

sec news digest

Issue 93-184

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COMMISSION ANNOUNCEMENTS

U.S. SECURITIES
EXCHANGE COMMISSION

SEC APPOINTS TWO IN DIVISION OF MARKET REGULATION

Chairman Levitt today announced that he has appointed Robert L.D. Colby as Deputy Director of the Division of Market Regulation (Division) and Catherine McGuire as Associate Director-Chief Counsel of the Division. The Division is responsible for administering the Commission's programs for the monitoring of securities markets and securities professionals. These duties include oversight of broker-dealers, the nation's stock and options exchanges, the National Association of Securities Dealers, Inc., the Municipal Securities Rulemaking Board, transfer agents and clearing agencies, as well as trading practices in connection with the issuance of securities. The Division also is responsible for implementation of the Commission's national market system program and coordination with the Commodity Futures Trading Commission regarding relationships between futures and securities. (Press Rel. 93-39)

ADMINISTRATIVE PROCEEDINGS

ROBERT HARAMIA SANCTIONED

The Commission has issued an Order Instituting Public Proceedings (Order) pursuant to the Securities Exchange Act of 1934 against Robert D. Haramia, a former registered representative associated with American Capital Corporation. Simultaneously, the Commission accepted Haramia's Offer of Settlement, whereby Haramia consented to the Order, without admitting or denying the findings contained therein.

On the basis of the Order and the Offer of Settlement, the Commission found that Haramia obtained \$24,000 from a brokerage customer by misrepresenting that he would use it to purchase securities. Instead, Haramia used those funds for personal use.

Based upon the above findings and the Offer of Settlement, Haramia was barred from association with any broker, dealer, municipal securities dealer, investment adviser or investment company. (Rel. 34-32911)

BROKER-DEALER REGISTRATION OF OSBORNE, STERN & COMPANY REVOKED

On September 16, 1993, the Commission instituted a public administrative proceedings pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act) against Osborne, Stern & Co. (OSC) in connection with its fraudulent and unregistered distribution of Consolidated Energy Systems, Inc. common stock (CES).

OSC, without admitting or denying the Commission's findings, has consented to the issuance of an Order by the Commission which finds that OSC was enjoined from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 and Sections 10(b) and 15(c)(1) of the Exchange Act and Rules 10b-5, 15c1-2 and 15c1-8 thereunder. The Commission's complaint filed in the action described above alleges, among other things, that OSC engaged in an unregistered distribution of CES common stock, controlled and dominated the market for CES common stock without disclosing such information to OSC's customers and charged its clients in transactions involving CES common stock undisclosed excessive mark-ups totalling \$171,465. The Order revokes OSC's registration as a broker-dealer. (Rel. 34-32913)

CIVIL PROCEEDINGS

COMPLAINT NAMES STANLEY SIEGEL AND SEVERO GERON

On September 14, 1993, the Commission filed a complaint in the U.S. District Court for the District of New Jersey against Stanley Siegel (Siegel), former chief financial officer and director of EPI International, Inc. (EPI) and Severo Geron (Geron), former controller and director of EPI, alleging violations and aiding and abetting violations of the antifraud, reporting and record-keeping provisions of the federal securities laws. The complaint seeks permanent injunctive relief from both defendants and a bar against Siegel from serving as an officer or director of any public company.

The complaint alleges that during its fiscal years ended June 1989 and 1990, EPI was in poor financial condition. In order to obtain additional funds under a line of credit, Siegel, aided and abetted by Geron, caused EPI to improperly recognize revenue, and overstate assets and income. Moreover, Siegel made loans to EPI to conceal its poor financial condition. Finally, Siegel, aided and abetted by Geron, caused EPI to materially misstate financial statements contained in certain annual and quarterly reports filed with the Commission in 1989 and 1990.

Siegel consented, without admitting or denying the Commission's allegations, to a permanent injunction enjoining him from violations of the charged provisions and barring him from serving as an officer or director of any public company. [SEC v. Stanley Siegel and Severo Geron, D.N.J., Civil Action No. 93-4050] (LR-13797)

FORMER FINANCIAL NEWS NETWORK CONTROLLER ENJOINED

On August 30, 1993, the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction against defendant Mitchel H. Young, former controller of Financial News Network Inc. (FNN). The Final Judgment enjoins Young from future violations of Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 and Commission Rules 10b-5, 13b2-1 and 13b2-2 thereunder. Young consented to the entry of the Final Judgment without admitting or denying the allegations in the Commission's complaint.

The Commission's complaint, filed in June 1993 (LR-13684), alleges that Young participated in a scheme to fraudulently inflate FNN's reported revenues and earnings for fiscal 1989 and the first three quarters of fiscal 1990, and attempted to cover up the fraud during FNN's fiscal 1990 audit. The complaint alleges that Young and another defendant knowingly falsified FNN's books and records, and that all of the defendants made false statements and supplied false documents to FNN's independent auditors. [SEC v. Bolen, et al., Civ. Act. No. 93-1331, D.D.C.] (LR-13798)

INVESTMENT COMPANY ACT RELEASES

NEW ENGLAND MUTUAL LIFE INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until October 18, 1993 to request a hearing on an application filed by New England Mutual Life Insurance Company, New England Variable Life Insurance Company, New England Variable Life Separate Account (Variable Account) and New England Securities Corporation requesting an order of the Commission pursuant to Section 6(c) of the Investment Company Act. The order would grant exemptions from Sections 2(a)(32), 2(a)(35), 22(c), 26(a)(1), 26(a)(2), 27(a)(1), 27(a)(3), 27(c)(1), 27(c)(2), 27(d) and 27(e) of the 1940 Act and Rules 6e-2(b)(1), (b)(12), (b)(13)(i), (b)(13)(ii), (b)(13)(iii), (b)(13)(iv), (b)(13)(v), (b)(13)(vii), (c)(1) and (c)(4) and 22c-1 and 27e-1 thereunder. The order is sought in connection with the issuance and sale of certain limited payment variable life insurance policies (Policies) to provide for: (i) a death benefit that will not always vary based on investment experience; (ii) both a sales charge deducted from premium payments and a contingent deferred sales charge; (iii) a contingent deferred administrative charge; (iv) deduction from the policy's account value for cost of insurance charges, charges for substandard mortality risks, automatic issue and incidental insurance benefits, and a minimum death benefit guarantee charge; (v) values and charges based on the 1980 Commissioners' Standard Ordinary Mortality Tables (1980 CSO Tables); (vi) the holding of mutual fund shares funding the Variable Account without the use of a trustee, under an open account arrangement and without a trust indenture; and (vii) a waiver of notice of refund and withdrawal rights. (Rel. IC-19728 - September 21)

AMERICAN CAPITAL COMSTOCK FUND, INC., ET AL.

An order has been issued under Section 45(a) of the Investment Company Act declaring that public disclosure of certain cost savings information submitted in support of another application filed by American Capital Comstock Fund, et al. is neither necessary nor appropriate in the public interest or for the protection of investors. The other application would permit the American Capital Small Capitalization Fund, Inc., an open-end investment company advised by American Capital Asset Management, Inc. (American Capital), to serve as an investment vehicle through which other open-end investment companies advised by American Capital could invest a portion of their assets in a portfolio of small capitalization stocks. (Rel. IC-19729 - September 21)

AMERICAN CAPITAL COMSTOCK FUND, INC., ET AL.

An order has been issued under Sections 6(c) and 17(b) of the Investment Company Act exempting American Capital Comstock Fund, et al. from Sections 12(d)(1), 17(a)(1), and 17(a)(2), and under Section 17(d) and Rule 17d-1 thereunder permitting certain transactions. The order permits the American Capital Small Capitalization Fund, Inc.,

an open-end investment company advised by American Capital Asset Management Inc. (American Capital), to serve exclusively as an investment vehicle through which other open-end investment companies advised by American Capital could invest portions of their assets in a portfolio of small capitalization stocks. (Rel. IC-19730 - September 21)

UNIFIED FUNDS
LIQUID GREEN TRUST
LIQUID GREEN GOVERNMENT TRUST
LIQUID GREEN TAX-FREE TRUST
COLONIAL ADVANCED STRATEGIES GOLD TRUST

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. (Rels. IC-19723, IC-19724; IC-19725; IC-19726 and IC-19727, respectively - September 21)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING PRIVILEGES

Orders have been issued granting 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 - 22 issues (Rel. 34-32925) and 28 issues (Rel. 34-32927); Chicago Stock Exchange - 9 issues (Rel. 34-32926); and Philadelphia Stock Exchange - 4 issues (Rel. 34-32928).

SELF-REGULATORY ORGANIZATIONS

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission is soliciting public comment concerning a rule proposal (SR-CBOE-93-26) submitted by the Chicago Board Options Exchange and approved by the Commission on an accelerated basis pursuant to Rule 19(b)(2) of the Act relating to a CBOE proposal to modify the trading hours for options on the CBOE BioTech Index. Publication of the proposal is expected in the Federal Register during the week of September 27. (Rel. 34-32937)

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change (SR-CBOE-93-23) filed by the Chicago Board Options Exchange relating to fees imposed for delayed submission of trade data. Publication of the proposal is expected in the Federal Register during the week of September 27. (Rel. 34-32929)

PROPOSED RULE CHANGES

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-93-41) to amend Section 65(f)(1) of the Uniform Practice Code to clarify the time frame within which members are required to initiate the resolution of fails resulting from account transfers. Publication of the proposal is expected in the Federal Register during the week of September 27. (Rel. 34-32941)

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-93-48) that amends NASD By-Laws and Rules of Fair Practice to make all rule approval and amendment procedures under the NASD's By-Laws uniform and to convert Appendices into Rules of Fair Practice. If approved, the proposal will remove the member vote requirement for adoption of or amendments to the Rules of Fair Practice and other rules. Publication of the proposal is expected in the Federal Register during the week of September 27. (Rel. 34-32942)

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-6 EQUITY INCOME FD SEL TEN POR AUT 1993 INTL SER DEF ASSET FDS,
C/O DAVIS POLK & WARDWELL, 450 LEXINGTON AVENUE, NEW YORK, NY 10017
(212) 450-4540 - UNIT INVESTMENT TRUST. (FILE 33-50287 - SEP. 16) (BR. 22
- NEW ISSUE)
- S-3 ARKANSAS POWER & LIGHT CO, PO BOX 551, 40TH FLOOR, LITTLE ROCK, AR 72203
(501) 377-4000 (FILE 33-50289 - SEP. 16) (BR. 8)
- S-3 MAVISTAR FINANCIAL RETAIL RECEIVABLES CORPORATION, 2850 WEST GOLF ROAD,
ROLLING MEADOWS, IL 60008 (708) 734-4000 - 1,000,000,000 (\$1,000,000,000)
STRAIGHT BONDS. (FILE 33-50291 - SEP. 16) (BR. 12)
- S-3 SOUTHWESTERN ELECTRIC POWER CO, 428 TRAVIS ST, SHREVEPORT, LA 71156
(318) 222-2141 - 35,000,000 (\$35,000,000) MORTGAGE BONDS. (FILE 33-50293 -
SEP. 16) (BR. 13)
- S-3 FORD MOTOR CREDIT CO, THE AMERICAN RD, PO BOX 6044, DEARBORN, MI 48121
(313) 322-3000 - 4,000,000,000 (\$4,000,000,000) STRAIGHT BONDS. (FILE
33-50295 - SEP. 16) (BR. 12)
- S-3 KMART CORP, 3100 W BIG BEAVER RD, TROY, MI 48064 (313) 643-1000 -
132,700,000 (\$132,700,000) STRAIGHT BONDS. (FILE 33-50297 - SEP. 16)
(BR. 2)
- S8-2 FORTUNE PETROLEUM CORP, 30101 AGOURA COURT, STE 110, AGOURA HILLS, CA
91301 (818) 991-0526 - 3,465,000 (\$20,412,000) COMMON STOCK. UNDERWRITER:
DICKINSON & CO, MEYERS H J & CO INC. (FILE 33-68682 - SEP. 13) (BR. 3)

REGISTRATIONS CONTINUED

- S-1 PACIFIC CREST CAPITAL INC, 30343 CANWOOD ST, AGOURA HILLS, CA 91301
(818) 865-3300 - 600,000 (\$15,000,000) PREFERRED STOCK. (FILE 33-68718 - SEP. 14) (BR. 2 - NEW ISSUE)
- SB-2 POSITRON CORP, 16350 PARK TEN PL, HOUSTON, TX 77084 (713) 492-7100 - 2,300,000 (\$20,700,000) COMMON STOCK. 2,500,000 WARRANTS, OPTIONS OR RIGHTS. 2,700,000 (\$29,160,000) COMMON STOCK. UNDERWRITER: JOSEPH THAL LYON & ROSS INC. (FILE 33-68722 - SEP. 14) (BR. 8 - NEW ISSUE)
- S-11 CORPORATE PROPERTY ASSOCIATES 12 INC, 620 FIFTH AVE, NEW YORK, NY 10020 - 20,000,000 (\$200,000,000) COMMON STOCK. UNDERWRITER: CAREY FINANCIAL CORP. (FILE 33-68728 - SEP. 14) (BR. 6 - NEW ISSUE)
- S-1 CHARTWELL RE CORP, 300 ATLANTIC ST, STAMFORD, CT 06901 (203) 961-7300 - 2,530,000 (\$65,780,000) COMMON STOCK. UNDERWRITER: OPPENHEIMER & CO INC, SALOMON BROTHERS INC, WARBURG S G & CO INC. (FILE 33-68738 - SEP. 14) (BR. 9 - NEW ISSUE)
- S-11 DEBARTOLO REALTY CORP, 7620 MARKET ST, YOUNGSTOWN, OH 44513 (216) 758-7292 - 36,340,000 (\$690,460,000) COMMON STOCK. UNDERWRITER: MORGAN STANLEY & CO, SMITH BARNEY SHEARSON INC. (FILE 33-68802 - SEP. 15) (BR. 6 - NEW ISSUE)

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
AIR & MTR TECHNOLOGIES CORP COMPAGNIE GENERALE DES EAUX	CL A 13D	9/20/93	5,703 23.0	00905810 20.4	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ % OWNED	CUSIP/ PRIOR%	FILING STATUS
CALLAMAY GOLF CO FIDELITY INTL LTD	COM 13D	9/15/93	651 4.0	13119310 4.8	UPDATE
CALLAMAY GOLF CO FMR CORP	COM 13D	9/15/93	651 4.0	13119310 4.8	UPDATE
CELLULAR COMMUNICTNS INC NEW RED PACTEL CORP	COM SER A 13D	9/16/93	2,812 42.6	15091710 41.9	UPDATE
CHAMPION PARTS INC RAYMOND G PERELMAN HLDG ET AL	COM 13D	9/20/93	269 7.4	15860910 0.0	NEW
CIRO INC GOLD ABRAHAM ET AL	COM 13D	9/ 1/93	4,195 82.9	17275210 87.8	UPDATE
CRAIG CORP WHITAKER DON C	COM CL A 13D	9/ 9/93	118 7.2	22417420 5.6	UPDATE
GRANT TENSOR GEOPHYS CORP TWEEDY BROWNE CO L P ET AL	PFD CV EXCH 13D	9/ 9/93	315 14.6	38821820 16.1	UPDATE
NOSTALGIA NETWORK INC CROMM COMMUNICATIONS CRP ET AL	COM NEW 13D	9/16/93	7,429 50.8	66975230 50.8	UPDATE
P & F INDS INC STEEL PARTNERS II L P	CL A NEW 13D	9/17/93	335 14.8	69283050 0.0	NEW
PHONETEL TECHNOLOGIES INC DEBARTOLO EDWARD J JR ET AL	COM 13D	9/11/93	450 5.6	71999210 8.1	UPDATE
POPE RESOURCES DEL L P PRIVATE CAP MGMT ET AL	DEPOSITARY RCPT 13D	9/15/93	180 19.4	73285710 5.3	UPDATE
PUB STORAGE PPTYS XVIII INC HUGHES B WAYNE ET AL	CL A 13D	9/14/93	183 5.0	74599610 2.5	UPDATE
QUANTUM CORP FMR CORP	COM 13D	9/14/93	4,744 10.9	74790610 11.8	UPDATE
SKYLINK AMER INC ALATEX HOLDINGS	COM 13D	7/13/93	145 2.7	83085310 31.3	UPDATE
SKYLINK AMER INC CANTON KENNETH W	COM 13D	7/13/93	839 15.5	83085310 0.0	NEW
SKYLINK AMER INC MCMURPHY EDWARD R	COM 13D	7/13/93	1,015 18.1	83085310 4.9	UPDATE
VEGA BIOTECHNOLOGIES INC ATKINSON CHARLES M SR ET AL	COM 13D	9/ 9/93	983 10.8	92249610 2.6	UPDATE
WPP GROUP PLC ODYSSEY PARTNERS	CONV CUM RED PREF 13D	9/ 3/93	3,842 1.6	92930498 1.6	UPDATE
WELDOTRON CORP SIEGEL MARTIN	COM 13D	9/20/93	489 23.3	94939110 19.9	UPDATE

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.
