

sec news digest

LIBRARY

MAR 26 1990

**U.S. SECURITIES AND
EXCHANGE COMMISSION**

Issue 90-57

March 23, 1990

COMMISSION ANNOUNCEMENTS

WEEKLY CALENDAR - BUDGET HEARING RESCHEDULED

Tuesday, April 3, 1990

The House Committee on Appropriations has rescheduled its hearing on the Commission's 1991 budget request to April 3 from March 27. Chairman Breeden will testify on April 3. Time and place of the hearing will be announced.

SEC NAMES TWO IN ENFORCEMENT

Richard C. Breeden, Chairman of the Securities and Exchange Commission, announced the appointment of Bruce A. Hiler to the position of Associate Director, Division of Enforcement, and Colleen P. Mahoney to the position of Chief Counsel, Division of Enforcement.

ADMINISTRATIVE PROCEEDINGS

ADMINISTRATIVE PROCEEDING REINSTITUTED AGAINST GARY W. CHAMBERS

The Commission instituted public administrative proceedings under Sections 15(b) and 19(h) of the Securities Exchange Act against Gary W. Chambers (Chambers), which supersedes the Commission's previous Order dated September 27, 1989. The Order alleges that Chambers, the former Senior Vice President of Compliance and Operations at First Investment Securities, Inc., failed to adequately supervise the sales practices of William E. Parodi, Sr. and Frederick W. Parodi with a view to preventing their violations within the meaning of Section 15(b)(4)(E) of the Act. (For a more detailed discussion of the brokers' violations, see Release 34-27299.) The Order alleges that Chambers failed to ensure that FIS had adequate supervisory and compliance procedures and that Chambers failed to discharge certain required supervisory obligations, including the conduct of ongoing compliance reviews.

A hearing is presently scheduled for March 27 to determine whether the allegations are true and whether any remedial action is necessary for the protection of investors. (Rel. 34-27802)

INVESTMENT COMPANY ACT RELEASES

SELECTED MONEY MARKET FUND

A notice has been issued giving interested persons until April 18 to request a hearing on an application filed by Selected Money Market Fund, Inc. for an order of the Commission, under Section 8(f) of the Investment Company Act, declaring that it has ceased to be an investment company. (Rel. IC-17387 - Mar. 19)

AMERICAN GENERAL LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until April 16 to request a hearing on an application by American General Life Insurance Company of Delaware and American General Life Insurance Company of Delaware Separate Account D (Separate Account) for an order under Section 26(b) of the Investment Company Act approving the substitution of shares of American Capital Comstock Fund, Inc. for shares of American Capital Growth Fund, Inc. and, under Section 17(b) or, alternatively, under Section 6(c) of the Act, granting exemptions from Sections 17(a)(1) and 17(a)(2) to the extent necessary to permit the consolidation of Division 1 into Division 2 of the Separate Account. (Rel. IC-17389 - Mar. 20)

KILICO EQUITY SEPARATE ACCOUNT

KILICO TOTAL RETURN SEPARATE ACCOUNT

KILICO INCOME SEPARATE ACCOUNT

Notices have been issued giving interested persons until April 16 to request a hearing on applications filed by KILICO EQUITY SEPARATE ACCOUNT, KILICO TOTAL RETURN SEPARATE ACCOUNT and KILICO INCOME SEPARATE ACCOUNT for orders under Section 8(f) of the Investment Company Act declaring that Applicants have ceased to be investment companies. (Rels. IC-17390, IC-17391, and IC-17392, respectively - Mar. 20)

MONARCH LIFE INSURANCE COMPANY

An order has been issued exempting Monarch Life Insurance Company, Monarch Life Insurance Company Separate Account VA (Fund VA), and Monarch Financial Services, Inc. from Sections 26(a)(2) and 27(c)(2) of the Investment Company Act to the extent necessary to permit the deduction of mortality and expense risk charges from the assets of Fund VA. (Rel. IC-17393 - Mar. 21)

DREYFUS GROWTH AND INCOME FUND

An order has been issued under Section 8(f) of the Investment Company Act declaring that Dreyfus Growth and Income Fund, Inc. has ceased to be an investment company. (Rel. IC-17396 - Mar. 21)

JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY

A notice has been issued giving interested persons until April 16 to request a hearing on an application filed by John Hancock Mutual Life Insurance Company (John Hancock) and John Hancock Variable Annuity Account U (Account U) for an order granting exemptions from the provisions of Section 26(a)(2)(C) and 27(c)(2) of the Investment Company Act to the extent necessary to permit John Hancock to deduct mortality and

expense risk charges and the assets of Account U pursuant to certain combination fixed-variable annuity contracts. (Rel. IC-17394 - Mar. 21)

HOLDING COMPANY ACT RELEASES

METROPOLITAN EDISON COMPANY

A notice has been issued giving interested persons until April 9 to request a hearing on a proposal by Metropolitan Edison Company (Met-Ed), subsidiary of General Public Utilities, to issue and sell in one or more transactions through April 30, 1992, an aggregate principal amount not exceeding \$150 million of (1) first mortgage bonds (New Bonds) with maturities ranging from one to thirty-five years, at competitive bidding or under an exception from competitive bidding requirements of Rule 50, and/or (2) medium-term notes, either as first mortgage bonds (Secured MTNs) or unsecured notes, with maturities ranging from nine months to thirty-five years under an exception from the competitive bidding requirements of Rule 50. The New Bonds and the MTNs will be issued under a deviation from the Commission's "Statement of Policy Regarding First Mortgage Bonds Subject to the Public Utility Holding Company Act of 1935." (Rel. 35-25056)

EASTERN UTILITIES ASSOCIATES

A notice has been issued giving interested persons until April 9 to request a hearing on a proposal by Eastern Utilities Associations (EUA) and its wholly owned public utility subsidiary, EUA Power Corporation (EUA Power), whereby: (1) EUA will make, from time to time through May 15, 1991, up to \$75 million aggregate principal amount of capital contributions, open account advances and/or short-term loans to EUA Power; (2) EUA Power will issue short-term notes (Notes) to banks of up to \$47 million to be issued or renewed through May 15, 1991; (3) EUA will guarantee the Notes; (4) EUA Power will issue and sell to EUA at \$100 per share par value up to 92,000 authorized and unissued shares of EUA Power's Class A Preferred Stock through the earlier of June 1, 1990 or commercial operation of the Seabrook Nuclear Power Project (Seabrook); (5) EUA will unconditionally guarantee up to \$10 million of EUA Power's obligations under a Decommissioning Costs Security Agreement entered into in connection with EUA Power's acquisition of an ownership interest in Seabrook; (6) EUA will issue up to \$75 million of short-term notes which may be issued or renewed through May 15, 1991, to evidence borrowings under its existing lines of credit; and (7) EUA Power will acquire and retire certain of its outstanding Series B Notes, Series C Notes, and/or Contingent Interest Certificates. (Rel. 35-25056)

COLUMBUS SOUTHERN POWER COMPANY

An order has been issued authorizing Columbus Southern Power Company (CSPCo), subsidiary of American Electric Power Company, Inc., a registered holding company: (1) to issue and sell in one or more series, from time to time through December 31, 1990, up to \$175 million aggregate principal amount of its first mortgage bonds, medium-term notes and/or long term notes in any combination; (2) to issue and sell in one or more series, through December 31, 1990, up to \$75 million aggregate par value of its cumulative preferred stock, \$25 par or \$100 per share; and (3) amend its Amended Articles of Incorporation to allow CSPCo in the future to issue short-term and long-term unsecured indebtedness up to 20% of its capitalization. Jurisdiction has been reserved over the terms and conditions of the medium and long-term secured notes. (Rel. 35-25060)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Pacific Stock Exchange (SR-PSE-90-07) to amend the PSE's Constitution and Rules of the Board of Governors with regard to the titles of Chairman and President has become effective under Section 19(b)(3)(A) of the Securities Exchange Act. (Rel. 34-27814)

APPROVAL OF PROPOSED RULE CHANGES

The Commission has approved proposed rule changes filed by: American Stock Exchange (SR-Amex-90-02) to specify that a record of a settlement disciplinary hearing may be made by tape recording (Rel. 34-27813); and New York Stock Exchange (SR-NYSE-90-03) to amend NYSE Rule 472.30 relating to general standards for communication with the public (Rel. 34-27819).

NOTICE OF PROPOSED RULE CHANGE

Proposed rule changes have been filed by the: New York Stock Exchange (SR-NYSE-90-11) to amend Rule 80A to restrict destabilizing trading activity in Exchange Stock Portfolios during times of market volatility (Rel. 34-27812); Depository Trust Company (SR-DTC-90-02) relating to the procedure to recall certain deliveries of securities which have created short positions because the securities were subsequently determined to be called securities in DTC's call lottery (34-27821); International Securities Clearing Corporation (SR-ISCC-89-01) to require consent forms from ISCC members who use the PORTAL System to fulfill obligations that may be imposed on ISCC in connection with its approval as a PORTAL clearing organization (Rel. 34-27823); and National Association of Securities Dealers (SR-NASD-90-14) to codify in Schedules D and G of the NASD By-Laws (pertaining to NASDAQ and listed securities, respectively) the requirement that trades be reported within 90 seconds after execution (Rel. 34-27827). Publication of the notice in the Federal Register is expected during the week of March 26.

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved proposed rule changes submitted by the: National Association of Securities Dealers (SR-NASD-89-49) to amend sections of Articles II and III of the NASD Code of Procedure relating to disciplinary hearings and review by the Board of Governors (Rel. 34-27825); and (SR-NASD-90-4) to amend the Uniform Application for Securities Industry Registration or Transfer (Form U-4) and the Uniform Termination Notice for Securities Industry Registration (Form U-5). The purpose of the proposal is to strengthen and clarify the language and provisions of these forms (Rel. 34-27826).

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 un

derwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

REGISTRATIONS CONT.

- S-8 HEI CORP, 5847 SAN FELIPE STE 200, HOUSTON, TX 77057 (713) 780-7802 - 60,000 (\$176,250) COMMON STOCK. (FILE 33-33884 - MAR. 15) (BR. 6)
- S-1 PHILLIPS E N COMPANY, 5950 CANOGA AVE STE 130, WOODLAND HILLS, CA 91367 (818) 999-1330 - 1,798,700 (\$3,597,400) COMMON STOCK. (FILE 33-33885 - MAR. 15) (BR. 5)
- S-8 PACIFICARE HEALTH SYSTEMS INC, 5995 PLAZA DR, CYPRESS, CA 90630 (714) 952-1121 - 500,000 (\$10,440,000) COMMON STOCK. (FILE 33-33886 - MAR. 15) (BR. 9)
- S-8 XL DATACOMP INC, 908 N ELM ST, HINSDALE, IL 60521 (708) 323-1200 - 900,000 (\$8,100,000) COMMON STOCK. (FILE 33-33899 - MAR. 15) (BR. 10)
- S-4 INB FINANCIAL CORP, ONE INDIANA SQ, INDIANAPOLIS, IN 46266 (317) 266-6000 - 2,400,000 (\$40,549,664) COMMON STOCK. (FILE 33-33900 - MAR. 15) (BR. 1)
- S-3 PENNZOIL CO /DE/, PENNZOIL PL, P O BOX 2967, HOUSTON, TX 77252 (713) 546-4000 - 2,985,413 (\$242,005,041) COMMON STOCK. (FILE 33-33903 - MAR. 15) (BR. 11)
- S-1 RALLYS INC, 10002 SHELBYVILLE RD, STE 150, LOUISVILLE, KY 40223 (502) 245-8900 - 2,115,622 (\$29,089,802) COMMON STOCK. (FILE 33-33904 - MAR. 15) (BR. 12)
- S-8 WPP GROUP PLC, 27 FARM ST, LONDON ENGLAND W1X 6RD, XO - 4,000,000 (\$42,631,309) FOREIGN COMMON STOCK. (FILE 33-33906 - MAR. 16) (BR. 5 - NEW ISSUE)
- S-8 ENCORE COMPUTER CORP /DE/, 6901 W SUNRISE BLVD, FORT LAUDERDALE, FL 33313 (305) 587-2900 - 4,180,445 (\$9,280,587.90) COMMON STOCK. (FILE 33-33907 - MAR. 16) (BR. 10)
- S-3 ARIZONA PUBLIC SERVICE CO, 400 N FIFTH ST, PO BOX 53999, PHOENIX, AZ 85004 (602) 250-1000 - 50,000,000 (\$50,000,000) PREFERRED STOCK. (FILE 33-33910 - MAR. 16) (BR. 8)
- S-1 CENTURY PACIFIC CORP, 3200 E CAMELBACK RD STE 177, PHOENIX, AZ 85018 (602) 957-0000 - 2,500,000 (\$2,500,000) COMMON STOCK. 2,500,000 (\$3,000,000) COMMON STOCK. 2,500,000 (\$3,500,000) COMMON STOCK. (FILE 33-33911 - MAR. 16) (BR. 12)

REGISTRATIONS EFFECTIVE

Mar. 1 McDemott International, Inc., 2-81627.

Mar. 12 Cell Technology, Inc., 33-27883; and United Telecommunications, Inc., 33-16813.

Mar. 13: First Lloyd Funding, Inc., 33-33042-NY; Japan OTC Equity Fund, Inc., 33-33222; Ogden Projects, Inc., 33-33679; Synergen, Inc., 33-33392; Texas Utilities Electric Co., 33-31893; and United Missouri Bank of Kansas City, N.A., Trustee for United Missouri Bank Defined Contribution Plan and Trust for Self-Employed Individuals, 33-27170.

Mar. 14: Bank of the West, 33-33531-01; BW Trust 1990-1, 33-33531; Investors Choice Florida Fund, Ltd., 33-32056; Medical Nutrition, Inc., 33-32438-NY; Pactel Capital Resources, 33-33747; Wells Fargo Investment Trust for Retirement Programs, 2-86401; and Windsor Park Properties 7 and 8, 33-30205 and 33-30205-1.

Mar. 15: Associated Planners Investment Trust, 33-33494; Capital Research and Management Co., 33-32785; Dominion Resources, Inc., 33-33666; Ryan-Murphy Inc., 33-30126; PacifiCorp, 33-33848; and Quaker Oats Co., 33-33253.

Mar. 16: Ashland Financial Services, 33-31902; Carolina Power & Light Co., 33-33431; Eleon Electronic Industries Ltd., 33-33224; Franklin Balance Sheet Investment Fund, 33-31326; Pride Companies, L.P., 33-33099; and SCI Med Life Systems, Inc., 33664.

Mar. 19: NOVA Pharmaceutical Corp., 33-33511; Payphone Income Fund, Ltd., 33-24643; Sigma-Aldrich Corp.; Sigma-Aldrich Corp., 33-33478; and Transgenic Sciences, Inc., 33-33708.

Mar. 20: CFAC Grantor Trust 1990-A, 33-26858-01; and Chemical Financial Acceptance Corp., 33-26858.

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
ALASKA AIR GROUP INC STATE OF WISCONSIN INVEST BD	COM 13D	3/ 7/90	N/A N/A	01165910 5.9	UPDATE
AMVESTORS FINL CORP HEITZ MARK V	COM 13D	2/ 2/90	252 1.7	03234310 5.4	UPDATE
AVERY INC DREXEL BURNHAM LAMBERT GROUP	COM 13D	3/ 2/90	N/A N/A	05361810 N/A	UPDATE
BALDWIN PIANO & ORGAN CO MERCURY ASSET MGMT	COM 13D	2/ 7/90	210 5.4	05824610 6.6	UPDATE
BAY MEADOWS OPER/CALIF JOCKE PAIRED GUNDERSON MARYLIN KYNE ET AL	CTF 13D	3/12/90	478 8.3	07244320 0.0	NEW
BRAE CORP BEAR STEARNS & CO	COM 13D	3/12/90	0 0.0	10480210 24.8	UPDATE
BUSINESSLAND INC STATE OF WISCONSIN INVEST BD	COM 13D	3/ 8/90	2,297 7.6	12330010 8.8	UPDATE
COMPUTER AIDED TIME SHARE DYKEMA RAYMOND	CONV PREF SER A 13D	10/12/89	498 6.4	20485820 0.0	NEW
DATAVEND INC DAVIS J MORTON ET AL	COM 13D	3/ 8/90	1,902 24.6	23899110 27.6	UPDATE
ENVIRONMENTAL SYS CO BELL DARLENE C	COM 13D	3/20/90	632 4.2	29408710 4.0	UPDATE
ENVIRONMENTAL SYS CO BELL MELVYN	COM 13D	3/20/90	1,007 6.6	29408710 8.4	UPDATE

ACQUISITION REPORTS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS (000) / % OWNED	CUSIP / PRIOR %	FILING STATUS
GULF RES & CHEM CORP INDCO PLC ET AL	COM 13D	3/ 5/90	3,627 / 38.9	40249610 / 35.6	UPDATE
ICOT CORP LEXICON CORP	COM 13D	3/ 8/90	816 / 6.4	45104610 / 7.9	UPDATE
INFOTRON SYS CORP PITCAIRN FEEDOR U	COM 13D	9/27/89	226 / 4.4	45680910 / 5.5	UPDATE
INTERCIM TENNECO INSUPANCE VENTURES	COM 13D	7/31/89	610 / 7.7	45847510 / 0.0	NEW
MEMRY CORP TRINITY CAPITAL CORP ET AL	COM 13D	3/ 6/90	6,751 / 47.4	58626310 / 48.3	UPDATE
MICRON TECHNOLOGY INC SIMPLOT FINANCIAL CORP ET AL	COM 13D	12/19/89	5,260 / 14.3	59511210 / 14.3	UPDATE
MICRON TECHNOLOGY INC SIMPLOT J R ET AL	COM 13D	12/19/89	6,729 / 18.3	59511210 / 18.3	UPDATE
NORTH ATLANTIC INDS INC FUNDAMENTAL MGMT CORP	COM 13D	3/ 7/90	340 / 9.8	65730510 / 8.8	UPDATE
PHOENIX NETWORK INC WETTREICH HERITAGE TR ET AL	COM 13D	3/14/90	480 / 6.6	71891010 / 6.6	UPDATE
PITWAY CORP DEL GAMCO INVESTORS INC ET AL	COM 13D	3/16/90	467 / 3.4	72579010 / 3.2	UPDATE
READING CO CRAIG CORP	CL A 13D	3/ 9/90	1,685 / 34.4	75533250 / 0.0	NEW
RYDER SYS INC STATE OF MICH STATE TREASURER	COM 13D	3/12/90	5,158 / 6.8	78354910 / 5.3	UPDATE
SHL SYSTEMHOUSE INC BCE INC	COM 13D	3/12/90	4,642 / 12.4	78499010 / 12.4	UPDATE
SCHAFER VALUE TR INC GATEWAY LTD PRTSHP	COM 13D	3/15/90	996 / 12.5	80627310 / 0.0	NEW
SYMBOL TECHNOLOGIES INC STATE OF WISCONSIN INVEST	COM BD 13D	3/13/90	1,939 / 8.8	87150810 / 6.8	UPDATE
TEMTEX INDS INC SHELBURNE ASSOC	COM 13D	2/14/90	180 / 7.3	88023620 / 8.5	UPDATE
TOCOR INC GERHARD LANG H ET AL	UNIT 13D	12/31/1994 3/ 5/90	238 / 8.3	88890820 / 0.0	NEW
VHC LTD CALLAHAN JOHN A	COM 13D	3/16/90	777 / 35.4	91822910 / 30.0	UPDATE
WINE SOC AMER INC TAYLOR TUCKER	COM 13D	8/ 4/89	10,709 / 7.6	97390310 / 7.6	RYSION

* CALLS FROM THE PUBLIC

* Members of the public seeking information and/or material from the Commission con-
* tinue 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 (272-7440) - Investor inquiries and complaint processing informa-
* tion.

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

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

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

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

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

* SEC Information Line (272-3100/5624) - general information about SEC operations and
* activities through a series of recorded messages.
