

sec news digest

Issue 93-104

June 2, 1993

ADMINISTRATIVE PROCEEDINGS

WILLIAM WILSON ORDERED TO CEASE AND DESIST

The Commission instituted public administrative proceedings against William A. Wilson (Wilson) pursuant to Section 21C of the Securities Exchange Act of 1934 (Exchange Act) and simultaneously accepted an Offer of Settlement submitted by Wilson. Pursuant to the Offer of Settlement, the Commission issued an Order finding that Wilson violated Section 14(e) of the Exchange Act and that he caused the Earle M. Jorgensen Company to violate Section 14(d) of the Exchange Act and Rule 14d-9 thereunder in connection with Kelso & Company's tender offer for the securities of the Earle M. Jorgensen Company in 1990. The Order requires that Wilson cease and desist from future violations. (Rel. 34-32392)

CIVIL PROCEEDINGS

PRELIMINARY INJUNCTION AND ASSET FREEZE ENTERED AGAINST JACK NICHOLAS D'UVA, MARK THOMAS TAGGATZ, NIKKO & COMPANY, LTD. AND ALLIANCE GLOBAL ASSET MANAGEMENT

On May 3, 1993, the Honorable Robert M. Takasugi, U.S. District Court Judge for the Central District of California issued a Preliminary Injunction and asset freeze against defendants Jack Nicholes D'Uva (D'Uva), Mark T. Taggatz (Taggatz), Prime Acquisition Group, Nikko & Company, Ltd. (Nikko), and Alliance Global Asset Management (Alliance). The Order preliminarily enjoins D'Uva, Taggatz, and Prime Acquisition from violating the securities registration, investment adviser registration, and antifraud provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, and the Investment Advisors Act of 1940. The Order also enjoins Nikko and Alliance from violating the investment adviser registration provisions.

The complaint alleges that from about September 1989 through 1992, D'Uva and Taggatz, through Prime Acquisition, raised \$1.3 million from 46 investors through a cold-calling scheme involving the offer and sale of interests in nine non-existent mutual funds purportedly managed by Prime Acquisition. According to the complaint, investor proceeds were to be used to invest in various equity and government securities; however, the vast majority of proceeds were misappropriated by D'Uva and Taggatz for their personal use and unrelated business expenses. The complaint further alleges that D'Uva and Taggatz subsequently continued to operate as unregistered investment advisers through Nikko and Alliance. [SEC v. Jack Nicholes D'Uva, et al., Civil Action No. 93-0909 RMT, Ex, C.D. Cal.] (LR-13654)

INVESTMENT COMPANY ACT RELEASES

NEWTON INCOME FUND, INC.

A notice has been issued giving interested persons until June 22, 1993 to request a hearing on an application filed by Newton Income Fund, Inc. for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-19499 - May 28)

HOLDING COMPANY ACT RELEASES

CNG TRANSMISSION CORP., ET AL.

A notice has been issued to provide all interested persons until June 23 to request a hearing on a proposal by CNG Transmission Corporation (Transmission), a gas pipeline subsidiary company of Consolidated Natural Gas Company, a registered public utility holding company, and CNG Iroquois, Inc. (Iroquois), a subsidiary company of Transmission. Under the proposal, Iroquois, which owns an aggregate 9.4% general partnership interest in Iroquois Gas Transmission System, L.P. (Partnership), will fund a pro rata portion of incremental expansions in an interstate natural gas pipeline that was constructed and is owned by the Partnership. (Rel. 35-25819)

ENTERGY CORPORATION, ET AL.

A notice has been issued giving interested persons until June 23 to request a hearing on a proposal by Entergy Corporation (Entergy), a registered holding company, and Entergy Enterprises, Inc. (Enterprises), its nonutility subsidiary company. Enterprises proposes to issue and sell, and Entergy proposes to acquire, up to 13,000 shares of common stock for an aggregate consideration of \$13 million. In addition to Enterprises ongoing consulting and investment activities, Entergy proposes to make Enterprises the vehicle for managing, and in certain cases holding, Entergy's interests in exempt and nonutility businesses. (Rel. 35-25819)

CENTRAL AND SOUTH WEST CORPORATION

A notice has been issued giving interested persons until June 23 to request a hearing on a proposal by Central and South West Corporation, a registered holding company, and its nonutility subsidiary company, CSW Energy, Inc., to provide, through December 31, 1995, guarantees and to arrange for letters of credit or similar provisions and arrangements in connection with the development of qualifying cogeneration facilities, qualifying small power production facilities and independent power facilities. The amount of any such guarantees, letters of credit or other support arrangements actually issued and outstanding at any one time will not exceed \$50 million in the aggregate. (Rel. 35-25819)

SELF-REGULATORY ORGANIZATIONS

ACCELERATED APPROVAL OF PROPOSED RULE CHANGES

The Commission granted accelerated approval to a proposed rule change (SR-NYSE-93-23) filed by the New York Stock Exchange to extend its pilot programs relating to the Off-Hours Trading facility and matched MOC order procedures until January 31, 1994. (Rel. 34-32362)

The Commission granted accelerated approval to a proposed rule change (SR-Amex-93-19) filed by the American Stock Exchange to extend its pilot program relating to the Amex After-Hours Trading facility. (Rel. 34-32363)

The Commission granted accelerated approval to a proposed rule change (SR-Phlx-93-16) filed by the Philadelphia Stock Exchange to extend through January 31, 1994, the Phlx pilot program under Phlx Rule 232 which provides price protection of limit orders executable after the Phlx close of regular trading hours. (Rel. 34-32364)

The Commission granted accelerated approval to a proposed rule change (SR-BSE-93-10) filed by the Boston Stock Exchange to extend through January 31, 1994, the BSE pilot program relating to the facilitation of GTX orders. (Rel. 34-32365)

The Commission granted accelerated approval to a proposed rule change (SR-PSE-93-06) filed by the Pacific Stock Exchange to extend through January 31, 1994, the PSE Crossing Session pilot program. (Rel. 34-32367)

The Commission granted accelerated approval to a proposed rule change (SR-MSE-93-16) filed by the Midwest Stock Exchange to extend through January 31, 1994, the MSE pilot program which provides price protection of limit orders executable after the MSE close of regular trading hours. (Rel. 34-32368)

The Commission granted accelerated approval to a proposed rule change (SR-NASD-93-35) filed by the National Association of Securities Dealers to obtain authorization for an interim extension of the OTC Bulletin Board Service through November 30, 1993. Unless otherwise ordered by the Commission, during the interval, there will be no material change in the Bulletin Board's operational features. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32384)

PROPOSED RULE CHANGES

The Philadelphia Stock Exchange filed a proposed rule change (SR-Phlx-92-37) relating to the proposed amendment of definitions relating to certain types of trading orders. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32380)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-93-04) regarding its current clearing fund formula. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32381)

The Intermarket Clearing Corporation filed a proposed rule change (SR-ICC-93-1) relating to the scheduling of Board meetings. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32389)

The Municipal Securities Rulemaking Board filed a proposed rule change (SR-MSRB-93-3) relating to settlement dates for when, as, and if issued transactions. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32390)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-93-02) requesting an extension of its authority to net zero coupon government securities. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32386)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-93-03) to modify and permanently approve GSCC's rules and procedures for the netting of forward-settling trades in Government securities. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32387)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-NASD-92-41) filed by the National Association of Securities Dealers to amend Section 8, Part V of Schedule D of the NASD By-Laws. The proposed rule change would provide a means to assist market makers in complying with Rule 10b-6 and 10b-6A under the Securities Exchange Act. The proposed rule change will take effect on June 22, 1993. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32382)

The Commission approved a proposed rule change (SR-NASD-93-6) filed by the National Association of Securities Dealers that amends the NASD's Code of Procedure to implement a Minor Rule Violations Plan (Plan) under Rule 19b-1 of the Securities Exchange Act of 1934. The Plan allows the NASD to process and report disciplinary actions involving fines that do not exceed \$2,500 and/or censure in a manner which will relieve many of the administrative burdens normally associated with formal disciplinary proceedings. (Rel. 34-32383)

The Commission approved a proposed rule change (SR-PTC-92-12) filed by the Participants Trust Company that would allow PTC participants to use the Collateral Loan Facility for transfers of a security interest from a Limited Purpose Account. Publication of the proposal is expected in the Federal Register during the week of June 7. (Rel. 34-32391)

ACCELERATED APPROVAL ON A TEMPORARY BASIS OF PROPOSED RULE CHANGE

The Option Clearing Corporation filed a proposed rule change (SR-OCC-93-06) that extends through May 31, 1994, the authorization of OCC to operate its Theoretical Intermarket Margin System for equity options (Equity TIMS) and extends through December 31, 1993, the deadline for OCC to file its report with the Commission concerning the operation of Equity TIMS. Publication of the proposal is expected in the Federal Register during the week of May 31. (Rel. 34-32388)

ACQUISITION OF SECURITIES

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the percent owned; and Column 7 - the status of the filing, i.e., new, update or revision.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/%OWNED	CUSIP/PRIOR%	FILING STATUS
ARROW ELECTRS INC	COM		385	04273510	
LEX SVC INC ET AL	13D	5/20/93	1.3	17.5	UPDATE
BELMAC CORP	COM		1,000	08005510	
ENG ENERGY INC	13D	5/21/93	8.0	0.0	NEW
BELMAC CORP	COM		1,000	08005510	
ENG ENERGY INC	13D	5/21/93	8.0	0.0	RVISION
BIOTIME INC	COM		97	09299410	
GELBAND ALAN	13D	5/20/93	5.5	7.0	UPDATE
CELLEX BIOSCIENCES INC	COM		2,267	15092330	
VERAX CORP	13D	5/20/93	6.4	0.0	NEW
CROSS TIMBERS OIL CO	COM		775	22757310	
RIT CAP PARTNERS PLC	13D	5/18/93	4.9	0.0	NEW
CROSS TIMBERS OIL CO	COM		775	22757310	
RIT CAP PARTNERS PLC	13D	5/18/93	4.9	0.0	RVISION

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
ECI ENVIRONMENTAL INC ZIMMERMAN KURT P	COM 13D	6/ 1/93	2,088 47.6	26825610 48.8	UPDATE
FFP PARTNERS SHEA EDMUND H JR	UNIT CL A 13D	5/26/93	106 2.9	30299210 0.0	NEW
FREDERICKS HOLLYWOOD INC HUNTER HUGH V ET AL	COM 13D	4/18/93	5,018 56.8	35582410 0.0	NEW
FREDERICKS HOLLYWOOD INC HUNTER HUGH V ET AL	COM 13D	4/18/93	5,018 56.8	35582410 0.0	RVISION
GALAXY CABLEVISION L P GLEASON TOMMY L ET AL	UT LTD PRTRNSHP 13D	12/18/92	191 8.9	36317010 8.0	RVISION
INTERACTIVE NETWORK INC TELE-COMMUNICATIONS INC	COM 13D	5/ 5/93	782 9.0	47999210 0.0	NEW
INTERACTIVE NETWORK INC TELE-COMMUNICATIONS INC	COM 13D	5/ 5/93	782 9.0	47999210 0.0	RVISION
LA QUINTA MTR INNS LTD LA QUINTA INNS INC	DEPOSITARY UNIT 13D	5/26/93	420 10.6	50419610 9.0	UPDATE
LA QUINTA MTR INNS LTD LA QUINTA INNS INC	DEPOSITARY UNIT 13D	5/26/93	420 10.6	50419610 9.0	RVISION
LIBERTY BANCORP INC OKLA TORRAY ROBERT E ET AL	COM PAR 0.10 13D	5/21/93	1,675 19.0	53017510 17.6	UPDATE
MAXSERV INC SEARS ROEBUCK & CO	COM 13D	5/21/93	2,900 45.3	57791710 0.0	NEW
NORCEN ENERGY RES LTD CAISSE DE DEPOT DU QUEBEC	ORD VTG 13D	5/19/93	4,169 5.1	65549210 3.9	UPDATE
NORCEN ENERGY RES LTD CAISSE DE DEPOT DU QUEBEC	ORD VTG 13D	5/19/93	4,169 5.1	65549210 3.9	RVISION
OAK INDS INC INVESCO MIM PLC ET AL	COM 13D	5/ 5/93	6,177 7.5	67140010 19.3	RVISION
PS GROUP INC SC FUNDAMENTAL INC ET AL	COM 13D	5/21/93	315 5.2	69362410 0.0	NEW
PS GROUP INC SC FUNDAMENTAL INC ET AL	COM 13D	5/21/93	315 5.2	69362410 0.0	RVISION
PARTNERS PFD YIELD III INC HUGHES B WAYNE ET AL	CL A 13D	5/20/93	75 4.0	70212810 1.7	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ XOMED	CUSIP/ PRIOR%	FILING STATUS
PARTNERS PFD YIELD III INC HUGHES B WAYNE ET AL	CL A 13D	5/20/93	75 4.0	70212810 1.7	RVISION
PROVIDENTIAL CORP BAUPOST GRP INC	COM 13D	5/21/93	1,471 24.1	74394210 18.7	RVISION
PROVIDENTIAL CORP BAUPOST GRP INC	COM 13D	5/21/93	1,471 24.1	74394210 18.7	RVISION
PROVIDENTIAL CORP SC FUNDAMENTAL INC ET AL	COM 13D	5/21/93	448 7.3	74394210 0.0	NEW
RAPITECH SYS INC SNOW BECKER KRAUSS PC	COM 13D	5/26/93	825 10.3	75381010 6.6	RVISION
RAPITECH SYS INC SNOW BECKER KRAUSS PC	COM 13D	5/26/93	825 10.3	75381010 6.6	UPDATE
RAPITECH SYS INC SNOW BECKER KRAUSS PC	COM 13D	5/26/93	825 10.3	75381010 6.6	RVISION
RAPITECH SYS INC SNOW BECKER KRAUSS PC	COM 13D	5/26/93	825 10.3	75381010 6.6	RVISION
SCOTTISH HERITABLE INC INBERDOM ENT LTD	COM 13D	5/26/93	1,918 50.0	81013110 50.0	UPDATE
SNYDER OIL CORP SNYDER JOHN C	COM 13D	5/10/93	2,034 8.9	83348210 10.1	UPDATE
SYNERCOM TECHNOLOGY INC STEEL PARTNERS LP ET AL	COM 13D	5/26/93	599 10.4	87191010 8.7	UPDATE
SYNERCOM TECHNOLOGY INC STEEL PARTNERS LP ET AL	COM 13D	5/26/93	599 10.4	87191010 8.7	RVISION
WESTERN WTR CO HARPEL JAMES W ET AL	COM 13D	5/21/93	179 7.0	95988110 0.0	NEW

SEC PUBLIC INFORMATION NUMBERS

Members of the public seeking information and/or material from the Commission continue to complain of being incorrectly referred to the wrong telephone number by Commission staff. The following information is furnished to assist you in directly calling the appropriate office:

Consumer Affairs (202-272-7440): Investor inquiries and complaint processing information.

Freedom of Information Branch (202-272-7420): Requests concerning FOIA, Privacy Act, Sunshine Act, confidential treatment matters, etc.

Personnel Locator (202-272-2550): Requests for names and phone numbers of Commission personnel.

Public Affairs (202-272-2650): Information about matters in the SEC News Digest, the Commission's operations, and calls from the press not directed to particular individuals, and other related matters.

Public Reference (202-272-7450): Requests for information on whether or not a document has been filed, etc.

Publications Unit (202-272-7460/7461): Requests for forms, studies, directories, etc.

Office of the Secretary (202-272-2600): Requests for information on the Commission calendar.

SEC Information Line (202-272-3100/5624): General Information about SEC operations and activities through a series of recorded messages.