

sec news digest

Issue 94-75

April 21, 1994

ENFORCEMENT PROCEEDINGS

ORDER INSTITUTING PROCEEDINGS AGAINST DANIEL DIAZ

The Commission instituted public administrative proceedings pursuant to Sections 15(b) and 19(h) of the Securities Exchange Act of 1934 (Exchange Act) against Daniel O. Diaz (Diaz) of Springfield, Virginia to determine what remedial sanctions, if any, should be imposed against him. Diaz was the financial principal of American Wallstreet Securities, Inc., a registered broker-dealer which ceased operations in October 1990.

The Order Instituting Public Administrative Proceedings alleges that on March 24, 1993, a final judgment of permanent injunction was entered against Diaz in connection with a civil action filed by the Commission in September 1991 alleging that Diaz aided and abetted violations of Sections 15(c) and 17(a) of the Exchange Act and Rules 15c3-1, 17a-3, 17a-5 and 17a-11, thereunder (SEC v. Eric J. Walloga, et al., USDC, M.D. Fla., Civil Action No. 91-1297-CIV-T-21A). A hearing will be scheduled to determine what remedial sanctions, if any, should be imposed against Diaz. (Rel. 34-33905)

ADMINISTRATIVE PROCEEDINGS INSTITUTED, FINDINGS MADE AND SANCTIONS IMPOSED AGAINST KEVIN WARD

The Commission instituted public administrative proceedings, made findings and imposed remedial sanctions against Kevin D. Ward (Ward) of Tampa, Florida. Ward was formerly a financial principal and partial owner of American Wallstreet Securities, Inc. (American Wallstreet), a registered broker-dealer which ceased operations in October 1990. Ward submitted, and the Commission accepted, an Offer of Settlement whereby he consented to the entry of an Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions (Order). The Order contained findings that on February 16, 1993 a Final Judgment of Permanent Injunction and Other Relief was entered against Ward enjoining him from further violating or aiding and abetting violations of the registration, antifraud, broker-dealer net capital and books and records provisions.

The Commission's complaint alleged that in connection with the offering of an issuer's securities Ward failed to disclose American Wallstreet's dominance and control of the market for such securities, the use of a nominee account to hold and trade such securities, as well as the charging by American Wallstreet of excessive mark-ups with respect to such securities. Ward also violated the registration provisions. The Order permanently bars Ward from association with any broker, dealer, municipal securities dealer, investment company or investment adviser. (Rel. 34-33906)

COMPLAINT FILED AGAINST DONALD AND DONNA WUBS

The Commission announced that on October 4 it filed a complaint in the U.S. District Court for the Northern District of Illinois against Donald Peter Wubs and Donna L. Wubs (collectively, the Wubses) seeking to enjoin them permanently from further violations of Sections 5(a) and (c) and 17(a) of the Securities Act of 1933 (Securities Act) and Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 thereunder.

The Commission's complaint alleges that the Wubses offered and sold unregistered investment interests in the "BABIC savings club". BABIC is an acronym for "Born Again Believers In Christ." The complaint also alleges that the Wubses obtained more than \$16 million from 680 investors in 30 states. In addition the complaint alleges that, in connection with the offer and sale, the Wubses made material misrepresentations regarding the use of invested proceeds, their financial condition and the risks involved.

The Commission's complaint also seeks disgorgement of ill-gotten gains and civil penalties. [U.S. v. Donald P. Wubs, No. 94 CR 238, ND Ill.] (LR-14056)

THOMAS FEHN, SECURITIES LAWYER, LIABLE FOR FRAUD

The Commission announced that, after a trial on March 21, 1994, the United States District Court for the Southern District of Nevada issued a Final Judgment of Permanent Injunction against Thomas Fehn (Fehn) on April 1, 1994, which made findings that Fehn aided and abetted violations of the antifraud and reporting provisions of the federal securities laws and permanently enjoined Fehn from further violations of those provisions.

The Court found that Fehn, an experienced securities lawyer, had actual knowledge of a massive fraud perpetrated by CTI Technical, Inc. and Edwin "Bud" Wheeler. The Court also found that Fehn, despite this knowledge, substantially assisted CTI in the preparation of three quarterly reports which helped in perpetuating that fraud. The Court also held that Fehn's defenses to Plaintiff's action had no basis in fact or law and that "[t]his Court considers Fehn's actions in this case

to be a most serious transgression for a practitioner in the securities field because it lends the imprimatur of legality to corporate misfeasance which strikes at the heart of the regulatory system -- open disclosure." [SEC v. H. Thomas Fehn, et al., CV-8-92-946-HDM, RLH, USDC, SD Nevada] (LR-14057)

INVESTMENT COMPANY ACT RELEASES

CALIFORNIA TAX-FREE MONEY TRUST
AIM HIGH YIELD SECURITIES, INC.
AIM CONVERTIBLE SECURITIES, INC.
MONEY MARKET TRUST
TREASURY MONEY TRUST
GOVERNMENT MONEY TRUST
FIRST CASH FUNDS OF AMERICA
FIRST FUNDS OF AMERICA

Orders have been issued under Section 8(f) of the Investment Company Act declaring that the above-named companies have ceased to be investment companies. (Rel. IC-20226, IC-20227, IC-20228 - April 19; and IC-20229, IC-20230, IC-20231, IC-20232 IC-20233 - April 20, respectively)

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA, ET AL.

An amended order has been issued pursuant to Section 6(c) of the Investment Company Act exempting Allianz Life Insurance Company of North America (Company), Allianz Life Variable Account B (Variable Account), and NALAC Financial Plans, Inc. from Sections 26(a)(2) and 27(c)(2) of the Act. The exemptions apply to the extent necessary to permit the deduction of a mortality and expense risk charge under certain variable annuity contracts from the assets of the Variable Account, or any other separate account established by the Company in the future to support materially similar variable annuity contracts. (Rel. IC-20234 - April 20)

METROPOLITAN LIFE INSURANCE COMPANY, ET AL.

An order has been issued to Metropolitan Life Insurance Company, Metropolitan Tower Life Insurance Company (Life Insurance Companies), Metropolitan Life Separate Account E, Metropolitan Life Separate Account UL, and Metropolitan Tower Separate Account Two (Separate Accounts) in connection with the substitution of certain securities held by the Separate Accounts to fund variable annuity contracts and variable life insurance contracts issued by the Life Insurance Companies. The order grants approval of the substitution under Section 26(b) of the Investment Company Act and, pursuant to Sections 6(c) and 17(b) of the Act, exempts the Applicants in connection with the substitution from Sections 17(a)(1) and 17(a)(2) of the Act. (Rel. IC-20235 - April 20)

EMERGING MARKETS GROWTH FUND, INC., ET AL.

A notice has been issued giving interested persons until May 16 to request a hearing on an application filed by the Emerging Markets Growth Fund, Inc., et al. for an order under Sections 6(c) and 17(b) of the Investment Company Act exempting applicants from Section 17(a), and under Section 17(d) of the Act and Rule 17d-1 thereunder permitting certain transactions. The order would permit the Emerging Markets Growth Fund, Inc. to invest a small portion of its assets in an affiliated closed-end Luxembourg investment company that invests in equity securities of developing countries in Eastern Europe and the former Soviet republics. (Rel. IC-20236; International Series Rel. 658 - April 20)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

The Participants Trust Company filed a proposed rule change (SR-PTC-94-01) relating to the designation by PTC of certain securities guaranteed by the Government National Mortgage Association as eligible securities. Publication of the proposal is expected in the Federal Register during the week of April 25. (Rel. 34-33927)

The Pacific Stock Exchange filed a proposed rule change (SR-PSE-94-8) to increase its Listing fees imposed on listed companies. Publication of the proposal is expected in the Federal Register during the week of April 25. (Rel. 34-33928)

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 OHIO POWER CO, 301 CLEVELAND AVE S W, COLUMBUS, OH 44702 (614) 223-1000
- 700,000 (\$70,000,000) PREFERRED STOCK. (FILE 33-53133 - APR. 14)
(BR. 8)

N-1A PUTNAM DIVERSIFIED EQUITY TRUST, ONE POST OFFICE SQUARE, BOSTON, MA
02129 (617) 292-1562 - INDEFINITE SHARES. (FILE 33-53133 - APR. 14)

REGISTRATIONS CONT.

- S-3 BOATMENS BANCSHARES INC /MO, 800 MARKET ST, 1 BOATHMENS PLZ, ST LOUIS, MO 63101 (314) 466-6000 (FILE 33-53137 - APR. 14) (BR. 2)
- S-6 FIRST TRUST COMBINED SERIES 217, C/O NIKE SECURITIES L P, 1001 WARRENVILLE ROAD, LISLE, IL 60532 (708) 241-4141 - INDEFINITE SHARES. (FILE 33-53139 - APR. 14) (BR. 22 - NEW ISSUE)
- S-6 FIRST TRUST COMBINED SERIES 218, C/O NIKE SECURITIES L P, 1001 WARRENVILLE ROAD, LISLE, IL 60532 (708) 241-4141 - INDEFINITE SHARES. (FILE 33-53141 - APR. 14) (BR. 22 - NEW ISSUE)
- S-6 FIRST TRUST COMBINED SERIES 219, C/O NIKE SECURITIES L P, 1001 WARRENVILLE ROAD, LISLE, IL 60532 (708) 241-4141 - INDEFINITE SHARES. (FILE 33-53143 - APR. 14) (BR. 22 - NEW ISSUE)
- S-6 FIRST TRUST COMBINED SERIES 220, C/O NIKE SECURITIES L P, 1001 WARRENVILLE ROAD, LISLE, IL 60532 (708) 241-4141 - INDEFINITE SHARES. (FILE 33-53145 - APR. 14) (BR. 22 - NEW ISSUE)
- S-3 FRANKLIN RESOURCES INC, 777 MARINERS ISLAND BLVD, SAN MATEO, CA 94404 (415) 570-3000 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE 33-53147 - APR. 14) (BR. 11)
- S-4 FIFTH THIRD BANCORP, 38 FOUNTAIN SQ PLZ, CINCINNATI, OH 45263 (513) 579-5300 - 3,150,000 (\$149,625,000) COMMON STOCK. (FILE 33-53149 - APR. 15) (BR. 1)
- S-3 SCIENCE APPLICATIONS INTERNATIONAL CORP, 10260 CAMPUS POINT DR, LEGAL DEPT, SAN DIEGO, CA 92121 (619) 546-6000 - 6,347,788 (\$31,651.61) COMMON STOCK. (FILE 33-53177 - APR. 14) (BR. 9)
- SB-2 UNITECH INDUSTRIES INC, 15035 N 75TH ST, SCOTTSDALE, AZ 85260 (602) 991-7626 - 5,555,312 (\$33,721,872) COMMON STOCK. (FILE 33-77604 - APR. 12) (BR. 7 - NEW ISSUE)
- S-1 FRESH AMERICA CORP, 12450 CUTTEN RD, HOUSTON, TX 77066 (713) 444-8596 - 1,805,500 (\$23,471,500) COMMON STOCK. UNDERWRITER: BRADFORD JC & CO, PRINCIPAL FINANCIAL SECURITIES INC, SANDERS MORRIS MUNDY INC. (FILE 33-77620 - APR. 12) (BR. 7 - NEW ISSUE)
- S-1 TAVF ADVISERS INC, 767 THIRD AVE, NEW YORK, NY 10017 (212) 888-5222 - 600,000 COMMON STOCK. (FILE 33-77622 - APR. 12) (BR. 12 - NEW ISSUE)
- S-11 CHARTER OAK REALTY TRUST INC, 8000 TOMERS CRESCENT DR, STE 950, VIENNA, VA 22182 (703) 905-4400 - 9,200,000 (\$197,800,000) COMMON STOCK. UNDERWRITER: BEAR STEARNS & CO INC. (FILE 33-77626 - APR. 12) (BR. 6 - NEW ISSUE)
- N-1A THIRD AVENUE VALUE FUND II INC, 767 THIRD AVE, NEW YORK, NY 10017 (212) 888-6685 - INDEFINITE SHARES. (FILE 33-77654 - APR. 12) (BR. 16 - NEW ISSUE)
- S-4 PACIFIC UNITED GROUP INC, 21031 VENTURA BLVD, WOODLAND HILLS, CA 91364 (818) 992-8999 - 1,417,765 (\$21,266,475) COMMON STOCK. (FILE 33-77668 - APR. 12) (BR. 11 - NEW ISSUE)

ACQUISITIONS 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
BABBAGES INC GHS MGMT INC ET AL	COM 13D	4/ 7/94	503 9.4	05608810 7.6	UPDATE
C M L FINL CORP MILLER FRANCES ET AL	COM 13D	11/11/93	1,013 56.8	12612910 68.7	UPDATE
DIODES INC SILITEK CORP	COM 13D	4/10/94	2,088 46.2	25454310 44.2	UPDATE
FIRST PAC NETWORKS INC ENTERGY ENT INC	COM 13D	3/25/94	1,715 8.7	33593310 0.0	NEW
HANOVER DIRECT INC KRUTTSCHMITT THEODORE III ETAL	COM 13D	3/30/94	5,383 6.5	41078310 3.3	UPDATE
ICJ MED INC MEJIA JESUS	COM 13D	12/29/93	1,596 21.5	45499410 0.0	NEW
ISRAEL TECH ACQUISITIO CORP WOODLAND PARTNERS ET AL	COM 13D	4/12/94	233 9.3	46514010 0.0	NEW
JAKES PIZZA INTL INC BANKS SAMUEL V P	COM 13D	7/ 1/93	186 16.4	47012110 0.0	NEW
NSA INTL INC NATIONAL SAFETY ASSOC	COM 13D	4/ 1/94	457 100.0	63899910 100.0	UPDATE
NORTHWEST ILL BANCORP INC FIRSTROCK BANCORP INC	COM 13D	4/10/94	884 33.4	66751210 0.0	NEW

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
ORYX ENERGY CO GLENNMEDE TRUST CO	COM 13D	3/31/94	7,965 8.2	68799010 10.0	UPDATE
PEOPLES SVGS FINL CORP NALIS JEFFREY S	COM 13D	4/ 7/94	19 4.1	71230210 6.8	UPDATE
PERSPECTIVE TECH II CORP STEYER THOMAS F ET AL	UT 1C + 1W 13D	1995 4/13/94	201 7.6	71527520 5.7	UPDATE
SCRIPT SYS INC O'DONNELL DAVIS MGMT	COM NEW 13D	3/31/94	1,003 44.7	81106730 55.9	UPDATE
TPEX EXPL INC KNIGHT VERNE C ET AL	COM NEW 13D	4/18/94	63 14.3	87261920 0.0	NEW
UNITED FINL CRP STH CAROLINA AMERICAN FEDERAL BANK FSB	COM 13D	4/12/94	575 18.9	91031510 0.0	NEW
VERDIX CORP MARTIN MARIETTA CORP	COM 13D	3/30/94	2,088 13.9	92339510 0.0	NEW
WLR FOODS INC TYSONS FOODS INC	COM 14D-1	4/19/94	600 5.5	92928610 5.5	UPDATE

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		
ALLEGHENY LUDLUM CORP	PA					X	X			04/08/94	
ALLEGHENY LUDLUM CORP	PA					X	X			04/08/94	AMEND
ALLIED PRODUCTS CORP /DE/	DE					X	X			04/08/94	
AMES DEPARTMENT STORES INC	DE					X				04/08/94	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
EQUICON MORTGAGE LOAN TRUST 1994-1				X					X	03/26/94	
FIRST CHICAGO CORP	DE					X				04/08/94	
NOOK SUPERX INC	DE			X		X				04/01/94	
HUNTINGTON RES MOR SEC INC HUNTING RES M				X					X	03/23/94	
JONES INTERCABLE INC	CO					X				03/30/94	
KENSINGTON CO INC	MN	X	X			X	X			04/01/94	
KIDDER PEABODY ACCE CORP I COMM MOR PA T						X	X			11/01/93	
KIDDER PEABODY ACCE CORP I COMM MOR PA T						X	X			12/01/93	
KIDDER PEABODY ACCE CORP I COMM MOR PA T						X	X			01/01/94	
KIDDER PEABODY ACCE CORP I COMM MOR PA T						X	X			02/01/94	
KIDDER PEABODY ACCE CORP I COMM MOR PA T						X	X			03/01/94	
KIDDER PEABODY ACCE CORP I COMM MOR PA T						X	X			04/01/94	
LADD FURNITURE INC	NC	X								01/31/94	AMEND
LDI CORP	DE	X								04/06/94	
LEXICON CORP	DE					X	X			03/16/94	
LIFE MEDICAL TECHNOLOGIES INC/CO/	CO	X	X			X	X			03/01/94	
PRO FAC COOPERATIVE INC	NY					X				03/25/94	
PRUDENTIAL SEC FIN ASSET FUNDING CORP PA						X	X			01/26/94	
PRUDENTIAL SEC FIN ASSET FUNDING CORP PA						X	X			02/26/94	
PRUDENTIAL SEC FIN ASSET FUNDING CORP PA						X	X			03/26/94	
RESIDENTIAL FUNDING MORTGAGE SECURITIES	DE					X	X			03/28/94	
SAXON MORTGAGE SECURITIES CORP SERIES 19						X	X			03/25/94	
TELE COMMUNICATIONS INC	DE					X	X			04/06/94	
TELEPHONE & DATA SYSTEMS INC	IA					X	X			03/30/94	
UNITED STATES CELLULAR CORP	DE					X	X			03/30/94	
WASHINGTON ENERGY CO	WA					X				04/08/94	
WASHINGTON NATURAL GAS CO (PRED)	WA					X				04/08/94	