

sec news digest

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Issue 92-245

December 21, 1992

CIVIL PROCEEDINGS

EXCHANGE COMMISSION

PAUL BROWN CONSENTS TO PERMANENT INJUNCTION

The Commission announced that on November 24, 1992 a Final Judgment of Permanent Injunction was entered against Paul M. Brown (Brown) in the case SEC v. Talbert and Brown, CV 92-1197-RE, D. Or. The injunction prohibits Brown from future violations of the antifraud provisions of the federal securities laws, Section 17(a) of the Securities Act of 1933 (Securities Act), Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act), and Rule 10b-5 thereunder. The Commission filed a complaint on September 29, 1992 against Brown and Philip H. Talbert, former officer of Peripheral Systems, Inc. (PSI), an Oregon corporation whose stock was traded on NASDAQ and the Pacific Stock Exchange, and Nucell, Inc (Nucell), an Idaho corporation and subsidiary of PSI. The complaint alleged that false and misleading statements were made in publicity concerning an energy device purportedly being developed by Brown. Brown consented to the injunction without admitting or denying the allegations in the Commission's complaint. [SEC v. Philip H. Talbert and Paul M. Brown, USDC, District of Oregon, Case No. CV 92-1197-RE] (LR-13477)

BARRY GLANDT AND CHRIS GLANDT PERMANENTLY ENJOINED

The Commission today announced that the United States District Court for the Eastern District of Wisconsin permanently enjoined Barry H. Glandt and Chris Glandt from violating Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. In addition, the Court has ordered the Glandts to pay a total of \$206,779 in disgorgement, prejudgment interest, and civil penalties. The Glandts consented to the entry of the permanent injunctions and ancillary relief.

In its complaint, filed April 6, 1992, the Commission alleged that in June of 1987 Barry Glandt had received material, nonpublic information regarding merger negotiations between Godfrey Company, Inc. and Fleming Companies, Inc., from a friend who is a senior officer of Godfrey. Barry Glandt then tipped his brother, Chris Glandt and a friend, F. Jane Gunderson. The Commission further alleged that, while in possession of the information, the Glandts and Gunderson purchased 14,590 shares of Godfrey common stock and that Barry Glandt and Gunderson recommended Godfrey stock to a friend and relatives, respectively, who also purchased the stock. [SEC v. Barry H. Glandt, Chris Glandt, et al., Civil Action No. 92-C-0365, E.D. Wis. December 17] (LR-13479)

CRIMINAL PROCEEDINGS

CRIMINAL CONVICTION AGAINST JIMMY SWINK, JR.

The Commission and the U.S. Attorney for the Eastern District of Arkansas announced that on December 11 a federal jury for the Eastern District of Arkansas convicted Jimmy Dale Swink, Jr. (Swink Jr.), a principal of a broker-dealer registered with the Commission, of charges of perjury and conspiracy to make false statements to the Commission. A sentencing date is not yet set.

Jimmy Dale Swink, Sr. (Swink) (Swink Jr.'s father), who was charged in the same indictment, was granted a severance and postponement of the charges pending against him. Swink's trial is scheduled for March 22, 1993.

The Commission acknowledges the assistance of the National Association of Securities Dealers and the Federal Bureau of Investigation in this matter. [U.S. v. Jimmy D. Swink, Jr., No. LR-CR-92-158(2), USDC, E.D. Arkansas/Western Division] (LR-13476)

INVESTMENT COMPANY ACT RELEASES

CMA ASSET TRUST
MERRILL LYNCH READY ASSETS TRUST II
EXEMPT ASSETS PORTFOLIOS
ASSET MANAGEMENT PORTFOLIOS

Orders have been issued under Section 8(f) of the Investment Company Act declaring that CMA ASSET TRUST, MERRILL LYNCH READY ASSETS TRUST II, EXEMPT ASSETS PORTFOLIOS and ASSET MANAGEMENT PORTFOLIOS have ceased to be investment companies. (Rel. IC-19159, IC-19160, IC-19162 and IC-19163 - December 16)

BOSTON FINANCIAL TAX CREDIT FUND VII, A LIMITED PARTNERSHIP, ET AL.

A conditional order has been issued under Section 6(c) of the Investment Company Act exempting Boston Financial Tax Credit Fund VII, A Limited Partnership (Partnership), from all provisions of the Act. (Rel. IC-19161 - December 16)

HOLDING COMPANY ACT RELEASES

YANKEE ATOMIC ELECTRIC COMPANY

An order has been issued authorizing a proposal by Yankee Atomic Electric Company, a subsidiary company of New England Electric System and Northeast Utilities, both registered holding companies, in connection with its short-term borrowings through December 31, 1994 up to a maximum aggregate principal amount of \$3 million outstanding at any one time. (Rel. 35-25709)

NEW ENGLAND ELECTRIC SYSTEM

A supplemental order as been issued authorizing New England Electric System (NEES), a registered holding company, to extend until December 31, 1996 the time in which it may issue and sell up to an aggregate of 411,984 shares of its common stock to the NEES Goals Program Plan. (Rel. 35-25708)

NORTHEAST UTILITIES, ET AL.

An order has been issued authorizing a proposal by Northeast Utilities (Northeast), a registered holding company, and its subsidiaries (Subsidiaries), Holyoke Water Power Company (Holyoke), Western Massachusetts Electric Company (WMECO), Quinnehtuk Company (Quinnehtuk), Public Service Company of New Hampshire (PSNH), North Atlantic Energy Corporation (North Atlantic), The Connecticut Light & Power Company (CL&P), Northeast Nuclear Energy Company (Nuclear) and The Rocky River Realty Company (Rocky River), (collectively, Applicants). The Applicants propose through December 31, 1994 to make short-term borrowings from time to time evidenced in the case of Northeast, Holyoke, WMECO, PSNH, North Atlantic, CL&P, Nuclear, and Rocky River, by short-term notes and, in the case of Northeast, WMECO and CL&P, by commercial paper. Applicants also propose to continue through December 31, 1994 to use the Northeast Utilities System Money Pool (Money Pool), to assist in meeting the Subsidiaries' respective short-term borrowing needs. Finally, applicants propose through December 31, 1994 that Northeast make open account advances to PSNH, Nuclear, North Atlantic, Quinnehtuk and Rocky River and that PSNH receive authorization for the continued use of a revolving credit facility, which was entered into before PSNH became subject to Commission jurisdiction. Jurisdiction is reserved over PSNH and North Atlantic borrowings of Money Pool funds attributable to contributions thereto by WMECO. (Rel. 35-25710)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING PRIVILEGES GRANTED

Orders have been issued granting the applications of three exchanges for unlisted trading privileges in issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system. The exchanges and number of issues are as follows: Midwest Stock Exchange - 9 issues (Rel. 34-31603); Cincinnati Stock Exchange - 18 issues (Rel. 34-31604); and Philadelphia Stock Exchange - 16 issues (Rel. 34-31611).

UNLISTED TRADING PRIVILEGES SOUGHT

Notices have been issued giving interested persons until January 8, 1993 to comment on the applications of four exchanges for unlisted trading privileges in issues which are listed and registered on one or more other national securities exchange and are reported in the consolidated transaction reporting system. The exchanges and number of issues are as follows: Cincinnati Stock Exchange - 46 issues (Rel. 34-31605); Philadelphia Stock Exchange - 14 issues (Rel. 34-31606); Pacific Stock Exchange - 7 issues (Rel. 34-31607); and Midwest Stock Exchange - 8 issues (Rel. 34-31608).

SELF-REGULATORY ORGANIZATIONS

ACCELERATED APPROVAL OF PROPOSED RULE CHANGES

The Commission approved on an accelerated basis a proposed rule change filed by The Options Clearing Corporation (SR-OCC-92-30) that converts its current batch escrow receipt depository system to an on-line system. Publication of the proposal was expected in the Federal Register during the week of December 14. (Rel. 34-31595)

The Commission approved on an accelerated basis a proposed rule change filed by the Pacific Stock Exchange (SR-PSE-92-34) that extends the PSE's Options Trading Crowd Performance Evaluation pilot program until October 1, 1993. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31613)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change filed by the National Securities Clearing Corporation (SR-NSCC-92-08) that will enable NSCC to clear and settle index receipt products such as the American Stock Exchange's Portfolio Depository Receipts. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31601)

The Commission approved a proposed rule change filed by the American Stock Exchange (SR-Amex-92-34) to make permanent the pilot program amending Amex Rule 109 to provide that the procedures currently used to execute market-on-close (MOC) orders in certain stocks on expiration Fridays be made applicable to all MOC orders on every trading day. (Rel. 34-31610)

PROPOSED RULE CHANGES

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-91-73) that would amend Article VI, Section 3 of the NASD By-Laws to permit the NASD after fifteen days notice to suspend the membership or registration of a party that has failed to comply with a valid arbitration award, where the award is not the subject of a motion to vacate or modify the award or where such a motion has been denied. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31609)

The New York Stock Exchange filed a proposed rule change (SR-NYSE-92-13) in the form of an Information Memo which describes certain odd-lot trading practices which the NYSE believes are not consistent with traditional odd-lot investing practices. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31615)

The American Stock Exchange filed a proposed rule change (SR-Amex-92-27) to permit its Governors to serve three consecutive terms on the Amex Board of Governors under certain circumstances. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31616)

The Chicago Board Options Exchange filed a proposed rule change (SR-CBOE-92-30) to list and trade options on the CBOE Computer Software Index. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31617)

The Chicago Board Options Exchange filed a proposed rule change (SR-CBOE-92-29) to list and trade options on the CBOE Environmental Index. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31618)

TEMPORARY APPROVAL ON AN ACCELERATED BASIS OF PROPOSED RULE CHANGE

The Commission granted temporary approval on an accelerated basis through June 30, 1993, of a proposed rule change (SR-OCC-92-37) filed by The Options Clearing Corporation regarding the revised standards for letters of credit which Clearing Members deposit as margin with OCC. Publication of the proposal is expected in the Federal Register during the week of December 21. (Rel. 34-31614)

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-1 CHESAPEAKE ENERGY CORP, 6104 NORTH WESTERN, OKLAHOMA CITY, OK 73118 (405) 848-8000
- 2,645,000 (\$37,030,000) COMMON STOCK. UNDERWRITER: PRUDENTIAL SECURITIES INC.
(FILE 33-55600 - DEC. 11) (BR. 3 - NEW ISSUE)
- S-8 SOUTHERN NATIONAL CORP /NC/, 500 N CHESTNUT ST, LUMBERTON, NC 28358 (919) 671-2000
- 400,000 (\$6,724,000) COMMON STOCK. (FILE 33-55604 - DEC. 11) (BR. 1)
- S-8 SOLAR FINANCIAL SERVICES INC, 9501 NW 27TH AVENUE, C/O DAVID L PAVSNER, MIAMI, FL
33147 (305) 835-1160 - 300,000 (\$900,000) COMMON STOCK. (FILE 33-55606 - DEC. 11)
(BR. 12)
- S-3 LSB INDUSTRIES INC, 16 S PENNSYLVANIA, OKLAHOMA CITY, OK 73107 (405) 235-4546 -
1,851,227 (\$12,264,378) COMMON STOCK. (FILE 33-55608 - DEC. 11) (BR. 9)
- S-8 NEW IMAGE INDUSTRIES INC, 21218 VANOWEN ST, CANOGA PARK, CA 91303 (818) 702-0285 -
300,000 (\$4,950,000) COMMON STOCK. (FILE 33-55610 - DEC. 11) (BR. 10)
- S-8 NEW IMAGE INDUSTRIES INC, 21218 VANOWEN ST, CANOGA PARK, CA 91303 (818) 702-0285 -
125,000 (\$93,750) COMMON STOCK. (FILE 33-55612 - DEC. 11) (BR. 10)
- S-8 SHARPER IMAGE CORP, 650 DAVIS ST, SAN FRANCISCO, CA 94111 (415) 445-6000 - 500,000
(\$1,593,750) COMMON STOCK. (FILE 33-55614 - DEC. 11) (BR. 2)
- S-8 DATA RACE INC, 11550 IH 10 WEST STE 395, SAN ANTONIO, TX 78230 (512) 558-1900 -
1,402,241 (\$15,067,843) COMMON STOCK. (FILE 33-55616 - DEC. 11) (BR. 7)

REGISTRATIONS CONTINUED

- S-3 MNX INC, 5310 ST JOSEPH AVE, ST JOSEPH, MO 64505 (816) 233-3158 - 422,033 (\$3,112,493) COMMON STOCK. (FILE 33-55618 - DEC. 11) (BR. 4)
- S-3 CALGENE INC /DE/, 1920 FIFTH ST, DAVIS, CA 95616 (916) 753-6313 - 2,300,000 (\$37,662,500) COMMON STOCK. UNDERWRITER: MONTGOMERY SECURITIES, PAINWEBBER INC. (FILE 33-55620 - DEC. 14) (BR. 4)
- S-3 TENNECO INC /DE/, TENNECO BLDG, HOUSTON, TX 77002 (713) 757-2131 - 2,800,000 (\$102,200,000) COMMON STOCK. (FILE 33-55622 - DEC. 14) (BR. 4)
- S-8 TRACOR INC /DE/, 6500 TRACOR LANE, AUSTIN, TX 78725 (512) 926-2800 - 500,000 (\$1,000,000) COMMON STOCK. (FILE 33-55624 - DEC. 11) (BR. 13)
- S-8 GENZYME CORP, ONE KENDALL SQUARE, CAMBRIDGE, MA 02139 (617) 252-7500 - 99,385 (\$4,510,091) COMMON STOCK. (FILE 33-55656 - DEC. 11) (BR. 4)
- S-8 CML GROUP INC, 524 MAIN ST, ACTON, MA 01720 (508) 264-4155 - 60,000 (\$1,916,400) COMMON STOCK. (FILE 33-55660 - DEC. 11) (BR. 2)
- S-8 STRYKER CORP, 2725 FAIRFIELD RD, KALAMAZOO, MI 49003 (616) 385-2600 - 18,000 (\$679,500) COMMON STOCK. (FILE 33-55662 - DEC. 11) (BR. 8)
- S-3 RYLAND MORTGAGE SECURITIES CORP /VA/, 11000 BROKEN LAND PKWY, PO BOX 1141, COLUMBIA, MD 21044 (410) 715-7800 - 1,000,000,000 (\$1,000,000,000) MORTGAGE BONDS. (FILE 33-55670 - DEC. 11) (BR. 11)
- S-1 CDV HOLDING INC, ONE PARKVIEW PLAZA, C/O VAN KAMPEN MERRITT COMPANIES INC, OAKBROOK TERRACE, IL 60181 (708) 684-6000 - 150,000,000 (\$150,000,000) STRAIGHT BONDS. UNDERWRITER: BT SECURITIES CORP, MERRILL LYNCH & CO. (FILE 33-55676 - DEC. 11) (BR. 11 - NEW ISSUE)
- S-6 MERRILL LYNCH VARIABLE LIFE SEPARATE ACCOUNT, 800 SCUDDERS MILL RD, C/O MERRILL LYNCH LIFE INSURANCE CO, PLAINSBORO, NJ 08536 (206) 292-1000 - INDEFINITE SHARES. (FILE 33-55678 - DEC. 11) (BR. 20)
- S-1 GILEAD SCIENCES INC, 346 LAKESIDE DR, FOSTER CITY, CA 94404 (415) 574-3000 - 3,450,000 (\$55,200,000) COMMON STOCK. UNDERWRITER: HAMBRECHT & QUIST, ROBERTSON STEPHEN & CO. (FILE 33-55680 - DEC. 11) (BR. 4)
- S-4 COMERICA INC /NEW/, 211 W FORT ST, DETROIT, MI 48275 (313) 222-7932 - 1,041,000 (\$10,624,770) COMMON STOCK. (FILE 33-55682 - DEC. 11) (BR. 1)
- S-11 HEALTH & REHABILITATION PROPERTIES TRUST, 400 CENTRE ST, NEWTON, MA 02158 (617) 332-3990 - 8,050,000 (\$96,600,000) COMMON SHARES OF BENEFICIAL INTEREST. UNDERWRITER: DONALDSON LUFKIN & JENRETTE, MERRILL LYNCH & CO, SMITH BARNEY HARRIS UPHAM & CO. (FILE 33-55684 - DEC. 11) (BR. 6)
- S-11 OLD STONE CREDIT CORPORATION, 1801 ART MUSEUM DR, JACKSONVILLE, FL 32207 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-55686 - DEC. 11) (BR. 11)
- S-1 TELIOS PHARMACEUTICALS INC, 4757 NEXUS CENTRE DR, SAN DIEGO, CA 92121 (619) 622-2600 - 4,600,000 (\$35,075,000) COMMON STOCK. UNDERWRITER: HAMBRECHT & QUIST, PRUDENTIAL SECURITIES INC. (FILE 33-55688 - DEC. 11) (BR. 4)

REGISTRATIONS CONTINUED

- S-3 WARNER LAMBERT CO, 201 TABOR RD, MORRIS PLAINS, NJ 07950 (201) 540-2000 - 350,000,000 (\$350,000,000) STRAIGHT BONDS. (FILE 33-55692 - DEC. 11) (BR. 4)
- S-1 CATALYTICA INC, 430 FERGUSON DRIVE, MOUNTAIN VIEW, CA 94043 (415) 960-3000 - 3,450,000 (\$37,950,000) COMMON STOCK. 780,397 (\$10,000,007) PREFERRED STOCK. UNDERWRITER: BROWN ALEX & SONS INC, LEHMAN BROTHERS. (FILE 33-55696 - DEC. 11) (BR. 8 - NEW ISSUE)
- S-3 NEVADA POWER CO, 6226 W SAHARA AVE, LAS VEGAS, NV 89102 (702) 367-5000 - 2,000,000 (\$46,125,000) COMMON STOCK. (FILE 33-55698 - DEC. 14) (BR. 8)
- S-8 1ST NATIONAL FILM CORP, 500 N CAPITAL OF TEXAS HWY, BLDG 6 STE 200, AUSTIN, TX 78746 (512) 327-3456 - 42,220 (\$126,660) COMMON STOCK. (FILE 33-55702 - DEC. 07) (BR. 11)
- S-8 BROOKTROUT TECHNOLOGY INC, 144 GOULD ST, NEEDHAM, MA 02192 (617) 449-4100 - 50,000 (\$425,000) COMMON STOCK. (FILE 33-55708 - DEC. 14) (BR. 9)

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/ PPIOR%	FILING STATUS
ALASKA APOLLO GOLD MINES LTD COM			1,083	01190060	
ALASKA INVMNTS LTD	13D	12/ 4/92	33.5	42.8	UPDATE
ARTAGRAPH REPRODUCTION TECHN COM			1,945	04290410	
HERZIG REALTY CO ET AL	13D	9/15/92	12.6	0.0	NEW
AURORA ENVIRONMENTAL	COM		414	05163410	
BLUMENFELD MICHAEL J	13D	12/14/92	8.4	0.0	NEW

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
BRL ENTERPRISES INC INDUSTRIAL GROWTH FUND	COM 13D	12/ 7/92	0 0.0	05592510 N/A	UPDATE
CCAIR INC BASIL PROPERTIES	COM 13D	10/29/92	438 6.7	12486810 0.0	NEW
CCAIR INC EVRIKA SHIPPING ET AL	COM 13D	10/29/92	194 3.0	12486810 9.7	UPDATE
CORPORATE MGMT GROUP INC A.N. INVESTMENTS LTD ET AL	COM 13D	8/25/92	2,502 60.8	22002210 66.8	UPDATE
CORPORATE MGMT GROUP INC A.N. INVESTMENTS LTD ET AL	COM 13D	8/25/92	2,502 60.8	22002210 66.8	RVS10M
CORPORATE MGMT GROUP INC A.N. INVESTMENTS LTD ET AL	COM 13D	8/25/92	2,502 60.8	22002210 66.8	RVS10M
CORPORATE MGMT GROUP INC NEW WORLD TR CORP TRUSTEE	COM 13D	8/25/92	2,002 48.7	22002210 0.0	NEW
EMULEX CORP ADVENT VI LP ET AL	COM 13D	12/15/92	1,175 11.0	29247510 11.9	UPDATE
1ST BANCORP IND DIERBURG FOUR LP	COM 13D	12/ 7/92	25 4.9	31899310 0.0	NEW
1ST BANCORP IND FIRST BANKS INC	COM 13D	12/ 7/92	16 3.1	31899310 0.0	NEW
FISHER BUSINESS SYS INC FISHER LARRY	COM 13D	12/ 3/92	1,023 49.5	33775310 39.3	UPDATE
HEALTH MGMT SYS INC KERZ PAUL J	COM 13D	12/16/92	407 7.4	42499210 0.0	NEW
HEALTH MGMT SYS INC SIMON LAURENCE B	COM 13D	12/16/92	315 5.8	42499210 0.0	NEW
ICC TECHNOLOGIES INC RIT CAP PARTNERS PLC	COM 13D	12/ 9/92	715 11.6	44923820 13.2	UPDATE
MAGELLAN TECH INC BLODGETT JACK L ET AL	COM 13D	12/ 7/92	12,414 25.2	55909210 28.8	UPDATE
MEXICAN MARITIME TRANSP GRUPO SERVIA S A DE C V	COM 13D	11/27/92	21,501 50.4	59280099 51.8	UPDATE
MONTCLAIR BANCORP ASSET VALUE FUND L P	COM 13D	12/15/92	200 8.4	61219010 9.7	UPDATE