

sec news digest

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RULES AND RELATED MATTERS

GRANT OF EXEMPTIVE RELIEF FROM CERTAIN PROVISIONS OF THE TENDER OFFER REGULATIONS

The Commission granted an exemptive order from certain provisions of the Securities Exchange Act of 1934 (Exchange Act) to Browning-Ferris Industries, Inc. with regard to its cash offer for the Ordinary Shares, American Depositary Shares and Preference Shares of Attwoods plc. The order granted relief from certain withdrawal rights provisions of Section 14(d)(5) of the Exchange Act and Rule 14d-7 thereunder and confirmed that the offer could employ certain practices consistent with U.K. law and practice. For further information contact either Gregg Corso or Laurie Green at (202) 942-2920. (Rel. 34-34686)

CORRECTION TO FINAL RULES

The Commission is adopting technical corrections to final rule and form amendments to Rule 485 under the Securities Act of 1933, which were the subject of an adopting release published Wednesday, August 24, 1994 (59 FR 43460). The amendments related to post-effective amendments to investment company registration statements. These corrections rectify numbering errors and delete references which are no longer applicable. FOR FURTHER INFORMATION CONTACT: Kenneth J. Berman, Deputy Office Chief, Office of Disclosure and Adviser Regulation at (202) 942-0721. (Rels. 33-7083A; IC-20486A)

ENFORCEMENT PROCEEDINGS

ROBERT DOVIK, II BARRED

The Commission has instituted public administrative proceedings against Robert F. Doviak, II (Doviak), formerly the president and majority shareholder, and a principal and associated person of Doviak Securities,

Inc. (DSI), a now defunct broker-dealer, and simultaneously accepted Doviak's Offer of Settlement in which he consented to the issuance of an order barring him from association with any broker, dealer, investment adviser, investment company or municipal securities dealer. The bar is based on an injunction entered against Doviak in United States District Court for the Northern District of Texas (SEC v. Robert F. Doviak, II, et al., 3:93-CV-0444-P) that permanently enjoins him from future violations of the antifraud and recordkeeping provisions of the federal securities laws. The Commission's complaint in the above action alleged that Doviak raised at least \$5.1 million from more than 25 investors through sales of limited partnership interests in Doviak Partners, ostensibly to raise capital for Doviak to invest in speculative securities transactions. The complaint further alleged that Doviak lost approximately \$3.7 million of investor funds in his trading activities and diverted \$1.1 million either to himself or to DSI. (Rel. 34-34657)

ADMINISTRATIVE PROCEEDING ORDERED AGAINST LEE AND SIMULTANEOUSLY SETTLED

The Commission instituted and simultaneously settled administrative proceedings against George F.M. Lee. Lee was president, general principal and financial principal of Private Investors Cartel, Ltd.

Lee consented to the entry of an Order which found that he failed to reasonably supervise, pursuant to Section 15(b)(4) of the Securities Exchange Act of 1934, two former branch managers under his supervision with a view towards preventing their willful violations of Section 5 of the Securities Act of 1933. The two were involved in a scheme to distribute unregistered securities of Pacific Waste Management, Inc. The Order suspends Lee from association with any broker, dealer, investment company, investment adviser or municipal securities dealer in a supervisory capacity for a period of one year and imposes a \$5,000 penalty. (Rel. 34-34658)

COMMISSION SUSTAINS NASD DISCIPLINARY ACTION AGAINST R.B. WEBSTER INVESTMENTS, INC. AND ROBERT ORKIN

The Commission has sustained NASD disciplinary action against R.B. Webster Investments, Inc. of Lauderhill, Florida, and Robert Bruce Orkin, its general securities principal. The NASD found that R.B. Webster, through Orkin, had manipulated the price of two securities and charged customers prices that were unfair and fraudulent, in violation of Sections 1, 4, and 18 of the NASD's Rules of Fair Practice. It censured both applicants, fined them \$200,000, jointly and severally, ordered them to pay \$53,784 to identified customers, expelled R.B. Webster from membership in the NASD, and barred Orkin in all capacities from association with any NASD member.

R.B. Webster underwrote the initial public offerings of units of Applied Geometric Incorporated and LMA Technical, Inc. Within a short period, R.B. Webster and Orkin manipulated the price of each security from the offering price of \$10 to \$27.50. This was evidenced largely by the arbitrary setting of prices, the unexplained increase in prices the firm charged for both securities, despite scant investor interest, and the domination and control of each security's market. This conduct also resulted in the firm's charging unfair and fraudulent markups, ranging from 10% to 129.17% for units of Applied Geometrics, Incorporated, and 10% to 83.33% for units of LMA Technical, Inc. (Rel. 34-34659)

COMMISSION SUSTAINS NASD ACTION AGAINST P. DAVID PACK AND MODIFIES SANCTIONS IMPOSED

The Commission has sustained the NASD's findings of violation against Paul David Pack, of Philadelphia, Pennsylvania, a former registered representative of Janney Montgomery Scott, Inc. (JMS), an NASD member firm. The NASD had censured, fined him \$5,000, and barred Pack. The Commission modified the sanctions imposed against Pack to a censure, fine, and suspension for time served through the date of issuance of the opinion.

The NASD found that Pack had obtained the production statement of a colleague of his at JMS, altered it, and represented it as his own in a subsequent employment interview. In modifying the sanctions, the Commission noted that at the time of his misconduct, Pack was suffering from a medically diagnosed depression and sleep disorder, indicating that Pack's conduct was the product of aberrant behavior, not any underlying character trait. In addition, Pack's use of the falsified commission run resulted in no harm to his customers or employers, Pack had a long and unblemished record as a registered representative, and Pack made no attempt to conceal his wrongdoing, cooperating fully with the NASD during its investigation. Finally, Pack did not falsify the commission run in connection with the conversion of money or anything else of value. (Rel. 34-34660)

COMMISSION SUSTAINS DISCIPLINARY ACTION AGAINST JOHN THOMAS GABRIEL

The Commission has sustained disciplinary action against John Thomas Gabriel taken by the New York Stock Exchange. The Exchange had censured Gabriel and suspended him for one month primarily on account of violations of Regulation T.

The Commission found that Gabriel permitted Wall Street Clearing Corp., the clearing firm at which he was a co-chief operating officer, to violate Regulation T and NYSE Rule 431(d)(9). Gabriel permitted two of the firm's customers to free ride in their cash accounts by improperly exploiting delivery against payment transactions. The customers sold securities from their cash accounts that they had purchased at other firms, and for which payment had not yet been made. While Gabriel claimed that these transactions could legally have been effected as long

as there were sufficient amounts in the customers' special memorandum accounts, the Commission stated that only actual cash already present in the cash account could legally support a delivery against payment transaction. The Commission also found that Gabriel caused his firm to issue improperly letters of sufficient funds, also in violation of Regulation T, and to have caused his firm to aid and abet its customers' violations of Regulation X, which was inconsistent with just and equitable principles of trade. (Rel. 34-34661)

NASD ACTION AGAINST HAROLD HAYES SUSTAINED

The Commission has sustained NASD disciplinary action against Harold B. Hayes of Pleasant Hill, California. Hayes was a former branch office manager of Britson Investments, Inc. The NASD censured Hayes, fined him \$300,000, and barred him from association with any NASD member in any capacity.

The Commission found that Hayes knowingly engaged in a fraudulent scheme to manipulate the stock price of Vintage Group, Inc., a business development company, during an offering under the exemption afforded by Regulation E of the Securities Act of 1933. The Commission concluded that Hayes failed to inform his customers of material facts pertaining to their purchases of the stock, including that Hayes purchased the stock at a mere fraction of the price his customers paid, and that Hayes did not even have to pay that price until the stock was resold to those customers. The Commission further concluded that Hayes violated Federal Reserve Board credit extension restrictions by improperly arranging for Vintage to deliver Regulation E stock to him without requiring that he pay for it until he had sold the stock to others and deposited the funds from those sales in his account. Finally, the Commission found that Hayes failed to ensure that Vintage identify him as an underwriter in the offering circular. In affirming the NASD's sanctions against Hayes, the Commission stated that the fraud perpetrated on investors was flagrant. (Rel. 34-34662)

INVESTMENT COMPANY ACT RELEASES

FRANKLIN GOLD FUND, ET AL.

A notice has been issued giving interested persons until October 11 to request a hearing on an application filed by Franklin Gold Fund, et al. for an order under Section 6(c) of the Investment Company Act. The order would exempt applicants from Sections 2(a)(32), 2(a)(35), 22(c), and 22(d) of the Act and Rule 22c-1 thereunder to permit certain investment companies to assess and, under certain circumstances, waive a contingent deferred sales charge. (Rel. IC-20558 - September 16)

THE AMERICAN FRANKLIN LIFE INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until October 11 to request a hearing on an application filed by The American Franklin Life Insurance Company, Separate Account VUL-2 of The American Franklin Life Insurance Company and Franklin Financial Services Corporation (Applicants) for an order under Section 6(c) of the Investment Company Act granting exemptions from the provisions of Section 27(a)(3) of the Act and Rule 6e-3(T)(b)(13)(ii) thereunder. The order would provide exemptions to the extent necessary to permit Applicants to issue flexible premium variable life insurance contracts that provide for a front-end sales load on premium payments made in any given year up to a maximum amount and no sales charge on premiums in excess of that amount. (Rel. IC-20559 - September 16)

HOLDING COMPANY ACT RELEASES

JERSEY CENTRAL POWER & LIGHT COMPANY

A notice has been issued giving interested persons until October 11 to request a hearing on a proposal by Jersey Central Power & Light Company, an electric utility subsidiary company of General Public Utilities Corporation, a registered holding company, to extend the time, through December 31, 1999, during which it may acquire customer obligations in connection with certain energy conservation programs in the same amount of \$15 million, as approved previously, and incur administrative and other related expenses in an increased amount of up to \$750,000. (Rel. 35-26128)

SOUTHWESTERN ELECTRIC POWER COMPANY

A notice has been issued giving interested persons until October 11 to request a hearing on a proposal by Southwestern Electric Power Company, an electric utility subsidiary company of Central and South West Corporation, a registered holding company, to enter into a \$50 million term loan agreement, prior to December 31, 1994. (Rel. 35-26128)

AMERICAN ELECTRIC POWER CO., INC., ET AL.

A notice has been issued giving interested persons until October 11 to request a hearing on a proposal by American Electric Power Company, Inc. (AEP), a registered holding company, and its nonutility subsidiary company, AEP Energy Services, Inc. (AEP Energy), for AEP to make additional investments in AEP Energy in the amount of \$50 million for activities associated with its energy consulting business. AEP and AEP Energy also propose to expand the amount of guarantees or assumptions of liabilities made on behalf of AEP Energy to \$200 million.

AEP Energy also seeks to provide energy management and demand side management services and sell goods to customers located inside and outside its service territory, as well as to associate companies, including associate exempt wholesale generators, foreign utility companies, qualifying facilities, and other associate power projects, at cost, and at fair market prices in certain circumstances. In addition, AEP Energy seeks to enter into separate agreements to sell or license intellectual property that it may develop or acquire pursuant to its energy consulting activities. Finally, AEP Energy seeks to organize subsidiary companies to render its services and to finance the activities of the subsidiaries. (Rel. 35-26128)

CENTRAL POWER AND LIGHT COMPANY, ET AL.

A notice has been issued giving interested persons until October 11 to request a hearing on a proposal by Central Power and Light Company and Southwestern Electric Power Company, both electric public-utility subsidiary companies of Central and South West Corporation to engage in activities in connection with their compliance with the alternative fuel requirements of the Federal Energy Policy Act of 1992. (Rel. 35-26128)

GEORGIA POWER COMPANY

A notice has been issued giving interested persons until October 11 to request a hearing on a proposal by Georgia Power Company (Georgia Power), a wholly owned electric public-utility subsidiary company of The Southern Company, a registered holding company. Georgia Power proposes to refinance certain pollution control equipment (Equipment) on or before December 31, 1997, in connection with the issuance and sale by public instrumentalities of one or more series of pollution control revenue bonds (Revenue Bonds) in an aggregate principal amount of up to \$840 million. In order to secure the obligations incurred by the financing or refinancing of the Equipment, Georgia Power proposes to issue a series of its first mortgage bonds; issue an irrevocable letter of credit; cause an insurance company to issue a policy guaranteeing payment of those obligations; transfer a subordinated security interest in the Equipment; and/or guarantee the payment of the principal of, premium, if any, and interest on, the Revenue Bonds. (Rel. 35-26128)

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.

REGISTRATIONS

- S-8 BUREAU OF NATIONAL AFFAIRS INC, 1231 25TH ST NW, WASHINGTON, DC 20037
(202) 452-4200 - 135,000 (\$2,970,000) COMMON STOCK. (FILE 33-55443 -
SEP. 13) (BR. 11)
- S-3 HOUSTON INDUSTRIES INC, 4400 POST OAK PKWY, 5 POST OAK PK, HOUSTON, TX
77027 (713) 629-3000 - 587,646 (\$20,273,787) COMMON STOCK. (FILE 33-55445
- SEP. 13) (BR. 8)
- S-8 AMERICAN HOME PRODUCTS CORP, 5 GIRALDA FARMS, MADISON, NJ 07940
(201) -66-0-50 - 25,000 (\$1,465,625) COMMON STOCK. (FILE 33-55449 -
SEP. 13) (BR. 4)
- S-8 PAINE WEBBER GROUP INC, 1285 AVE OF THE AMERICAS, NEW YORK, NY 10019
(212) 713-2000 - 3,000,000 (\$47,062,500) COMMON STOCK. (FILE 33-55451 -
SEP. 13) (BR. 12)
- S-8 FIRST SECURITY CORP /DE/, 79 S MAIN ST, 2ND FL, PO BOX 30006,
SALT LAKE CITY, UT 84130 (801) 350-5706 - 2,500,000 (\$79,375,000)
COMMON STOCK. (FILE 33-55453 - SEP. 13) (BR. 2)
- S-6 FIRST TRUST SPECIAL SITUATIONS TRUST SERIES 106,
C/O NIKE SECURITIES L P, 1001 WARRENVILLE ROAD, LISLE, IL 60532
(708) 241-4141 - INDEFINITE SHARES. (FILE 33-55455 - SEP. 13) (BR. 18
- NEW ISSUE)
- S-8 PAINE WEBBER GROUP INC, 1285 AVE OF THE AMERICAS, NEW YORK, NY 10019
(212) 713-2000 - 7,500,000 (\$117,656,250) COMMON STOCK. (FILE 33-55457 -
SEP. 13) (BR. 12)
- S-3 OAKWOOD HOMES CORP, 2225 S HOLDEN RD, P O BOX 7386, GREENSBORO, NC 27417
(919) 855-2400 - 86,250,000 (\$86,250,000) CONVERTIBLE DEBENTURES AND NOTES.
(FILE 33-55459 - SEP. 13) (BR. 10)
- S-3 UNITED ILLUMINATING CO, 80 TEMPLE ST, NEW HAVEN, CT 06506 (203) 787-7200
(FILE 33-55461 - SEP. 13) (BR. 7)
- S-1 APOLLO GROUP INC, 4615 EAST ELWOOD ST, PHOENIX, AZ 85040 (602) 966-5394
- 3,680,000 (\$47,840,000) COMMON STOCK. UNDERWRITER:
ALEX BROWN & SONS INC, SMITH BARNEY INC. (FILE 33-83804 - SEP. 09)
(BR. 5 - NEW ISSUE)
- N-1A CVO GREATER CHINA FUND INC, 520 MADISON AVE, NEW YORK, NY 10022
(212) 758-9600 - INDEFINITE SHARES. (FILE 33-83822 - SEP. 09) (BR. 16
- NEW ISSUE)
- S-11 WELLS REAL ESTATE FUND VIII LP, 3885 HOLCOMB BRIDGE RD, NORCROSS, GA
30092 (404) 449-7800 - 100,000,000 (\$100,000,000)
LIMITED PARTNERSHIP CERTIFICATE. UNDERWRITER:
WELLS INVESTMENT SECURITIES INC. (FILE 33-83852 - SEP. 09) (BR. 5
- NEW ISSUE)
- S-3 FOOTHILL INDEPENDENT BANCORP, 510 S GRAND AVE, GLENDORA, CA 91741
(909) 599-9351 - 500,000 (\$4,312,500) COMMON STOCK. (FILE 33-83854 -
SEP. 12) (BR. 2)

REGISTRATIONS CONT.

- S-8 VERITAS SOFTWARE CORP, 4800 GREAT AMERICA PKWY STE 420, SANTA CLARA, CA 95054 (408) 727-1222 - 98,000 (\$1,151,500) COMMON STOCK. (FILE 33-83858 - SEP. 12) (BR. 9)
- S-8 SERENPET INC, 421 7TH AVENUE S W STE 2300, CALGARY ALBERTA CANADA T2P 4K9, AO (403) 262-7633 - 624,039 (\$3,102,125.51) COMMON STOCK. (FILE 33-83860 - SEP. 12) (BR. 3)
- S-8 CASE CORP, 700 STATE ST, RACINE, WI 53404 (414) 636-6011 - 400,000 (\$7,900,000) COMMON STOCK. (FILE 33-83862 - SEP. 12) (BR. 4)
- S-8 SUMMIT BANCORPORATION, ONE MAIN ST, CHATHAM, NJ 07928 (201) 701-2666 - 600,000 (\$13,312,500) COMMON STOCK. (FILE 33-83866 - SEP. 12) (BR. 2)
- S-11 SHANER HOTEL GROUP INC, 303 SCIENCE PARK RD, STATE COLLEGE, PA 16803 (814) 234-4460 - 7,544,000 (\$158,432,400) COMMON STOCK. (FILE 33-83884 - SEP. 12) (BR. 6 - NEW ISSUE)
- S-3 CENFED FINANCIAL CORP, 199 N LAKE AVE, PASSADENA, CA 91109 (818) 585-2400 - 300,000 (\$6,018,000) COMMON STOCK. (FILE 33-83900 - SEP. 12) (BR. 2)
- S-3 BIO TECHNOLOGY GENERAL CORP, 70 WOOD AVENUE SOUTH, ISELIN, NJ 08830 (908) 632-8800 - 6,206,250 (\$34,072,312.50) COMMON STOCK. (FILE 33-83902 - SEP. 12) (BR. 4)
- S-8 BIO TECHNOLOGY GENERAL CORP, 70 WOOD AVENUE SOUTH, ISELIN, NJ 08830 (908) 632-8800 - 3,000,000 (\$7,125,000) COMMON STOCK. (FILE 33-83904 - SEP. 12) (BR. 4)
- F-6 YEEBO INTERNATIONAL HOLDINGS LTD, 111 WALL STREET, CITIBANK N A, NEW YORK, NY 10043 - 10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-83906 - SEP. 12) (BR. 99 - NEW ISSUE)
- S-8 PEOPLES CHOICE TV CORP, 2 CORPORATE DRIVE STE 249, SHELTON, CT 06484 (203) 929-2800 - 411,085 (\$7,661,108) COMMON STOCK. (FILE 33-83908 - SEP. 12) (BR. 7)
- S-3 EQUITY RESIDENTIAL PROPERTIES TRUST, TWO N RIVERSIDE PLZ, STE 600, CHICAGO, IL 60606 (312) 474-1300 - 5,000,000 (\$163,750,000) COMMON STOCK. (FILE 33-83918 - SEP. 13) (BR. 5)
- F-10 ROYAL OAK MINES INC, 1425 W PENDER ST 2ND FLR, VANCOUVER BC CANADA V6E 2S3, A1 (604) 682-8320 - 17,400,000 (\$77,212,500) FOREIGN COMMON STOCK. (FILE 33-83922 - SEP. 13) (BR. 1)
- S-8 DIAL PAGE INC /DE/, 301 COLLEGE ST STE 700, GREENVILLE, SC 29603 (803) 242-0234 - 3,000,000 (\$63,893,087) COMMON STOCK. (FILE 33-83926 - SEP. 13) (BR. 7)