

sec news digest

Issue 95-221

November 16, 1995

ENFORCEMENT PROCEEDINGS

INJUNCTIVE ACTION AGAINST JOHN FAULS, III

The Commission announced the filing of a complaint against John L. Fauls, III (Fauls) seeking a permanent injunction enjoining him from future violations of the antifraud provisions of the federal securities laws. Fauls, while a vice president and registered representative of a broker-dealer, engaged in a three year scheme of trade allocations and interpositioning in United States government securities, to the detriment of the Union Carbide Pension Fund.

Fauls, along with an associated person of the investment adviser to the Fund, would interposition the broker-dealer and a Bank between the Fund and the market, needlessly increasing transaction costs and causing the Fund to obtain less than the best market price. In addition, the two would execute transactions and not identify the purchaser until after they determined if the transaction was profitable. Profitable transactions would be assigned to the Bank. Fauls paid kickbacks to the associated person of the investment adviser. Fauls was found guilty by a jury of mail fraud, securities fraud, pension fund bribery and racketeering and was sentenced to 57 months in prison and \$3.32 million in restitution and to forfeit \$3.32 million. [SEC v. John L. Fauls, III, USDC, ND Ill., Civil Action No. 95C5206] (LR-14719)

PRELIMINARY INJUNCTION AND ASSET FREEZE ISSUED AGAINST SCOTT FRYE TO HALT SECURITIES FRAUD ON THE INTERNET

The Commission announced that on November 15 an Order imposing a Preliminary Injunction was issued by Judge John S. Martin of the U.S.D.C., S.D.N.Y., against Scott A. Frye. The Court also froze the defendant's assets. The Order stems from a complaint filed by the Commission on October 27, 1995 against the defendant, seeking, among other things, injunctive relief, disgorgement and civil penalties. The Court issued a Temporary Restraining Order against the defendant on the same day the complaint was filed.

As detailed in the complaint, beginning in or about May 1995 through the present, Frye has posted numerous messages on the InterNet, a decentralized web of computers, accessible to millions of potential investors across the country and world-wide, in which Frye has solicited funds from investors. The complaint alleges that Frye has used messages posted on the InterNet, and other written materials which he has distributed, in an attempt to lure investors with promises of riskless profits and above average returns from investments in two Costa Rican enterprises. However, as alleged in the complaint, in connection with his solicitations, Frye has made misrepresentations of material fact. Accordingly, the complaint alleges that the defendant violated the antifraud provisions of the federal securities laws. [SEC v. Scott A. Frye, 95 Civ. 9205, JSM] (LR-14720)

INVESTMENT COMPANY ACT RELEASES

PORTFOLIOS FOR DIVERSIFIED INVESTMENT

An order has been issued under Section 8(f) of the Investment Company Act declaring that Portfolios for Diversified Investment has ceased to be an investment company. (Rel. IC-21503 - November 14)

SELF-REGULATORY ORGANIZATIONS

DELISTINGS GRANTED

An order has been issued granting the application of the American Stock Exchange to strike from listing and registrations I.C.H. Corporation, Common Stock, \$1 Par Value and its \$1.75 Convertible Preferred Stock, Series 1986-A, Without Par Value. (Rel. 34-36483)

An order has been issued granting the application of U.S. Diagnostic Labs, Inc. to withdraw from listing and registration on its Common Stock, \$.001 Par Value on the Boston Stock Exchange. (Rel. 34-36484)

SIGNIFICANT NO-ACTION, EXEMPTIVE AND INTERPRETIVE LETTERS

The following is a list of significant no-action and interpretative letters recently issued by the Division of Corporation Finance. These letters express the view of the Division respecting novel or important questions arising under the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. Copies of these letters may be obtained by writing to the Public Reference Room, Securities and Exchange Commission, Washington, D.C. 20549, or by making a request in person at the Public Reference Room, 450 Fifth Street, N.W., Room 1024, Washington, D.C., stating the name of the subject company, the Act and the Section of the Act to which it relates, and the public availability date.

<u>COMPANY</u>	<u>ACT/SECTION/RULE OR RELEASE</u>	<u>DATE MAILED</u>	<u>PUBLIC AVAILABILITY DATE</u>
Corporate Asset Backed Corporation	1934 Act - Sections 13 and 15(d)	8/9/95	8/9/95
Lazard Freres & Co.	1934 Act - Rules 14d-6 (e)(1)(iii) and 14e-1(b)	8/11/95	8/11/95
Time Warner Inc.	1934 Act - Rule 16c-4	8/9/95	8/9/95
Use of Form S-3	1933 Act - Forms S-3 and F-3	8/24/95	8/24/95

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.

- SB-2 BEVERAGE INTERNATIONAL GROUP LTD, 11210 MURON, SUITE 200, MORTINGLENN, CO 80234 (303) 449-3652 - 1,500,000 (\$10,125,000) COMMON STOCK. (FILE 33-98974-D - NOV. 02) (BR. 11 - NEW ISSUE)
- F-1 BE SEMICONDUCTOR INDUSTRIES NV, EDIBONSTRAAT 90, 6942 PZ ZEVENAAR, THE NETHERLANDS, P7 (602) 831-6600 - \$1,000,000 FOREIGN COMMON STOCK. UNDERWRITER: MERRILL LYNCH & CO, MORGAN STANLEY & CO, MORGAN STANLEY & CO INTERNATIONAL. (FILE 33-99000 - NOV. 06) (BR. 3 - NEW ISSUE)
- S-3 FINANCIAL ASSET SECURITIES CORP, 600 STEAMBOAT RD, GREENWICH, CT 06830 (203) 625-2700 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-99018 - NOV. 06) (BR. 11 - NEW ISSUE)
- F-6 BENICIA PORTS PLC, 111 WALL ST, C/O CITIBANK NA, NEW YORK, NY 10043 (212) 657-7691 - 10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-99020 - NOV. 06) (BR. 99 - NEW ISSUE)
- S-8 ARBOR SOFTWARE CORP, 1325 CHESAPEAKE TERRACE, SUNNYVALE, CA 94089 (408) 727-5800 - 1,436,408 (\$24,418,936) COMMON STOCK. (FILE 33-99022 - NOV. 06) (BR. 10)
- F-1 CONNEMARA GREEN MARBLE QUARRIES PLC, LISSOUGHTER HOUSE RECESS, COUNTY GALWAY, IRELAND, L2 (353) 953-4604 - 400,000 (\$6,000,000) FOREIGN COMMON STOCK. UNDERWRITER: WALSH M D & CO. (FILE 33-99028 - NOV. 07) (BR. 2 - NEW ISSUE)
- S-1 ADVANTA SYSTEMS INC, 30 WEST GLIDE DR, 5TH FL, ROCKVILLE, MD 20850 (301) 251-8600 - \$31,050,000 COMMON STOCK. UNDERWRITER: ALEX BROWN & SONS INC, HAMBRECHT & QUIST, SMITH BARNEY. (FILE 33-99030 - NOV. 07) (BR. 9 - NEW ISSUE)
- S-1 FAST MULTIMEDIA INC, 393 VINTAGE PARK DR, STE 140, POSTER CITY, CA 94404 (415) 345-3400 - 2,875,000 (\$25,875,000) COMMON STOCK. (FILE 33-99050 - NOV. 07) (BR. 12 - NEW ISSUE)
- S-1 CANADA SOUTHERN PETROLEUM LTD, ONE PALLISER SQ 125 9TH AVE, SE CALGARY, CALGARY, AB 06443 (203) 245-8380 - 1,000,000 (\$7,000,000) FOREIGN COMMON STOCK. (FILE 33-99052 - NOV. 07) (BR. 4)
- SB-2 TELIDENT INC /NM/, 4510 WEST 77TH ST STE 101, EDINA, MN 55435 (612) 835-2988 - 2,556,656 (\$6,187,107.52) COMMON STOCK. (FILE 33-99054 - NOV. 07) (BR. 7)
- S-8 PANDA PROJECT INC, 5201 CONGRESS AVENUE C100, BOCA RATON, FL 33487 (407) 994-2300 - 500,000 (\$10,937,500) COMMON STOCK. (FILE 33-99058 - NOV. 07) (BR. 10)

REGISTRATIONS CONT.

- S-8 MORELLIS MONA II INC, 2 PARK PLZ STE 470, IRVINE, CA 92714
(714) 833-2094 - 1,357,500 (\$1,773,725) COMMON STOCK. (FILE 33-99060 - NOV. 07) (BR. 3)**
- F-6 DIAMOND CABLE COMMUNICATIONS PLC, REGENCY HOUSE, 2A SHERWOOD RISE,
NOTTINGHAM NG7 6JN ENGLAND, X0 - 10,000,000 (\$500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-99062 - NOV. 07) (BR. 7)**
- SB-2 FOWLER CARBONICS INC, 2820 S E MARKET PLACE, STUART, FL 34997
(407) 221-1754 - 820,700,000 COMMON STOCK. \$100
WARRANTS, OPTIONS OR RIGHTS. \$1,080,000 COMMON STOCK. (FILE 33-99078 - NOV. 07) (BR. 7 - NEW ISSUE)**
- S-3 MARTIN MARIETTA MATERIALS INC, 2710 WYECLEIFF RD, RALEIGH, NC 27607
(919) 781-4550 (FILE 33-99082 - NOV. 07) (BR. 1)**
- F-9 MORANDA FOREST INC, P O BOX 7 SUITE 4414,
TORONTO ONTARIO CANADA M5K 1H1, A6 (416) 982-7444 - 50,000,000
(\$50,000,000) FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 33-99086 - NOV. 07) (BR. 8)**
- S-8 CLASSICS INTERNATIONAL ENTERTAINMENT INC, 919 N MICHIGAN AVE, CHICAGO,
IL 60611 (312) 482-9006 - 700,000 (\$625,000) COMMON STOCK. (FILE 33-99090 - NOV. 08) (BR. 1)**
- S-4 GRAPHIC CONTROLS CORP, 189 VAN RENSSELAER STREET, P O BOX 1271,
BUFFALO, NY 14210 (716) 853-7500 - 75,000,000 (\$75,000,000)
STRAIGHT BONDS. (FILE 33-99094 - NOV. 08) (BR. 8)**

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			
MANATRON INC	MI						X	X			10/17/95	
MARSHALLTOWN FINANCIAL CORP	DE						X	X			11/07/95	
MARTIN MARIETTA MATERIALS INC	NC						X	X			01/03/95AMEND	
MERIT SECURITIES CORP	VA							X			11/06/95	
NESTEK INC	PA	X									11/13/95	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
NESTEK INC	PA								X	11/14/95	AMEND
MILESTONE PROPERTIES INC	DE	X	X						X	10/23/95	
MONTGOMERY WARD HOLDING CORP	DE				X					10/26/95	
NBD BANCORP INC /DE/	DE				X					11/10/95	
NBD BANCORP INC /DE/	DE				X	X				11/14/95	
NEW PARADIGM SOFTWARE CORP	NY				X	X				11/01/95	
NONURA ASSET SECURITIES CORP	DE				X	X				10/06/95	
NYCOR INC /DE/	DE	X								10/31/95	
OCEAN BIO CHEM INC	FL				X					09/26/95	AMEND
OPTICAL DATA SYSTEMS INC	TX				X	X				10/31/95	
OXFORD HEALTH PLANS INC	DE				X	X				11/07/95	
PARCPLACE DIGITALK INC			X						X	08/30/95	AMEND
PHOENIX NETWORK INC	DE					X				11/09/95	
PLAYTEX PRODUCTS INC	DE	X				X				10/31/95	
PRUDENTIAL SEC FIN ASSET FUNDING CORP PA	NY				X	X				10/31/95	
RCL TRUST 1995-1	DE				X	X				10/31/95	
RENTRAK CORP	OR				X					08/31/95	
RENTRAK CORP	OR				X					08/31/95	
REPUBLIC WASTE INDUSTRIES INC	DE				X	X				10/31/95	
RESIDENTIAL FUNDING MORTGAGE SECURITIES	DE					X				10/30/95	
RESIDENTIAL FUNDING MORTGAGE SECURITIES	DE					X				10/30/95	
REUTER MANUFACTURING INC	MI		X			X				10/26/95	
RHI HOLDINGS INC	DE				X	X				11/09/95	
ROCKEFELLER CENTER PROPERTIES INC	DE	X				X				11/13/95	
RYMER FOODS INC	DE				X	X				11/08/95	
SCOTSMAN GROUP INC	ND				X	X				10/26/95	
SCOTSMAN HOLDINGS INC	DE				X	X				10/26/95	
SKI LTD	DE		X							07/31/95	AMEND
SLED DOGS CO	CO		X							11/01/95	
SOUTHWEST GAS CORP	CA				X					11/13/95	
SPECIALTY TELECONSTRUCTORS INC	NV		X		X	X				07/01/95	
SPECIALTY TELECONSTRUCTORS INC	NV				X	X				10/23/95	
SPORT SUPPLY GROUP INC ET AL	DE				X	X				10/23/95	
ST GEORGE METALS INC	NV				X					11/06/95	
TELS CORP	UT		X							09/30/95	
TELS CORP	UT					X				09/30/95	AMEND
TIME WARNER INC	DE				X	X				11/14/95	
TORO CO	DE					X	X			11/02/95	
TUFCO TECHNOLOGIES INC	DE					X				08/23/95	AMEND
UAL CORP /DE/	DE				X	X				11/13/95	
USAIR GROUP INC	DE				X	X				11/14/95	
USAIR INC	DE				X	X				11/14/95	
UTILICORP UNITED INC	DE		X			X				11/14/95	AMEND
VALNI INC /DE/	DE				X	X				11/09/95	
WFS BANCORP INC	DE				X	X				10/27/95	
WORK RECOVERY INC	CO				X					11/08/95	
ZAPATA CORP	DE					X				09/30/94	