

sec news digest

Issue 91-15

January 23, 1991

COMMISSION ANNOUNCEMENTS

WILLIAM HEYMAN APPOINTED DEPUTY DIRECTOR OF THE DIVISION OF MARKET REGULATION

On January 22, Chairman Breeden announced that William H. Heyman, currently a Managing Director of Smith Barney, Harris Upham & Co., Inc., has been appointed Deputy Director of the Division of Market Regulation. This is a new position.

Mr. Heyman graduated, magna cum laude, from Princeton University, where he was elected to Phi Beta Kappa, and cum laude from Harvard Law School. At Smith Barney, Mr. Heyman was manager of the firm's Arbitrage Department. Prior to joining Smith Barney, he co-founded and managed Mercury Securities, a registered broker-dealer. In addition, Mr. Heyman is a qualified financial and operations principal, and he has taught as an Adjunct Professor of Finance at the Leonard Stern School of Business at New York University. Prior to entering the securities business, Mr. Heyman practiced corporate and securities law in New York, and he has published in the field of securities regulation. He is also a public member of the Special Committee on Financial Institutions of the Administrative Conference of the United States. (Press Rel. No. 91-4)

CIVIL PROCEEDINGS

GLEN MCCART PERMANENTLY ENJOINED AND ORDERED WITH OTHERS TO DISGORGE ALL ASSETS

The Fort Worth Regional and Houston Branch Offices announced that on January 7, 1991, in a pending civil action alleging a \$17 million fraud, the Honorable Tom Stagg, U.S. Chief District Judge for the Western District of Louisiana, entered an Order of Permanent Injunction and Other Equitable Relief against Glen D. McCart (McCart), Cambridge Financial Services, Inc. (CFS) and National Health Care Corporation (NHC), all of Monroe, Louisiana. The Court's Order permanently enjoins McCart from engaging in further violations of the securities registration, broker-dealer and antifraud provisions of the federal securities laws.

The Court also ordered McCart, CFS and NHC to disgorge all of their assets, including real estate, office buildings and an airplane, to the court-appointed receiver for ALIC Corporation. The Court further ordered McCart, CFS and NHC to pay a disgorgement amount equal to the proceeds paid to them and to ALIC Corporation and its subsidiaries, plus prejudgment interest, subject to such setoffs as may be equitably required. The Court will determine the disgorgement amount and whether McCart, CFS and NHC are able to make payment of such amount if the parties do not reach an agreement on these points. The defendants consented to the Order without admitting or denying the allegations. [SEC v. ALIC Corporation, Glen D. McCart, et al., Civil Action No. CV 90-0521, USDC WDLa] (LR-12765)

FINACOR ANSTALT AND CHRISTIAN NORGRN CONSENT TO PERMANENT INJUNCTIONS

The Commission announced on January 22 that it submitted the Consent and Undertakings of the Finacor Anstalt (Finacor) and Christian Norgren (Norgren) in which Finacor and Norgren, without admitting or denying the allegations of the Commission's Amended Complaint agree to the entry of permanent injunctions prohibiting each of them from violating certain provisions of the federal securities laws, requiring Finacor to disgorge its trading profits and requiring Finacor and Norgren to pay a civil penalty.

On November 16, 1989, the Commission filed its original Complaint alleging that Finacor (and others) violated Sections 10(b) and 14(e) of the Securities Exchange Act of 1934 and Rules 10b-5 and 14e-3 thereunder, in connection with purchases of the 55,000 shares of common stock and 1,700 call option contracts for the common stock of Combustion Engineering, Inc. (Combustion Engineering) while in possession of material nonpublic information concerning a proposed acquisition of Combustion Engineering by ABB Asea Brown Boveri Ltd. (ABB) at \$40 per share. In its Amended Complaint filed on September 6, 1990, the Commission alleged that Norgren, a former director of ABB and former chairman of Bank in Liechtenstein, was an owner of Finacor and had violated the federal securities laws by causing Finacor to purchase the Combustion Engineering securities while Norgren was in possession of material nonpublic information about the pending transaction.

In its Consent and Undertakings, Finacor agreed to the entry of a permanent injunction prohibiting future violations of Sections 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder. Finacor further agreed to disgorge its unrealized profits of \$732,192, from the purchase of 55,000 shares of Combustion Engineering common stock, plus \$59,154 in prejudgment interest. Finacor further agreed to pay the balance of its assets frozen in the United States, approximately \$2,522,071, to the United States Treasury as a civil penalty for its trading. In his Consent and Undertakings, Norgren agreed to the entry of a permanent injunction prohibiting future violations of Sections 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder. Norgren further agreed to pay \$300,000 to the United States Treasury as a civil penalty. [SEC v. Finacor Anstalt, Certain Purchasers of Call Option Contracts for the Common Stock of Combustion Engineering, Inc. and Christian Norgren, USDC for the Southern District of New York, 89 Civ. 7667, JMC] (LR-12766)

CRIMINAL PROCEEDINGS

FORMER COMMONWEALTH OFFICIALS INDICTED

The Atlanta Regional and Miami Branch Offices announced that on December 12, 1990 a Federal Grand Jury returned a 54 count Indictment against Jason M. Chapnick (Chapnick), a former officer of Commonwealth Savings and Loan Association (Commonwealth) and Kenneth D. Fletcher (Fletcher), a former officer of a wholly owned subsidiary of Commonwealth. The Indictment charges Chapnick with conspiracy, wire fraud, tax perjury, bank fraud, misapplication of bank monies, and making false entries in bank records. Fletcher is charged with conspiracy, bank fraud and making false entries in bank records.

The Indictment charges that between 1984 and 1988, Chapnick effected commodities transactions which resulted in accumulated undisclosed losses to Commonwealth of \$33 million by June 1988. The Indictment alleges that Chapnick, with the assistance of Fletcher, concealed the massive losses by creating false financial statements and fictitious trading documents, causing false entries to be made in Commonwealth's books, and diverting money of Commonwealth's depositors. (U.S. v. Chapnick, et al., Case No. 90-6228-CR-ROETTGER, S.D. Fla.).

On September 27, 1990, the Commission filed a complaint against Chapnick and Fletcher based on facts similar to those alleged in the Indictment. (SEC v. Chapnick, et al., Civil Action No. 90-6793-CIV-GONZALEZ, S.D. Fla.) [U.S. v. Jason M. Chapnick, Kenneth D. Fletcher and Herbert L. Kalbach, Case No. 90-6228-CR-ROETTGER, S.D. Fla., December 12, 1990] (LR-12763)

MICHAEL S. DOUGLAS SENTENCED

The U.S. Attorney for the Northern District of Illinois, Eastern Division, and the Chicago Regional Office of the Securities and Exchange Commission announced that on January 11 Michael S. Douglas (Douglas) was sentenced to a term of 12 years in prison on three counts of mail fraud and one count of providing false documents to a government agency (the Commission). Douglas had previously entered a plea of guilty to the four counts, which were contained in an eight-count indictment handed down by a grand jury in June 1990. Douglas has been incarcerated since his arrest shortly after being indicted.

On November 13, 1989, the Commission filed a complaint in the Northern District of Illinois against Douglas and three entities he formerly operated, D&S Trading Group, Ltd., Analytic Trading Systems, Inc., and Analytic Trading Service, Inc., alleging that they had offered and sold unregistered securities to over 300 investors in at least five states. The criminal action arises out of the same facts as the Commission action. On November 30, 1989, Judge James H. Alesia entered an Order of Permanent Injunction against Douglas and the above-named entities, enjoining them from future violations of the registration and antifraud provisions of the securities laws. A receiver was also appointed and has been accumulating and liquidating assets of the defendants in the Commission action. [U.S. v. Michael S. Douglas, 90 CR 557, N.D. Ill.] (LR-12764)

HOLDING COMPANY ACT RELEASES

ARKANSAS POWER & LIGHT COMPANY

A supplemental order has been issued authorizing Arkansas Power & Light Company (AP&L), an electric public-utility subsidiary company of Entergy Corporation, a registered holding company, through December 31, 1991 to enter into a second installment sale agreement for an aggregate principal amount of \$27 million with Pope County, Arkansas, to acquire solid waste disposal facilities at AP&L's Nuclear One Generating Station. (Rel. 35-25245)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

DELISTINGS GRANTED

Orders have been issued granting the applications of the following exchanges to strike from listing and registration the specified securities: American Stock Exchange - PGI Incorporated, Common Stock, Par Value 10 cents; 6% Convertible Subordinated Debentures, due 1992 (Rel. 34-28799); and Boston Stock Exchange - Datavision, Inc., Common Stock, \$.01 Par Value (Rel. 34-28801).

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

Proposed rule changes have been filed by the following under Rule 19b-4 of the Securities Exchange Act: Midwest Securities Trust Company (SR-MSTC-90-04) to permit MSTC to name West Canada Depository Trust Company and La Societe Interprofessionnelle pour la Compensation des Valeurs Mobilieres (SICOVAM) as Correspondent Depositories under the MSTC rules (Rel. 34-28787; International Series Rel. No. 220); and Midwest Stock Exchange (SR-MSE-91-1) to amend the Exchange's listing standards to impose more stringent criteria for the initial listing of stock on the Exchange (Rel. 34-28805). Publication of the proposals is expected in the Federal Register during the week of January 21.

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The following proposed rule changes have become immediately effective under Rule 19b-4 of the Securities Exchange Act: American Stock Exchange (SR-AMEX-90-36) to amend its schedule of fees relating to option transaction charges, option comparison charges, equity regulatory fees, equity transaction charges, Central Registration Depository fees and to create a new equity intra-day comparison charge (Rel. 34-28794); Options Clearing Corporation (SR-OCC-91-01) to conform certain OCC by-laws and rules to reflect consolidation of OCC's membership and margin committees (Rel. 34-28796); and Participants Trust Company (SR-PTC-90-10) relating to the rebate of fees (Rel. 34-28797).

The following proposed rule changes have become immediately effective under Rule 19b-4 of the Securities Exchange Act: New York Stock Exchange (SR-NYSE-91-02) to decrease its odd-lot specialist fee (Rel. 34-28802); Midwest Securities Trust Company (SR-MSTC-90-09) to modify MSTC's service fee schedule (Rel. 34-28803); and Midwest Stock Exchange (SR-MSE-91-5) to amend the MSE's listing fees, which are set forth in the Exchange's Fees and Assessments schedule and paragraphs .01 and .02 of Rule 1, Article XXVIII of the Exchange's Rules (Rel. 34-28804). Publication of the notices is expected in the Federal Register during the week of January 21.

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 TELEPHONE & DATA SYSTEMS INC, 79 W MONROE ST, CHICAGO, IL 60603 (312) 630-1900 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-38560 - JAN. 16) (BR. 7)
- S-8 GEORGIA PACIFIC CORP, 133 PEACHTREE ST NE, ATLANTA, GA 30303 (404) 521-5208 - 27,000 (\$1,019,250) COMMON STOCK. (FILE 33-38561 - JAN. 16) (BR. 9)
- S-3 MAY DEPARTMENT STORES CO, 611 OLIVE ST, ST LOUIS, MO 63101 (314) 342-6300 - 800,000,000 (\$800,000,000) STRAIGHT BONDS. (FILE 33-38585 - JAN. 15) (BR. 1)
- S-8 HEALTH RISK MANAGEMENT INC /MN/, 8000 WEST 78TH STREET, MINNEAPOLIS, MN 55439 (612) 829-3500 - 3,500 (\$31,500) COMMON STOCK. 113,250 (\$736,125) COMMON STOCK. (FILE 33-38623 - JAN. 16) (BR. 6)
- S-8 HEALTH RISK MANAGEMENT INC /MN/, 8000 WEST 78TH STREET, MINNEAPOLIS, MN 55439 (612) 829-3500 - 400,000 (\$5,500,000) COMMON STOCK. (FILE 33-38624 - JAN. 16) (BR. 6)
- S-6 DEFINED ASSET FDS MUN INVT TR FD FIVE HUNDRED NINTH MPS, P O BOX 9051, C/O MERRILL LYNCH PIERCE FENNER & SMITH, PRINCETON, NJ 08543 - INDEFINITE SHARES. DEPOSITOR: MERRILL LYNCH PIERCE FENNER & SMITH INC, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN BROTHERS INC, WITTER DEAN REYNOLDS INC. (FILE 33-38625 - JAN. 16) (BR. 22 - NEW ISSUE)
- S-6 DEFINED ASSET FDS MUN INVT TR FD TENTH AMT MONTHLY PYMT SER, P O BOX 9051, C/O MERRILL LYNCH PIERCE FENNER & SMITH, PRINCETON, NJ 08543 - INDEFINITE SHARES. DEPOSITOR: MERRILL LYNCH PIERCE FENNER & SMITH INC, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN BROTHERS INC, WITTER DEAN REYNOLDS INC. (FILE 33-38626 - JAN. 16) (BR. 22 - NEW ISSUE)
- S-6 DEFINED ASSET FDS MUN INVT TR FD ONE HUNDRED SEVENTY THIRD I, P O BOX 9051, C/O MERRILL LYNCH PIERCE FENNER & SMITH, PRINCETON, NJ 08543 - INDEFINITE SHARES. DEPOSITOR: MERRILL LYNCH PIERCE FENNER & SMITH INC, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN BROTHERS INC, WITTER DEAN REYNOLDS INC. (FILE 33-38627 - JAN. 16) (BR. 22 - NEW ISSUE)

- S-8 CNB BANCSHARES INC, 20 NW THIRD ST, EVANSVILLE, IN 47739 (812) 464-3400 - 28,562 (\$610,512.75) COMMON STOCK. (FILE 33-38651 - JAN. 16) (BR. 2)
- S-8 UNIVERSAL CORP /VA/, 1501 N HAMILTON ST, HAMILTON ST AT BROAD, RICHMOND, VA 23230 (804) 359-9311 - 500,000 (\$11,937,500) COMMON STOCK. (FILE 33-38652 - JAN. 16) (BR. 7)
- S-8 COLOROCS CORP /GA/, 2805 PETERSON PL, NORCROSS, GA 30071 (404) 840-6500 - 2,007,605 (\$10,474,024) COMMON STOCK. (FILE 33-38653 - JAN. 16) (BR. 12)

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. Changes 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		
COLONIAL CREDIT CARD TRUST 1990-A					X	X				12/17/90	
COLORADO UTE ELECTRIC ASSOCIATION INC	CO			X	X	X				12/24/90	
COMM BANCORP INC	PA			NO ITEMS						12/31/90	AMEND
CONGRESS INDUSTRIES INC	FL			X						01/16/91	
CYTRX CORP	DE				X	X				01/09/91	
DISCOVER CARD TRUST 1990 E	DE				X	X				01/15/91	
FAIRCHILD CORP	DE		X				X			01/04/91	
FCC NATIONAL BANK					X	X				01/10/91	
FIRST BANK SYSTEM INC	DE				X	X				01/16/91	
FIRST FILMS INC	CO				X	X				12/27/90	
FUTURE SYSTEMS INC	NV		X	X	X	X				12/31/90	
HEMODYNAMICS INC	DE				X		X			01/14/91	
HERSHEY FOODS CORP	DE				X	X				12/19/90	
HIGH CASH PARTNERS L P	DE				X	X				12/19/90	
INSIGNIA FINANCIAL GROUP INC	DE		X				X			12/31/90	
JCP MASTER CREDIT CARD TRUST	DE						X			01/15/91	
LEISURE CONCEPTS INC	NY				X	X				01/09/91	
LOCKHEED CORP	DE				X	X				01/07/91	
MANUFACTURERS HANOVER CORP	DE				X	X				01/15/91	
MEPC CAPITAL CORP	DE				X	X				01/14/91	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	
		1	2	3	4	5	6	7	8		
MEPC CAPITAL CORP II	NV				X		X			01/14/91	
MMR HOLDING CORP	DE				X		X			01/07/91	
MORGANS FOODS INC	OH				X					01/11/91	
MSA SHOPPING MALLS INC	IN				X					01/16/91	
NATIONAL FINANCIAL REALTY TRUST	IN				X					01/15/91	
NORFOLK & WESTERN RAILWAY CO /PRED/	VA				X		X			12/31/90	
NORFOLK SOUTHERN RAILWAY CO/VA	VA				X		X			12/31/90	
NORTHEAST BANCORP INC /CT/	CT				X		X			01/14/91	
PACIFIC GAS & ELECTRIC CO	CA				X					01/16/91	
QUATECH INC	DE	X	X		X		X			01/02/91	
RULE INDUSTRIES INC	MA			X			X			01/02/91	
SCANDINAVIA COMPANY INC							X			08/15/90	AMEND
SPHINX MINING INC	DE				X		X			12/17/90	
SUPERCOMPUTING SOLUTIONS INC	DE				X					01/04/91	
SYSTEMS CENTER INC /DE/	DE				X					01/14/91	
SYSTEMETICS INC	CA			X						01/11/91	
TEMCO NATIONAL CORP	DE				X					01/16/91	
TOLEDO EDISON CO	OH				X					01/16/91	
TRANS WORLD AIRLINES INC /NEW/	DE				X					12/04/90	
TRANS WORLD AIRLINES INC /NEW/	DE						X			12/16/90	AMEND
TUCSON ELECTRIC POWER CO	AZ				X					01/16/91	
UNILAB CORP	DE	X					X			01/04/91	
WASHINGTON MUTUAL SAVINGS BANK SERIES A	WA						X			11/30/90	
WORKINGMENS CORP	MA				X					01/11/91	
ACTION AUTO STORES INC	MI			X			X			01/04/91	
ALPNET INC	UT					X				01/15/91	
ATTENTION MEDICAL CO INC	NV				X		X			01/11/91	
AUTOTROL CORP	WI				X		X			01/02/91	
BALTIMORE GAS & ELECTRIC CO	MD				X					12/17/91	
BIO MONITOR INC	FL				X		X			01/04/91	
BYTEX CORP	DE				X					01/17/91	
CROWN RESOURCES CORP	WA				X		X			01/04/91	
EAGLE INDUSTRIES INC /DE/	DE	X					X			01/09/91	
ELIZABETHTOWN WATER CO /NJ/	NJ				X					01/16/91	
ETOWN CORP	NJ				X					01/16/91	
FINANCIAL LAND CORP	OH	X					X			09/18/90	
FIRST INTERSTATE BANK OF NEVADA NATIONAL							X			10/30/90	
FUND AMERICAN COMPANIES INC	DE	X					X			01/02/91	
GREAT AMERICAN MANAGEMENT & INVESTMENT I	DE				X		X			01/09/91	
HEALTH MOR INC	DE	X					X			01/02/91	
HOLLYWOOD PARK REALTY ENTERPRISES INC	DE				X		X			01/16/91	
HUTTON CONAM REALTY INVESTORS 5	CA				X					11/16/90	
KINNARD INVESTMENTS INC	MN	X					X			01/02/91	
LTX CORP	MA				X					01/16/91	
MARION MERRELL DOW INC	DE				X		X			01/10/91	
MAS VENTURES LTD	CO	X			X					01/31/91	
MICRO SECURITY SYSTEMS INC	UT				X					01/18/91	
MISSOURI RESEARCH LABORATORIES INC	MO				X					01/08/91	
MONY REAL ESTATE INVESTORS	MA	X								11/30/90	
NORTHERN CALIFORNIA COMMUNITY BANCORPORA	DE				X		X			01/11/91	
NUMEX CORP	DE	X					X			01/14/91	
PB SECURED FINANCING CORP	DE				X		X			12/26/90	
RALSTON PURINA CO	MO				X					01/22/91	
READING & BATES CORP	DE				X					01/17/91	
U S SHELTER CORP /DE/	DE				X					01/11/91	
U S WEST COMMUNICATIONS INC	CO	X					X			01/01/91	AMEND
VALENCIA PARK ASSOCIATES LTD	CA				X		X			11/19/90	
VENTURA ENTERTAINMENT GROUP LTD	DE				X					12/28/90	
WELLS FARGO & CO	DE				X					01/15/91	
WHEELING PITTSBURGH STEEL CORP	DE	X					X			01/03/91	

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.
