

SEC NEWS DIGEST

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COMMISSION ANNOUNCEMENTS

SUSPENSION OF TRADING IN THE SECURITIES OF TWENTY FIRST CENTURY HEALTH, INC.

The Commission announced the ten day suspension of trading in the securities of Twenty First Century Health, Inc. (TFCH) for the period beginning at 9:00 a.m. EDT on February 27, 1997 and concluding at 11:59 p.m. EDT on March 12, 1997. The Commission suspended trading in the securities of TFCH in view of questions that have been raised about the adequacy and accuracy of publicly-disseminated information concerning, among other things: (1) the accuracy and reliability of certain press releases issued by TFCH since the first trading suspension was ordered on February 10, 1997, including: a) the business and current customers of Modern Tea Ball Services, Inc. and a related business that TFCH announced on February 14, 1997 it intended to acquire; b) the effectiveness and marketability of a new line of liquid colloidal nutritional supplements announced by TFCH on February 13, 1997; c) the accuracy of TFCH's statements concerning its plans to distribute those supplements; and d) the existence, status and likelihood of success of plans to complete an initial public offering of securities by an affiliated entity that TFCH announced it planned to have underwritten by Investors Associates, Inc., and New Jersey broker-dealer; and (2) the accuracy of TFCH's public announcement that it "welcomes" the Commission's inquiry, offers "full cooperation" and states that the company officials would be able to provide the Commission with the information it requires within nine days, when Joe Davis, who is TFCH's president, Loretta Davis, who was its founder and formerly its president, and Barclay Davis, who formerly was its secretary and director but who continues to act on behalf of TFCH, have all stated through counsel that they refuse to testify in the investigation in reliance on their Fifth Amendment privileges against self-incrimination. (Rel. 34-38345)

ENFORCEMENT PROCEEDINGS

PUBLIC ADMINISTRATIVE PROCEEDINGS SETTLED AGAINST DAVID SCHWARTZ

On February 26, the Commission issued an Order Making Findings And Imposing Remedial Sanction (Order) against David P. Schwartz (Schwartz).

The Order finds that, from September 1986 to August 1992, Schwartz was associated with Morgan Stanley & Co., Inc. as a registered representative. On November 8, 1994, the Commission filed a complaint against Schwartz, SEC v. Edward A. Cantor, Michael Levine and David P. Schwartz, 94 Civ. 8079 (JGK) (S.D.N.Y.), alleging that Schwartz violated Section 14(e) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 14e-3 by illegally conveying material, nonpublic information he learned from defendant Levine to defendant Cantor, who thereafter purchased DeSoto, Inc. (DeSoto) securities prior to the announcement on November 9, 1989, of a tender offer for DeSoto by Sutton Holding Corp. On December 14, 1995, Schwartz was permanently enjoined on consent from future violations of Section 14(e) of the Exchange Act and Rule 14-3; ordered to pay \$3,041.02 in disgorgement plus prejudgment interest; and ordered to pay an ITSFEA penalty of \$14,822.00.

Without admitting or denying these findings, except as to the entry of the injunction, which Schwartz admits, Schwartz consented to the Order, which bars him from association with any broker, dealer, municipal securities dealer, investment adviser or investment company, with the right to reapply after five years from the date of the Order. (Rel. 34-38335)

CEASE AND DESIST ORDER IMPOSED AGAINST DESOTO BROADCASTING, INC. AND DANFORD SAWYER, JR.

The Commission announced that it has issued an Order pursuant to Section 8A of the Securities Act of 1933 (Securities Act) and Section 21C of the Securities Exchange Act of 1934 (Exchange Act), Making Findings and Imposing Cease and Desist Order (Order) against DeSoto Broadcasting, Inc. (DeSoto) and Danford L. Sawyer, Jr. (Sawyer) of Sarasota, Florida, DeSoto's president, chief executive officer and director. The Commission accepted Offers of Settlement in which DeSoto and Sawyer, without admitting or denying the Commission's findings, consented to the entry of the Order which requires that DeSoto and Sawyer cease and desist from committing or causing any violation and any future violation of, Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder. The Commission found that from December 1991 to February 1994, in connection with a \$2.6 million offering of DeSoto's common stock, DeSoto and Sawyer made material misrepresentations concerning DeSoto's future ability to achieve profitability, DeSoto's purported consummation of certain third-

party contracts and certain of the risks associated with the investment. (Rel. Nos. 33-7397; 34-38336)

REGISTRATION OF SELHEIMER & CO. REVOKED AND PERRY SELHEIMER PERMANENTLY BARRED

The Commission has issued an Order Instituting Proceedings, Making Findings and Imposing Remedial Sanctions (Order) against Selheimer & Co. (S&C) and Perry A. Selheimer (Selheimer). Selheimer and S&C consented to the entry of the Order without admitting or denying the findings contained therein. The Order finds that Selheimer was a registered representative, general partner and Financial and Operations Principal at S&C, a broker-dealer registered with the Commission. The Order also finds that from approximately January 1989 through December 1994, Selheimer and S&C willfully violated the antifraud provisions of the securities laws. Selheimer, through S&C, engaged in a scheme through which he misappropriated approximately \$1.6 million from ten S&C customers. Selheimer induced the customers to deliver their securities to S&C, where he claimed they would be held in safekeeping. Once the securities were delivered to S&C, Selheimer liquidated them and used the majority of the proceeds to pay business expenses. In order to conceal the fraudulent scheme, Selheimer sent customers fabricated documents and made verbal misrepresentations and omissions to them. The Order further finds that S&C violated the net capital and recordkeeping requirements of the securities laws. On the basis of these findings, the Commission ordered that Selheimer be barred from association with any broker, dealer, municipal securities dealer, investment adviser or investment company, and that the registration of S&C be revoked. (Rel. 34-38337)

THE COMMISSION ISSUES A CEASE AND DESIST ORDER AGAINST FOUR FORMER EMPLOYEES OF TRITON INDONESIA

On February 27, the Commission instituted administrative proceedings against David Gore, Robert Puetz, former officers of Triton Energy Corporation (Triton Energy) and William McClure, and Robert P. Murphy, former officers of Triton Energy's subsidiary, Triton Indonesia, Inc. The Commission's Order finds that during the years 1989 and 1990, Triton Indonesia senior officers authorized numerous improper payments to Indonesian government employees for the purpose of influencing their decisions affecting the business of Triton Indonesia. The Order finds that these payments were made in violation of the Foreign Corrupt Practices Act.

The Order further finds that Murphy, Triton Indonesia's Controller, knowingly participated in creating and recording false entries in Triton Indonesia's books and records. According to the Order, McClure, Triton Indonesia's Commercial Manager, failed to assure that the entries prepared by Murphy accurately reflected the underlying transactions. The Commission's Order also finds that Gore, formerly Triton Energy's president and a director, and Puetz, formerly Triton Energy's senior vice president of finance and chief financial officer, each received information indicating that Triton Indonesia was engaged in conduct that was potentially unlawful, but

took no action to initiate an investigation of the serious issues raised by Triton Energy's internal auditor.

Without admitting or denying the Commission's findings, the respondents consented to cease and desist from: causing any violation of Section 13(b)(2)(A) of the Exchange Act (Gore, Puetz, McClure and Murphy); causing any violation of Section 30A of the Exchange Act (Gore and Puetz); and violating Exchange Act Rule 13b2-1 (McClure and Murphy). (Rel. 34-38343; AAE Rel. 889)

FOREIGN CORRUPT PRACTICES ACT CASE FILED AGAINST TRITON ENERGY CORPORATION, PHILIP KEEVER AND RICHARD MCADOO

On February 27, the Commission filed a complaint in the United States District Court for the District of Columbia against Triton Energy, Keever and McAdoo, both former senior officers of Triton Energy's subsidiary Triton Indonesia, Inc. The Commission's complaint alleges that during the years 1989 and 1990, McAdoo and Keever authorized numerous improper payments to Roland Siouffi, Triton Indonesia's business agent acting as an intermediary between Triton Indonesia and Indonesian government agencies, knowing or recklessly disregarding the high probability that Siouffi either had or would pass such payments along to Indonesian government employees for the purpose of influencing their decisions affecting the business of Triton Indonesia. The complaint alleges that these payments were made in violation of the Foreign Corrupt Practices Act. According to the complaint, McAdoo and Keever, together with other Triton Indonesia employees, also concealed these payments by falsely documenting and recording the transactions as routine business expenditures. The Commission seeks permanent injunctions and civil monetary penalties from each of the three defendants.

Simultaneous with the filing of the complaint, defendant Triton Energy consented, without admitting or denying the allegations, to the entry of a Final Judgment that permanently enjoins it from violating the books and records and internal controls provisions of the Securities Exchange Act of 1934 (Exchange Act), and orders Triton Energy to pay a \$300,000 penalty. Defendant Keever also consented, without admitting or denying the allegations, to the entry of a Final Judgment that permanently enjoins him from violating the foreign corrupt practices and books and records provisions of the Exchange Act, and orders Keever to pay a \$50,000 penalty. [SEC v. Triton Energy Corporation, et al., Civil Action No. 1:97CV00401, RMU, D.D.C.] (LR-15266; AAE Rel. 890)

INVESTMENT COMPANY ACT RELEASES

ANCHOR PATHWAY FUND, ET AL.

An order has been issued pursuant to Section 10(e)(3) of the Investment Company Act suspending the operation of Section 10(a) of

the Act as requested by Anchor Pathway Fund (APT) and SunAmerica Series Trust (SST). The order extended the sixty-day period provided for by Section 10(e)(2) of the Act to March 21, 1997, in order to provide time for the identification, nomination and election of additional trustees. Additionally, the order granted retroactive relief for the period from January 21, 1997, the expiration date of the initial sixty-day period, to the date on which the order was issued. (Rel. IC-22527 - February 26)

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 VOYAGEUR UNIT INVESTMENT TRUST SERIES 8, 90 SOUTH SEVENTH STREET,
MINNEAPOLIS, MN 55402 (612) 376-7031 - INDEFINITE SHARES. (FILE 333-22069
- FEB 20) (NEW ISSUE)

S-1 CAPSTAR HOTEL CO, 1010 WISCONSIN AE NW, WASHINGTON, DC 20007
(202) 965-4455 - 5,750,000 (\$137,281,250) COMMON STOCK. (FILE 333-22073 -
FEB 20) (BR. 5)

S-8 ELECTRONIC DATA SYSTEMS CORP /DE/, 5400 LEGACY DR, H3-3D-05, PLANO, TX
75024 (214) 605-5491 - 8,100,000 (\$376,143,750) COMMON STOCK. (FILE
333-22077 - FEB. 20) (BR. 3)

S-8 KSB BANCORP INC, P O BOX 105, KINGFIELD, ME 04947 (207) 265-2181 -
3,742 (\$98,415) COMMON STOCK. (FILE 333-22079 - FEB. 20) (BR 7)

S-3 APPALACHIAN POWER CO, 40 FRANKLIN RD SW, ROANOKE, VA 24011
(703) 985-2300 - 75,000,000 (\$75,000,000) STRAIGHT BONDS (FILE 333-22085
- FEB. 20) (BR. 4)

S-3 GRC INTERNATIONAL INC, 1900 GALLOWS RD, VIENNA, VA 22182 (703) 506-5000
- 4,987,234 (\$21,195,744.50) COMMON STOCK. (FILE 333-22087 - FEB. 20)
(BR. 7)

S-8 ARTERIAL VASCULAR ENGINEERING INC, 5355 SKYLANE BLVD, SANTA ROSA, CA
95403 (707) 525-0111 - 700,000 (\$9,302,760.80) COMMON STOCK (FILE
333-22089 - FEB. 20) (BR. 1)

S-8 VISITORS SERVICES INTERNATIONAL CORP, 100 SECOND AVENUE SOUTH,
SUITE 1000, ST PETERSBURG, FL 33701 (813) 895-4410 - 5,000,000
(\$14,687,500) COMMON STOCK. (FILE 333-22093 - FEB. 20) (BR. 9)

S-8 CASTELLE \CA\, 3255-3 SCOTT BLVD, SANTA CLARA, CA 95054 (408) 496-0474
- 59,337 (\$90,192.24) COMMON STOCK. (FILE 333-22097 - FEB. 20) (BR. 9)

S-8 TOLLYCRAFT YACHT CORP, 2200 CLINTON AVENUE, KELSO, WA 48626
(360) 423-5160 - 270,411 (\$1,622,466) COMMON STOCK. (FILE 333-22099 -
FEB. 20) (BR. 9)

S-3 ABLE TELCOM HOLDING CORP, 1601 FORUM PL, STE 305, WEST PALM BEACH, FL
33401 (407) 688-0400 - 1,600,000 (\$13,800,000) COMMON STOCK (FILE
333-22105 - FEB. 20) (BR. 6)

S-8 FIRST HAWAIIAN INC, 999 BISHOP ST, HONOLULU, HI 96813 (808) 844-3703 -

1,000,000 (\$33,437,500) COMMON STOCK. (FILE 333-22107 - FEB. 20) (BR 7)

S-8 KANEB SERVICES INC, 2435 N. CENTRAL EXPRESSWAY, RICHARDSON, TX 75080
(214) 699-4000 - 100,000 (\$331,250) COMMON STOCK. (FILE 333-22109 -
FEB. 20) (BR 6)

S-3 LOEWS CORP, 667 MADISON AVE, NEW YORK, NY 10021 (212) 545-2000 (FILE
333-22113 - FEB. 20) (BR. 1)

S-8 ALLIED CAPITAL COMMERCIAL CORP, 1666 K ST N W STE 901, WASHINGTON, DC
20006 (202) 331-1112 - 630,349 (\$15,285,963.25) COMMON STOCK. (FILE
333-22115 - FEB. 20) (BR 8)

S-3 LECROY CORP, 700 CHESTNUT RIDGE RD, CHESTNUT RIDGE, NY 10977
(914) 425-2000 - 2,300,000 (\$79,925,000) COMMON STOCK. (FILE 333-22117 -
FEB. 20) (BR. 5)

S-2 DIXON TICONDEROGA CO, 195 INTERNATIONAL PKWY, STE 200, HEATHROW, FL
32746 (407) 875-9000 - 300,000 (\$2,169,000) COMMON STOCK. (FILE 333-22119
- FEB 20) (BR 4)

S-4 KOLL REAL ESTATE GROUP INC, 4343 VON KARMAN AVE, NULL, NEWPORT BEACH, CA
92660 (714) 833-3030 - 11,806,646 (\$133,356,213) COMMON STOCK. (FILE
333-22121 - FEB 20) (BR 6)

S-1 NETSPEAK CORP, 902 CLINT MOORE RD, SUITE 104, 407-347-2447, BOCA RATON,
FL 33487 (561) 977-4001 - 2,500,000 (\$25,400,000) COMMON STOCK. (FILE
333-22123 - FEB 20)

S-3 PENN TREATY AMERICAN CORP, 3440 LEHIGH ST, ALLENTOWN, PA 18103
(215) 965-2222 - 74,750,000 (\$74,750,000) CONVERTIBLE DEBENTURES AND NOTES
(FILE 333-22125 - FEB. 20) (BR 1)

S-3 FIRST DEPOSIT MASTER TRUST, 295 MAIN ST, TILTON, NY 03276 (603) 286-4348
- 2,000,000,000 (\$2,000,000,000) EQUIPMENT TRUST CERTIFICATES (FILE
333-22131 - FEB. 21) (BR 8)

S-3 NOMURA ASSET SECURITIES CORP, 2 WORLD FIN'L CNTR - BLDG B 21ST FLR,
NEW YORK, NY 10281 (212) 667-9300 - 1,000,000 (\$1,000,000)
EQUIPMENT TRUST CERTIFICATES. (FILE 333-22133 - FEB. 21)

S-4 COLONIAL BANCGROUP INC, ONE COMMERCE ST STE 800, P O BOX 1108,
MONTGOMERY, AL 36104 (334) 240-5000 - 70,000,000 (\$70,000,000)
COMMON STOCK (FILE 333-22135 - FEB 21) (BR. 7)