

# sec news digest

Issue 94-233

December 8, 1994

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## ENFORCEMENT PROCEEDINGS

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### GABELLI & COMPANY, INC. AND GAMCO INVESTORS, INC. CONSENT TO THE ENTRY OF CEASE-AND-DESIST ORDERS, CIVIL PENALTIES, AND REMEDIAL SANCTIONS FOR FAILURE TO HAVE ADEQUATE COMPLIANCE PROCEDURES

The Commission today announced that administrative proceedings were instituted pursuant to Sections 15(b)(4) and 21C of the Exchange Act and Sections 203(e)(4) and 203(k) of the Advisers Act against Gabelli & Company, Inc., a registered broker-dealer, and GAMCO Investors, Inc., a registered investment adviser affiliated with Gabelli & Company (Gabelli entities), to determine whether the Gabelli entities failed to establish, maintain, and enforce written procedures reasonably designed to prevent the misuse of material, nonpublic information as required by the Insider Trading and Securities Fraud Enforcement Act of 1988 (ITSFEA).

Simultaneously, without admitting or denying the Commission's allegations, the Respondents entered into a settlement agreement with the Commission. In the settlement agreement, the Gabelli entities consented to the entry of a cease-and-desist order, to pay \$100,000 in civil penalties, and to appoint an Independent Consultant to evaluate their current procedures. (Rels. 34-35057; IA-1457)

### ADMINISTRATIVE PROCEEDINGS AGAINST JOSEPH KEMPROWSKI AND THE CAMBRIDGE CONSULTING CO.

The Commission today announced the entry of an Order Instituting Proceedings Pursuant to Sections 15(b) and 21C of the Exchange Act and Findings, Cease and Desist Order and Order Imposing Sanctions (Order) against Joseph Kemprowski (Kemprowski) and The Cambridge Consulting Co. (Cambridge). The Commission accepted Kemprowski's and Cambridge's Offers of Settlement.

The Order finds that during the period from approximately November 1988 through May 1990, Kemprowski and Cambridge, without registering with the Commission, acted as brokers by, directly and indirectly, inducing and attempting to induce the purchase of Astro Enterprises, Inc. (Astro) stock; and, while acting as brokers, disseminated false and misleading information issued by Astro and recommended the purchase of Astro stock, directly and indirectly, to potential investors without having any reasonable basis for the recommendation.

Under the terms of the Offers of Settlement, Kemprowski and Cambridge, without admitting or denying the findings contained in the Order, consented to the entry of the Order that ordered each to cease and desist from committing or causing any violation, and from committing or causing any future violation, of Section 17(a) of the Securities Act of 1933 and Sections 10(b), 15(a) and 15(c)(1) of the Securities Exchange Act of 1934, and Rules 10b-5, 15b1-1 and 15c1-2 thereunder; barred each from association with any broker, dealer, municipal securities dealer, investment adviser, or investment company with the provision that after five years from the date of the entry of the order, Kemprowski and Cambridge may apply to become so associated; and ordered them to disgorge an amount of \$135,000, representing the amount received from their illegal activities. Payment of disgorgement was waived based upon the inability of Kemprowski and Cambridge to pay. (Rel. 34-35058)

#### CIVIL ACTION AGAINST ERNST HIESTAND, ET AL.

The Commission today announced the filing of a complaint in the United States District Court for the District of Columbia seeking permanent injunctions and other equitable relief against certain Canadian, Swiss and U.S. residents -- Ernst Hiestand (E. Hiestand), Thomas Hiestand (T. Hiestand), Elizabeth Kuriger (Kuriger), Henry Strubin (Strubin), Peter Thaler (Thaler), Leonard Gotshalk (Gotshalk), and Astro Enterprises, Inc. (Astro).

The complaint alleges that E. Hiestand and his brother T. Hiestand, and a group of investors they formed, acquired 80% of the stock of a shell corporation which became Astro. The complaint also alleges that Astro, directly and indirectly, disseminated to the public materially false and misleading information concerning its business and business prospects through press releases, a registration statement and other means. According to the complaint, E. Hiestand, who directed the management and policies of Astro, and Astro's officers, Strubin, Thaler and Gotshalk, participated in drafting and disseminating to the public some or all of the materially false and misleading information.

In addition, the complaint alleges that, at or around times when the materially false and misleading information was disseminated, E. Hiestand and T. Hiestand caused the group of investors they formed to sell Astro securities in the U.S.; and that Kuriger, E. Hiestand's and T. Hiestand's sister and a member of the group of investors, also sold Astro stock in the U.S. According to the complaint, no registration statement for Astro stock was in effect at the time of the sales. In addition, the complaint alleges that at least part of the proceeds from these stock sales were used to fund Astro's business operations. Further, the complaint alleges that E. Hiestand, T. Hiestand and Kuriger failed to file a Schedule 13G, and that Astro failed to file periodic reports.

The complaint seeks to enjoin E. Hiestand, T. Hiestand, Kuriger, Strubin, Thaler, Gotshalk and Astro variously from violating the registration, antifraud and reporting provisions of the federal securities laws. The complaint also seeks an accounting and disgorgement from E. Hiestand, T. Hiestand and Kuriger of all profits and monies received and losses avoided as a result of the illegal activities set forth in the complaint.

Simultaneously with the filing of the complaint, and without admitting or denying the allegations in the complaint, Thaler consented to the entry of a Final Judgment, permanently enjoining him from future violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5. [SEC v. Ernst Hiestand, Thomas Hiestand, Elizabeth Kuriger, Henry Strubin, Peter Thaler, Leonard Gotshalk, and Astro Enterprises, Inc., Civ. No. 94-2633, RCL] (LR-14347)

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## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGE

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-94-70) relating to the Consolidation of the Level 1 and Last Sale Information Services and Subscriber Fees. Publication of the notice in the Federal Register is expected during the week of December 12. (Rel. 34-35054)

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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 STERLING SOFTWARE INC, 8080 N CENTRAL EXPWY STE 1100, DALLAS, TX 75206  
(214) 891-8600 - 642,539 (\$18,954,900) COMMON STOCK. (FILE 33-56677 -  
DEC. 01) (BR. 10)
- S-3 STERLING SOFTWARE INC, 8080 N CENTRAL EXPWY STE 1100, DALLAS, TX 75206  
(214) 891-8600 - 82,650 (\$2,438,175) COMMON STOCK. (FILE 33-56679 -  
DEC. 01) (BR. 10)
- S-8 STERLING SOFTWARE INC, 8080 N CENTRAL EXPWY STE 1100, DALLAS, TX 75206  
(214) 891-8600 - 257,723 (\$7,602,829) COMMON STOCK. (FILE 33-56681 -  
DEC. 01) (BR. 10)
- S-3 STERLING SOFTWARE INC, 8080 N CENTRAL EXPWY STE 1100, DALLAS, TX 75206  
(214) 891-8600 - 1,110,000 (\$32,745,000) COMMON STOCK. (FILE 33-56683 -  
DEC. 01) (BR. 10)
- S-3 STERLING SOFTWARE INC, 8080 N CENTRAL EXPWY STE 1100, DALLAS, TX 75206  
(214) 891-8600 - 484,185 (\$14,283,457) COMMON STOCK. (FILE 33-56685 -  
DEC. 01) (BR. 10)
- S-8 UST CORP, 40 COURT ST, BOSTON, MA 02108 (617) 726-7000 - 1,000,000  
(\$10,187,500) COMMON STOCK. (FILE 33-56687 - DEC. 01) (BR. 2)
- S-2 DELTA NATURAL GAS CO INC, 3617 LEXINGTON RD, WINCHESTER, KY 40391  
(606) 744-6171 - 200,000 (\$3,350,000) COMMON STOCK. (FILE 33-56689 -  
DEC. 01) (BR. 7)
- S-8 SMITH INTERNATIONAL INC, 16740 HARDY ST, HOUSTON, TX 77032  
(713) 443-3370 - 1,500,000 (\$21,000,000) COMMON STOCK. (FILE 33-56693 -  
DEC. 01) (BR. 3)
- S-8 CIRCUIT CITY STORES INC, 9950 MAYLAND DR, RICHMOND, VA 23233  
(804) 527-4000 - 2,500,000 (\$62,500,000) COMMON STOCK. 2,500,000  
PREFERRED STOCK. (FILE 33-56697 - DEC. 01) (BR. 2)
- S-4 FIRST TENNESSEE NATIONAL CORP, 165 MADISON AVE, MEMPHIS, TN 38103  
(901) 523-4027 - 1,494,534 (\$55,282,739) COMMON STOCK. (FILE 33-56699 -  
DEC. 01) (BR. 1)
- S-4 MNWL COMPANIES INC, 20 WASHINGTON AVE S, MINNEAPOLIS, MN 55401  
(612) 372-5432 - 8,821,748 (\$221,835,930) COMMON STOCK. (FILE 33-56703 -  
DEC. 01) (BR. 9)

REGISTRATIONS CONT.

- S-8 FIGGIE INTERNATIONAL INC /DE/, 4420 SHERWIN RD, WILLOUGHBY, OH 44094  
(216) 953-2700 - 1,500,000 (\$10,031,250) COMMON STOCK. (FILE 33-56705 -  
DEC. 01) (BR. 9)
- S-8 INFORMIX CORP, 4100 BOHANNON DR, MENLO PARK, CA 94025 (415) 926-6300 -  
4,000,000 (\$103,500,000) COMMON STOCK. (FILE 33-56707 - DEC. 02) (BR. 10)
- SB-2 CUSAC INDUSTRIES LTD, 700 W PENDER ST, STE 510, VANCOUVER BC V6C 1G8, A1  
- 920,000 (\$9,200,000) PREFERRED STOCK. 5,152,000 (\$9,402,400)  
COMMON STOCK. (FILE 33-85986 - NOV. 03) (BR. 1)
- S-8 PRINCETON NATIONAL BANCORP INC, 606 S MAIN ST, PRINCETON, IL 61356  
(815) 875-4444 - 10,000 (\$128,750) COMMON STOCK. (FILE 33-86708 - DEC. 01)  
(BR. 2)
- F-1 IRSA INVESTMENTS & REPRESENTATIONS INC, BOLIVAR 108,  
BUENOS AIRES ARGENTINA, C1 - 23,500,000 (\$70,030,000) FOREIGN COMMON STOCK.  
UNDERWRITER: BARING SECURITIES INC, SMITH BARNEY INC. (FILE 33-86792 -  
NOV. 28) (BR. 5 - NEW ISSUE)
- F-1 IRSA INVESTMENTS & REPRESENTATIONS INC, BOLIVAR 108,  
BUENOS AIRES ARGENTINA, C1 - 52,000,000 (\$154,960,000)  
FOREIGN COMMON STOCK. (FILE 33-86796 - NOV. 28) (BR. 5)
- S-8 EXEL LTD / CAYMAN ISLANDS, CUMBERLAND HOUSE, 1 VICTORIA ST,  
HAMILTON HMJX BERMUDA, D2 (809) 292-8515 - 250,000 (\$9,562,500)  
FOREIGN COMMON STOCK. (FILE 33-86824 - NOV. 30) (BR. 10)
- S-8 EXEL LTD / CAYMAN ISLANDS, CUMBERLAND HOUSE, 1 VICTORIA ST,  
HAMILTON HMJX BERMUDA, D2 (809) 292-8515 - 2,063,785 (\$78,939,776.25)  
FOREIGN COMMON STOCK. (FILE 33-86826 - NOV. 30) (BR. 10)
- S-8 STATE OF THE ART INC /CA, 56 TECHNOLOGY S, IRVINE, CA 92718  
(714) 753-1222 - 1,815,107 (\$13,613,302.50) COMMON STOCK. (FILE 33-86828 -  
NOV. 30) (BR. 9)
- S-8 FISHER SCIENTIFIC INTERNATIONAL INC, LIBERTY LANE, HAMPTON, NH 03842  
(603) 929-2650 - 1,604,000 (\$43,408,250) COMMON STOCK. (FILE 33-86830 -  
NOV. 30) (BR. 11)
- F-1 IRSA INVESTMENTS & REPRESENTATIONS INC, BOLIVAR 108,  
BUENOS AIRES ARGENTINA, C1 - 52,000,000 FOREIGN COMMON STOCK. (FILE  
33-86834 - NOV. 30) (BR. 5)
- S-8 POLYMEDICA INDUSTRIES INC, 11 STATE STREET, WOBURN, MA 01801  
(617) 933-2020 - 150,000 (\$637,500) COMMON STOCK. (FILE 33-86836 -  
NOV. 30) (BR. 8)
- S-8 WASHINGTON MUTUAL INC, 1201 THIRD AVENUE, SEATTLE, WA 98101  
(206) 461-2000 - 7,561,707 (\$117,660,160.92) COMMON STOCK. (FILE 33-86840  
- NOV. 30) (BR. 1)
- F-1 XENOVA GROUP PLC, 240 BATH ROAD SLOUGH SLI 4EF, BERKSHIRE ENGLAND, A1 -  
3,487,750 (\$19,182,625) FOREIGN COMMON STOCK. (FILE 33-86842 - NOV. 30)  
(BR. 4)
- S-8 REDFED BANCORP INC, 300 E STATE ST, REDLANDS, CA 92373 (909) 793-2391 -  
437,000 (\$3,498,185) COMMON STOCK. (FILE 33-86846 - NOV. 30) (BR. 2)

REGISTRATIONS CONT.

- S-8 REDFED BANCORP INC, 300 E STATE ST, REDLANDS, CA 92373 (909) 793-2391 - 165,990 (\$1,410,915) COMMON STOCK. (FILE 33-86848 - NOV. 30) (BR. 2)
- S-3 AGCO CORP /DE, 4830 RIVER GREEN PKWAY, DULUTH, GA 30136 (404) 813-9200 - 143,750,000 (\$143,750,000) CONVERTIBLE DEBENTURES AND NOTES.  
UNDERWRITER: CS FIRST BOSTON, MERRILL LYNCH & CO, SMITH BARNEY INC. (FILE 33-86852 - NOV. 30) (BR. 3)
- S-3 GTI CORP, 9171 TOWNE CENTRE DR, STE 460, SAN DIEGO, CA 92122 (619) 578-3111 - 275,000 (\$4,331,250) COMMON STOCK. (FILE 33-86854 - NOV. 30) (BR. 3)
- S-4 U S ROBOTICS HOLDING CORP, 8100 NORTH MCCORMICK BLVD, SKOKIE, IL 60076 (708) 982-5010 - 18,272,917 (\$701,223,189.88) COMMON STOCK. (FILE 33-86856 - NOV. 30) (BR. 7 - NEW ISSUE)
- S-3 ADAPTIVE SOLUTIONS INC, 1400 NW COMPTON DR, STE 340, BEAVERTON, OR 97006 (503) 690-1236 - 1,250,000 (\$5,387,500) COMMON STOCK. (FILE 33-86890 - NOV. 30) (BR. 10)
- S-8 ALL QUOTES INC, 545 MADISON AVE STE 1400, NEW YORK, NY 10022 (212) 832-8600 - 700,000 (\$1,666,000) COMMON STOCK. (FILE 33-86896 - NOV. 30) (BR. 10)
- S-8 HI SHEAR TECHNOLOGY CORP, 24225 GARNIER ST, TORRANCE, CA 90505 (310) 784-2100 - 500,000 (\$5,375,000) COMMON STOCK. (FILE 33-86898 - NOV. 30) (BR. 9)
- S-8 GANDER MOUNTAIN INC, PO BOX 128 HGWY W, WILMOT, WI 53192 (414) 862-2331 - 35,000 (\$612,500) COMMON STOCK. (FILE 33-86900 - NOV. 30) (BR. 2)
- S-3 COMSTOCK RESOURCES INC, 5005 LBJ FRWY STE 1000, DALLAS, TX 75244 (214) 701-2000 - 1,010,000 (\$2,966,875) COMMON STOCK. (FILE 33-86902 - NOV. 30) (BR. 4)
- S-3 TSX CORP, 5-D BUTTERFIELD TRAIL, P O BOX 16400, EL PASO, TX 79906 (915) 594-4400 - 918,561 (\$15,041,436.38) COMMON STOCK. (FILE 33-86904 - NOV. 30) (BR. 7)
- S-3 METALCLAD CORP, 3737 BIRCH ST STE 300, NEWPORT BEACH, CA 92660 (714) 476-2772 - 4,052,000 (\$14,688,500) COMMON STOCK. (FILE 33-86906 - NOV. 30) (BR. 9)
- S-8 COMSHARE INC EMPLOYEE STOCK PURCHASE PLAN (000) 000-0000 - 200,000 (\$2,425,000) COMMON STOCK. (FILE 33-86908 - NOV. 30) (BR. 15)
- S-8 RESEARCH FRONTIERS INC, 240 CROSSWAYS PARK DR, WOODBURY, NY 11797 (516) 364-1902 - 300,000 (\$1,687,500) COMMON STOCK. (FILE 33-86910 - NOV. 30) (BR. 8)
- S-1 AMERICAN SKANDIA LIFE ASSURANCE CORP/CT, TOWER ONE CORP DR, SHELTON, CT 06484 (203) -92-6-18 - \$29,000 VARIABLE ANNUITY ISSUES. (FILE 33-86912 - NOV. 30) (BR. 20)
- S-3 URANIUM RESOURCES INC /DE/, 12750 MERIT DRIVE, SUITE 1210, DALLAS, TX 75251 (214) 387-7777 - 496,040 (\$2,697,217.50) COMMON STOCK. (FILE 33-86914 - NOV. 30) (BR. 1)

REGISTRATIONS CONT.

S-8 NATIONAL ADVERTISING GROUP INC, 1428 BRICKELL AVE 8TH FL, TOWER STE 6, MIAMI, FL 33131 (305) 372-3322 - 600,000 (\$300,000) COMMON STOCK. (FILE 33-86916 - NOV. 30) (BR. 1)

S-3 SMT HEALTH SERVICES INC, 10521 PERRY HIGHWAY, WEXFORD, PA 15090 (412) 933-3300 - 1,085,450 (\$1,729,935.94) COMMON STOCK. (FILE 33-86920 - DEC. 01) (BR. 6)

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			
KEARNY STREET REAL ESTATE CO LP	DE					X	X				10/31/94	
LONE STAR INDUSTRIES INC	DE					X					11/10/94	
MBNA AMERICA BA NATIONAL ASSOC DOVER CRE						X					11/14/94	
MBNA AMERICA BANK NAT ASSO MBNA MAS CRE						X					11/14/94	
MBNA AMERICA BANK NAT ASSO MBNA MAST CRE						X					11/14/94	
MBNA AMERICA BK NAT ASSOC MBNA MAST CRED						X					11/14/94	
MBNA AMERICA BK NAT ASSOC MBNA MAST CRED						X					11/14/94	
MBNA AMERICA BK NATIONAL ASSOC MBNA MAS						X					11/14/94	
MBNA AMERICA BK NATL ASSOC MBNA MASTER C						X					11/14/94	
MBNA AMERICA BK NATL ASSOC MBNA MASTER C						X					11/14/94	
MBNA AMERICA BK NATL ASSOC MBNA MASTER C						X					11/14/94	
MBNA AMERICA BK NATL ASSOC MBNA MASTER C						X					11/14/94	
MFS COMMUNICATIONS CO INC	DE		X					X			11/02/94	
MILWAUKEE INSURANCE GROUP INC	DE					X	X				10/26/94	
MONTANA PRECISION MINING LTD	WA					X	X				11/10/94	
NATIONAL SECURITIES CORP/WA/	WA					X					11/01/94	
NEW VALLEY CORP	NY			X				X			11/01/94	
ONYX ACCEPTANCE GRANTOR TRUST 1994-1								X			10/05/94	
PACKAGE MACHINERY CO	DE					X					11/14/94	
PAGES INC /OH/	DE				X			X			11/02/94	AMEND

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT	
		1	2	3	4	5	6	7	8			
PBT MASTER CREDIT CARD TRUST								X			11/08/94	
PRIME MEDICAL SERVICES INC /TX/	DE								X		08/30/94AMEND	
RED EAGLE RESOURCES CORP	DE	X						X			10/28/94	
RFS HOTEL INVESTORS INC	TN								X		09/30/94AMEND	
RIGHT MANAGEMENT CONSULTANTS INC	PA								X		09/01/94AMEND	
ROCHESTER TELEPHONE CORP	NY							X			11/10/94	
ROCKEFELLER CENTER PROPERTIES INC	DE							X	X		11/17/94	
SAVOY PICTURES ENTERTAINMENT INC	DE							X			11/16/94	
SILVERADO MINES LTD								X	X		11/14/94	
SUMMIT CARE CORP	CA		X						X		09/01/94AMEND	
TEJAS GAS CORP	DE							X	X		11/11/94	
TELLUS INDUSTRIES INC	NV	X						X			11/03/94	
TFG HOME LOAN TRUST 1990-1	CA								X		11/10/94	
U S WIRELESS DATA INC	CO								X		11/10/94AMEND	
USAIR GROUP INC	DE							X	X		11/18/94	
USAIR INC /NEW/	DE							X	X		11/18/94	
USAIR INC /NEW/	DE							X	X		11/18/94	