

# sec news digest

Issue 93-68

April 12, 1993

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## ADMINISTRATIVE PROCEEDINGS

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### COMMISSION PERMANENTLY BARS ANGELA CHILLES

The Commission instituted public administrative proceedings against Angela Chilles pursuant to Section 203(f) of the Investment Advisers Act of 1940. Simultaneously with the institution of the proceedings, Chilles submitted an Offer of Settlement in which, while neither admitting nor denying the Commission's findings, Chilles consented to the entry of an Order permanently barring her from association with any broker, dealer, investment company, investment adviser or municipal securities dealer. The Order was based on a permanent injunction against Chilles entered in the Commission's action charging her with creating over 1,000 false and fictitious trade confirmations, purporting to confirm securities transactions effected by her employers, two former registered investment advisers, Institutional Treasury Management, Inc. and its predecessor, Denman & Co. (Rel. IA-1367)

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## CIVIL PROCEEDINGS

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### COMPLAINT AND MOTION FOR PRELIMINARY INJUNCTION FILED AGAINST 1ST AMERICAN CORPORATION, JOHN WOODS AND OTHERS

The Commission announced that on April 9 a complaint was filed in the U.S. District Court for the Western District of Pennsylvania against 1st American Corporation, John Robert Woods, G. Woods Mortgages (GWM) and Approved Mortgage Corporation (AMC), all of Pittsburgh, Pennsylvania. The complaint seeks to permanently enjoin the defendants from violations of the antifraud provisions of the federal securities laws; ancillary relief in the form of restitution; and the imposition of a civil penalty. The Commission has also filed a motion in its civil action seeking a preliminary injunction prohibiting further violations of the antifraud provisions, an order preventing the defendants from disposing of certain mortgages and an order requiring an accounting.

The complaint alleges that from approximately July 1992 to the present, 1st American and Woods, aided and abetted by GWM and AMC, have raised approximately \$142,000 from investors in three states through the fraudulent offer and sale of a product mischaracterized as a collateralized mortgage obligation (CMO). The complaint further alleges that the 1st American "CMO" is vastly different from a traditional CMO in that it is backed by a single mortgage rather than a pool of mortgages; not held by an independent trustee; and not structured to account for prepayment risks or default. [SEC v. 1st American Corporation et al., W.D. Pa., Civ. No. 93-0561] (LR-13596)

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## HOLDING COMPANY ACT RELEASES

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### JERSEY CENTRAL POWER & LIGHT COMPANY

An order has been issued authorizing Jersey Central Power & Light Company, a public utility subsidiary company of General Public Utilities Corporation, a registered holding company, to sublease a portion of its storage capacity in The Merrill Creek Reservoir Project to a nonaffiliate company pursuant to a sublease agreement. (Rel. 35-25785)

### MONONGAHELA POWER CO., ET AL.

A supplemental order has been issued authorizing the Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company (collectively, Companies), all wholly owned public-utility subsidiary companies of Allegheny Power System, Inc., a registered holding company, to arrange for the issuance of three new series of pollution control revenue bonds (Refunding Bonds) in the aggregate principal amount of \$23.4 million. The Refunding Bonds will be used to refund outstanding pollution control revenue bonds previously issued on behalf of the Companies. (Rel. 35-25786)

### GEORGIA POWER COMPANY

An order has been issued authorizing Georgia Power Company, a wholly owned public-utility subsidiary company of The Southern Company, a registered holding company, to acquire a 500/230 kV substation located in Effingham County, Georgia for a purchase price of \$12,906,061 from the South Carolina Public Service Authority. (Rel. 35-25787)

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## SELF-REGULATORY ORGANIZATIONS

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### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-93-23) clarifying the application of the NASD's recent rule (SR-NASD-90-69) relating to asset-based sales charges imposed in connection with the purchase of mutual fund shares. Because this proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule under § 19(b)(3)(A)(i) of the Securities Exchange Act of 1934, it became effective upon filing with the Commission. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-22118)

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-93-22) that decreases the service charge assessed to each side of a SelectNet transaction and rescinds the Computer-to-Computer Interface port charge retroactive to June 1, 1992. Because this proposed rule change changes a due, fee, or other charge imposed by the NASD, pursuant to § 19(b)(3)(A)(ii) of the Securities Exchange Act of 1934, it became effective upon filing with the Commission. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-32119)

## 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-3 JERSEY CENTRAL POWER & LIGHT CO, 300 MADISON AVE, MORRISTOWN, NJ 07962  
(201) 455-8200 - 700,000,000 (\$714,000,000) MORTGAGE BONDS. (FILE 33-49463 - APR. 05)  
(BR. 13)
- S-8 AMERICAN TELEPHONE & TELEGRAPH CO, 550 MADISON AVE, NEW YORK, NY 10022  
(212) 605-5500 - 10,000,000 (\$569,375,000) COMMON STOCK. (FILE 33-49465 - APR. 05)  
(BR. 13)
- S-3 WESTERN RESOURCES INC /KS, 318 KANSAS AVE, TOPEKA, KS 66612 (913) 296-6300 -  
2,500,000 (\$86,250,000) COMMON STOCK. (FILE 33-49467 - APR. 05) (BR. 13)
- S-1 HARRYS FARMERS MARKET INC, 1180 UPPER HEMBREE RD, ROSWELL, GA 30076 (404) 664-6300  
- 2,012,000 (\$32,200,000) COMMON STOCK. UNDERWRITER: BRADFORD JC & CO,  
ROBINSON HUMPHREY CO INC. (FILE 33-60452 - APR. 02) (BR. 1 - NEW ISSUE)
- S-8 MARTIN MARIETTA TECHNOLOGIES INC, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 50,000 (\$3,634,375) COMMON STOCK. (FILE 33-60476 - APR. 02) (BR. 12)
- S-8 MARTIN MARIETTA TECHNOLOGIES INC, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 250,000 (\$18,171,875) COMMON STOCK. (FILE 33-60478 - APR. 02)  
(BR. 12)
- S-8 MARTIN MARIETTA TECHNOLOGIES INC, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 3,220,000 (\$234,053,750) COMMON STOCK. (FILE 33-60480 - APR. 02)  
(BR. 12)
- S-8 MARTIN MARIETTA TECHNOLOGIES INC, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 12,313 (\$895,001) COMMON STOCK. (FILE 33-60482 - APR. 02) (BR. 12)
- S-8 MARTIN MARIETTA TECHNOLOGIES INC, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 995,773 (\$72,380,249) COMMON STOCK. (FILE 33-60484 - APR. 02)  
(BR. 12)
- S-8 MARTIN MARIETTA TECHNOLOGIES INC, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 9,675,000 (\$703,251,562.50) COMMON STOCK. (FILE 33-60486 - APR. 02)  
(BR. 12)

REGISTRATIONS CONTINUED

- S-3 OCCIDENTAL PETROLEUM CORP /DE/, 10889 WILSHIRE BLVD, LOS ANGELES, CA 90024  
(513) 208-8800 - 1,500,000,000 (\$1,500,000,000) STRAIGHT BONDS. (FILE 33-60492 -  
APR. 02) (BR. 4)
- S-1 ZARING HOMES INC, 11300 CORNELL PARK DR, STE 300, CINCINNATI, OH 45242  
(513) 489-8849 - 2,300,000 (\$32,200,000) COMMON STOCK. (FILE 33-60512 - APR. 02)  
(BR. 9 - NEW ISSUE)
- S-1 TITAN WHEEL INTERNATIONAL INC, 2701 SPRUCE ST, QUINCY, IL 62301 (217) 228-6011 -  
3,105,000 (\$49,680,000) COMMON STOCK. (FILE 33-60518 - APR. 02) (BR. 4 - NEW ISSUE)
- S-1 SANTA CRUZ OPERATION INC, 400 ENCINAL STREET, SANTA CRUZ, CA 95061 (408) 425-7222 -  
4,312,500 (\$56,062,500) COMMON STOCK. (FILE 33-60548 - APR. 02) (BR. 10 - NEW ISSUE)
- S-8 ALPHA 1 BIOMEDICALS INC /DE/, TWO DEMOCRACY CTR, 6903 ROCKLEDGE DR STE 1200,  
BETHESDA, MD 20817 (301) 564-4400 - 50,000 (\$556,250) COMMON STOCK. (FILE 33-60550 -  
APR. 02) (BR. 4)
- S-1 LCI INTERNATIONAL INC, 1710 RHODE ISLAND AVE N W, WASHINGTON, DC 20036  
(202) 296-7511 - 6,440,000 (\$122,360,000) COMMON STOCK. (FILE 33-60558 - APR. 02)  
(BR. 7 - NEW ISSUE)
- S-3 CAPITAL ACQUISITIONS INC, 1000 LINCOLN RD, STE 206, MIAMI BEACH, FL 33139  
(305) 531-5800 - 7,690,000 (\$27,395,625) COMMON STOCK. (FILE 33-60570 - APR. 02)  
(BR. 12)
- S-3 GRAND CASINOS INC, 13705 FIRST AVE N STE 100, PLYMOUTH, MN 55441 (612) 449-9092 -  
2,264,000 (\$45,590,000) COMMON STOCK. (FILE 33-60582 - APR. 02) (BR. 12)
- S-8 CHIPS & TECHNOLOGIES INC, 3050 ZANKER RD, SAN JOSE, CA 95134 (408) 434-0600 -  
1,000,000 (\$3,875,000) COMMON STOCK. (FILE 33-60584 - APR. 05) (BR. 3)
- S-8 VALUEVISION INTERNATIONAL INC, 5194 W 76TH ST, MINNEAPOLIS, MN 55435 (612) 831-1407  
- 650,000 (\$2,539,062.50) COMMON STOCK. (FILE 33-60594 - APR. 05) (BR. 2)
- N-2 PAINEWEBBER PREMIER TAX FREE INCOME FUND INC, 1285 AVENUE OF THE AMERICAS, NEW YORK,  
NY 10019 (212) 713-2000 - COMMON STOCK. (FILE 33-60596 - APR. 02) (BR. 16)