, Inc., et al., W.D. Pa., Civil Action No. 95-0642] (LR-14484)

THREE CHARGED IN \$2.3 MILLION PRIME BANK SECURITIES FRAUD

The Commission announced that on May 2 it filed a civil injunctive action in the United States District Court for the Southern District of New York against John Gallard, Adrian Gallard and The Aberdeen Group, Inc. (Aberdeen), in connection with alleged trading in fraudulent "prime bank securities." The Commission charged violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, disgorgement of ill-gotten gains of \$2.3 million, plus prejudgment interest, and civil penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. Section 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. Section 78u(d).

The complaint alleges that defendants falsely represented that they could obtain for investors debt instruments issued by "top world banks" at a deep discount from face value and could arrange for the resale of the securities at a tremendous profit to investors. In fact, the securities did not exist.

Defendants, instead of delivering the securities as promised, simply kept the large deposits they had induced investors to pay, and fabricated defaults by the investors to justify the "forfeiture" of the "refundable" deposits. [SEC v. John Gallard, Adrian Gallard and The Aberdeen Group, Inc., 95 Civ. 3099, SDNY, HB] (LR-14485)

INVESTMENT COMPANY ACT RELEASES

COMMONWEALTH INVESTMENT TRUST

An order has been issued under Section 8(f) of the Investment Company Act declaring that Commonwealth Investment Trust has ceased to be an investment company. (Rel. IC-21037 - May 2)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change (SR-DTC-95-05) filed by The Depository Trust Company to extend temporary approval of DTC's expanded Money Market Settlement Program through April 30, 1996. (Rel. 34-35655)

The Commission approved a proposed rule change submitted by the American Stock Exchange (SR-Amex-95-09) relating to the entry of market-at-the-close orders. (Rel. 34-35660)

PROPOSED RULE CHANGE

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-95-13) that would amend Article III, Section 21 of the NASD Rules of Fair Practice to require members that engage in telephone solicitation to market their products and services to make and maintain a centralized do-not-call list of persons who do not wish to receive telephone solicitations from such members or their associated persons. (Rel. 34-35657)

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 OGLEBAY NORTON CO, 1100 SUPERIOR AVE, CLEVELAND, OH 44114 (216) 861-3300
- 15,000 (\$491,250) COMMON STOCK. (FILE 33-58819 - APR. 26) (BR. 4)

S-8 FIRSTAR CORP /WI/, 777 E WISCONSIN AVE, MILWAUKEE, WI 53202
(414) 765-4321 - 2,906 (\$27,404) COMMON STOCK. (FILE 33-58821 - APR. 26)
(BR. 1)

S-8 COMERICA INC /NEW/, 100 RENAISSANCE CTR, SUITE 3800, DETROIT, MI 48243
(313) 222-4000 - 165,000 (\$2,620,775) COMMON STOCK. (FILE 33-58823 -
APR. 26) (BR. 1)

S-8 AMERICAN PREMIER GROUP INC, ONE EAST FOURTH STREET, CINCINNATI, OH 45202
(513) 579-6600 - 6,931,948 (\$171,565,713) COMMON STOCK. (FILE 33-58825 -
APR. 26) (BR. 9)

S-8 AMERICAN PREMIER GROUP INC, ONE EAST FOURTH STREET, CINCINNATI, OH 45202
(513) 579-6600 - 2,700,536 (\$66,838,266) COMMON STOCK. (FILE 33-58827 -
APR. 26) (BR. 9)

S-8 AMERICAN PREMIER GROUP INC, ONE EAST FOURTH STREET, CINCINNATI, OH 45202
(513) 579-6600 - 466,799 (\$11,058,275) COMMON STOCK. (FILE 33-58829 -
APR. 26) (BR. 9)

S-8 RESORTS INTERNATIONAL INC, 1133 BROADWALK, ATLANTIC CITY, NJ 08401
(609) 344-6000 - 3,753,806 (\$11,114,111) COMMON STOCK. (FILE 33-58833 -
APR. 26) (BR. 12)

S-8 STANDEX INTERNATIONAL CORP/DE/, 6 MANOR PKWY, SALEM, NH 03079
(603) 893-9701 - 400,000 (\$12,300,000) COMMON STOCK. (FILE 33-58835 -
APR. 26) (BR. 10)

S-8 COMERICA INC /NEW/, 100 RENAISSANCE CTR, SUITE 3800, DETROIT, MI 48243
(313) 222-4000 - 300,000 (\$8,662,500) COMMON STOCK. (FILE 33-58837 -
APR. 26) (BR. 1)

S-8 LANCE INC, P O BOX 32368, POST OFFICE BOX 32368, CHARLOTTE, NC 28232
(704) 554-1421 - 100,000 (\$1,750,000) COMMON STOCK. (FILE 33-58839 -
APR. 26) (BR. 4)

S-8 COMERICA INC /NEW/, 100 RENAISSANCE CTR, SUITE 3800, DETROIT, MI 48243
(313) 222-4000 - 250,000 (\$7,218,750) COMMON STOCK. (FILE 33-58841 -
APR. 26) (BR. 1)

S-3 SEALED AIR CORP, PARK 80 EAST, SADDLE BROOK, NJ 07662 (201) 791-7600 -
5,072 (\$205,720) COMMON STOCK. (FILE 33-58843 - APR. 26) (BR. 5)

S-8 ZIONS BANCORPORATION /UT/, 1380 KENNECOTT BLDG, SALT LAKE CITY, UT 84133
(801) 524-4787 - 200,000 (\$8,462,500) COMMON STOCK. (FILE 33-58845 -
APR. 26) (BR. 1)

REGISTRATIONS CONT.

- S-3 LEGGETT & PLATT INC, NO 1 LEGGETT RD, CARTHAGE, MO 64836 (417) 358-8131
- 162,500 (\$6,571,094) COMMON STOCK. (FILE 33-58847 - APR. 26) (BR. 6)
- S-8 SEARS ROEBUCK & CO, SEARS TOWER 51ST FLOOR,
233 SOUTH WACKER DRIVE CORP LAW DEPT, CHICAGO, IL 60684 (312) 875-2500 -
9,233,127 (\$668,127,957.69) COMMON STOCK. (FILE 33-58851 - APR. 27)
(BR. 2)
- S-2 SUN LIFE ASSURANCE CO OF CANADA US, SC 1335 ONE SUN LIFE EXECUTIVE PARK,
WELLESLEY HILLS, MA 02181 (617) 237-6030 - 1,000,000,000 (\$1,000,000,000)
VARIABLE ANNUITY ISSUES. (FILE 33-58853 - APR. 27) (BR. 20)
- S-8 ZIONS BANCORPORATION /UT/, 1380 KENNECOTT BLDG, SALT LAKE CITY, UT 84133
(801) 524-4787 - 200,000 (\$8,462,500) COMMON STOCK. (FILE 33-58855 -
APR. 27) (BR. 1)
- N-1A LM CAPITAL INVESTMENTS INC, 152 WEST 57TH ST, NEW YORK, NY 10019
(212) 956-3100 - INDEFINITE SHARES. (FILE 33-91428 - APR. 20) (BR. 18
- NEW ISSUE)
- N-1A STI CLASSIC VARIABLE TRUST, 2 OLIVER ST, C/O CT CORP SYSTEM, BOSTON, MA
02109 (610) 254-1000 - INDEFINITE SHARES. (FILE 33-91476 - APR. 21)
(BR. 18 - NEW ISSUE)
- S-4 MAIC HOLDINGS INC, 100 BROOKWOOD PL, BIRMINGHAM, AL 35209 (205) 877-4400
- 9,000,000 (\$243,000,000) COMMON STOCK. (FILE 33-91508 - APR. 24)
(BR. 9 - NEW ISSUE)
- F-1 JILIN CHEMICAL INDUSTRIAL CO LTD, NO 31 EAST ZUNYL RD,
JILIN CITY JILIN PROVINCE, PEOPLES REPUBLIC OF CHINA, F5 - 1,026,980,000
(\$236,205,400) FOREIGN COMMON STOCK. UNDERWRITER:
CHINA DEVELOPMENT FINANCE CO LTD, DONALDSON LUFKIN & JENRETTE,
MERRILL LYNCH & CO. (FILE 33-91514 - APR. 24) (BR. 1 - NEW ISSUE)
- F-6 JILIN CHEMICAL INDUSTRIAL CO LTD /ADR/, 48 WALL ST,
C/O BANK OF NEW YORK, NEW YORK, NY 10286 (212) 495-1727 - 25,000,000
(\$1,250,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-91528 -
APR. 24) (BR. 99 - NEW ISSUE)
- S-1 GSE SYSTEMS INC, 8930 STANFORD BLVD, COLUMBIA, MD 21045 (410) 312-3500
- 1,725,000 (\$25,875,000) COMMON STOCK. UNDERWRITER: PRIME CHARTER LTD.
(FILE 33-91530 - APR. 24) (BR. 9 - NEW ISSUE)
- S-3 TITAN WHEEL INTERNATIONAL INC, 2701 SPRUCE ST, QUINCY, IL 62301
(217) 228-6011 - 2,875,000 (\$67,203,125) COMMON STOCK. (FILE 33-91534 -
APR. 25) (BR. 6)
- SB-2 THOMASVILLE BANCSHARES INC, 202 NORTH CRAWFORD ST, THOMASVILLE, GA 31792
(912) 228-1459 - 600,000 (\$6,000,000) COMMON STOCK. (FILE 33-91536 -
APR. 24) (BR. 2 - NEW ISSUE)
- S-8 GENERAL EMPLOYMENT ENTERPRISES INC, ONE TOWER LANE - STE 2100,
OAKBROOK TERRACE, IL 60181 (708) 954-0400 - 100,000 (\$837,500)
COMMON STOCK. (FILE 33-91550 - APR. 25) (BR. 6)
- SB-2 GREAT AMERICAN BACKRUB STORE INC, 958 THIRD AVE, NEW YORK, NY 10022
(212) 832-1766 - 270,000 (\$911,250) COMMON STOCK. (FILE 33-91552 -
APR. 25) (BR. 5)
- S-8 REPUBLIC ENVIRONMENTAL SYSTEMS INC, 2849 PACES FERRY RD N W, STE 370,
ATLANTA, GA 30339 (404) 431-7140 - 225,000 (\$805,500) COMMON STOCK. (FILE
33-91554 - APR. 25) (BR. 8)

REGISTRATIONS CONT.

- S-8 ALASKA APOLLO RESOURCES INC, P O BOX 10438, PHOENIX, AZ 85064
(602) 279-2070 - 325,973 (\$244,479.75) COMMON STOCK. (FILE 33-91556 -
APR. 25) (BR. 3)
- F-3 NAM TAI ELECTRONICS INC, NO 1 HUNG TO ROAD, UNIT 513 520,
KWUN TONG KOWLOON HONG KONG, K3 (852) 341-0273 - 376,953 (\$3,274,779.19)
FOREIGN COMMON STOCK. (FILE 33-91558 - APR. 25) (BR. 10)
- S-8 REMEDY CORP, 1505 SALADO DR, MOUNTAIN VIEW, CA 94043 (415) 903-5200 -
2,137,014 (\$75,062,616.75) COMMON STOCK. (FILE 33-91560 - APR. 25)
(BR. 10)
- S-8 MAHASKA INVESTMENT CO, 222 FIRST AVE EAST, OSKALOOSA, IA 52577
(515) 673-8448 - 600,000 (\$8,362,500) COMMON STOCK. (FILE 33-91562 -
APR. 25) (BR. 1)
- S-8 MAHASKA INVESTMENT CO, 222 FIRST AVE EAST, OSKALOOSA, IA 52577
(515) 673-8448 - 200,000 (\$2,736,200) COMMON STOCK. (FILE 33-91564 -
APR. 25) (BR. 1)
- S-8 ATCHISON CASTING CORP, 400 S FOURTH ST, ATCHISON, KS 66002
(913) 367-2121 - 100,000 (\$1,431,250) COMMON STOCK. (FILE 33-91566 -
APR. 25) (BR. 6)
- S-8 CASS COMMERCIAL CORP, 3636 SOUTH GEYER RD, SUNSET HILLS, MO 63127
(314) 821-1500 - 200,000 (\$4,350,000) COMMON STOCK. (FILE 33-91568 -
APR. 25) (BR. 1)
- S-8 KEYSTONE FINANCIAL INC, ONE KEYSTONE PLZ - FRONT & MARKET STS,
P O BOX 3660, HARRISBURG, PA 17105 (717) 233-1555 - 500,000 (\$14,000,000)
COMMON STOCK. (FILE 33-91574 - APR. 25) (BR. 1)
- S-8 KEYSTONE FINANCIAL INC, ONE KEYSTONE PLZ - FRONT & MARKET STS,
P O BOX 3660, HARRISBURG, PA 17105 (717) 233-1555 - 1,035 (\$15,621.60)
COMMON STOCK. (FILE 33-91576 - APR. 25) (BR. 1)
- S-8 TOWER AUTOMOTIVE INC, 4508 IDS CENTER, MINNEAPOLIS, MN 55402
(612) 342-2310 - 500,000 (\$4,781,500) COMMON STOCK. (FILE 33-91578 -
APR. 25) (BR. 6)
- S-1 AGRI-NUTRITION GROUP LTD, 13801 RIVERPORT DRIVE STE 111,
RIVERPORT EXECUTIVE CENTER II, MARYLAND HEIGHTS, MO 63043 (314) 298-7330 -
1,500,000 (\$6,615,000) COMMON STOCK. (FILE 33-91580 - APR. 25) (BR. 4)
- S-4 ARGUS PHARMACEUTICALS INC /DE, 3400 RESEARCH FOREST DR, THE WOODLANDS,
TX 77381 (713) 367-1666 - 35,178,330 (\$104,441,654) COMMON STOCK. (FILE
33-91584 - APR. 26) (BR. 4)
- S-8 EVRO CORP, 10002 PRINCESS PALM AVE STE 304, TAMPA, FL 33619
(813) 623-6044 - 300,000 (\$1,032,000) COMMON STOCK. (FILE 33-91590 -
APR. 25) (BR. 12)
- S-8 CONTROL CHIEF HOLDINGS INC, 200 WILLIAMS ST, PO BOX 141, BRADFORD, PA
16701 (814) 368-4132 - 40,000 (\$107,500) COMMON STOCK. (FILE 33-91592 -
APR. 25) (BR. 8)