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# sec news digest

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U.S. SECURITIES AND  
EXCHANGE COMMISSION

April 9, 1991

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## RULES AND RELATED MATTERS

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### PROPOSED AMENDMENT TO RULE 2a-7

The Commission has proposed for public comment an amendment to Rule 2a-7 under the Investment Company Act of 1940. Rule 2a-7 permits money market funds to use the amortized cost method of valuing portfolio securities and the penny-rounding method of computing price per share. The amendment would exclude tax-exempt money market funds from the requirement that the board of directors of a money market fund approve or ratify the acquisition of any security that is unrated or is rated by only one nationally recognized statistical rating organization. The release also provides interpretive guidance describing the minimum procedures that would be expected for the board of directors of a money market fund to fulfill its obligations regarding the purchase of single rated or unrated securities. FOR FURTHER INFORMATION, PLEASE CONTACT: Lawrence B. Stoller at (202) 272-2107. (Rel. IC-18080, S7-7-91)

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## CIVIL PROCEEDINGS

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### CANADIAN CITIZEN ENJOINED

The Fort Worth Regional Office announced that on March 25 the U.S. District Court for the Western District of Texas, San Antonio Division, entered an Order of Permanent Injunction against David H. Ward, a resident of Vancouver, British Columbia, Canada. The Order permanently enjoins Ward from further violations of the antifraud provisions of the federal securities laws. Ward consented to the Order without admitting or denying the Commission's allegations. Ward was ordered to pay disgorgement of his ill-gotten gains. However, based on previous disgorgement in excess of \$5 million in civil and criminal actions prosecuted in Canada and Ward's demonstrated financial inability to make additional payments, the Court ordered no further disgorgement.

The Commission's complaint alleges that Ward, aided by two co-conspirators, Carl L. Lazzell and Edward J. Carter, systematically looted a mutual fund, the Prospector Fund, a series of United Services Funds, by causing Prospector to repeatedly deviate from its investment policies by purchasing approximately \$20 million of over-valued securities secretly controlled by two Canadian citizens, Ward and Carter. Prospector suffered approximately \$15 million in trading losses before the looting was discovered. All three co-conspirators have been criminally convicted and sentenced in Canada for their part in these activities. [SEC v. Carl L. Lazzell, Edward J. Carter and David H. Ward, Civil Action No. SA 90 CA 0951, WD/TX, San Antonio] (LR-12829)

AMENDED COMPLAINT RE MARC DWORKIN AND OTHERS

On April 5, the Commission filed an amended complaint in the U.S. District Court for the Western District of New York, alleging, among other things, that Kurt Gilbert violated the antifraud provisions of the Exchange Act in connection with transactions involving Revco D.S., Inc. (Revco) securities and options (securities) prior to the public announcement on March 11, 1986 that Revco was the subject of a leveraged buyout (LBO) offer. The Commission's filing amends the complaint it filed on March 5, 1991 alleging that Marc Dworkin and Thomas Milani violated the antifraud provisions of the Exchange Act in connection with trading in Revco securities prior to the announcement of the Revco LBO.

The Commission alleges that from November 1985 through March 11, 1986, Thomas Milani had discussions concerning an LBO of Revco with his brother-in-law Marc Dworkin, who during this time was a Revco director and executive. The Commission alleges that Marc Dworkin communicated material, nonpublic information concerning the LBO to Thomas Milani who traded in Revco securities while in possession of this information. The Commission further alleges that Thomas Milani communicated material, nonpublic information concerning the LBO to Kurt Gilbert who traded in Revco securities while in possession of this information. [SEC v. Marc J. Dworkin, Thomas G. Milani and Kurt A. Gilbert, USDC, WDNY, Civil Action No. CIV 91-0127S] (LR-12830)

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**SECURITIES ACT REGISTRATIONS**

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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-1 WITH DESIGN IN MIND INTERNATIONAL INC, 9660 TOPANGA CANYON BLVD, CHATSWORTH, CA 91311 (818) 407-1286 - 844,500 (\$5,067,000) COMMON STOCK. (FILE 33-39641 - APR. 02) (BR. 7)
- S-3 SECURITY PACIFIC CORP, 333 S HOPE ST, LOS ANGELES, CA 90071 (213) 345-4540 - 8,000,000 (\$199,520,000) COMMON STOCK. (FILE 33-39642 - APR. 02) (BR. 2)
- S-3 MELLON BANK CORP, ONE MELLON BANK CTR, 500 GRANT ST, PITTSBURGH, PA 15258 (412) 234-5000 - 6,000,000 (\$150,000,000) PREFERRED STOCK. (FILE 33-39685 - APR. 01) (BR. 1)
- S-6 TAX EXEMPT SECURITIES TRUST SERIES 341, 1345 AVE OF AMERICAS, C/O SMITH BARNEY HARRIS UPHAM & CO INC, NEW YORK, NY 10105 - 2,000 (\$2,000,000) UNIT INVESTMENT TRUST. DEPOSITOR: KIDDER PEABODY & CO INC, SMITH BARNEY HARRIS UPHAM & CO INC. (FILE 33-39691 - APR. 01) (BR. 16 - NEW ISSUE)
- S-6 TAX EXEMPT SECURITIES TRUST SERIES 342, 1345 AVE OF THE AMERICAS, C/O SMITH BARNEY HARRIS UPHAM & CO INC, NEW YORK, NY 10105 - 2,000 (\$2,000,000) UNIT INVESTMENT TRUST. DEPOSITOR: KIDDER PEABODY & CO INC, SMITH BARNEY HARRIS UPHAM & CO INC. (FILE 33-39692 - APR. 01) (BR. 16 - NEW ISSUE)

## REGISTRATIONS CONTINUED

- S-1 ILLINOIS CENTRAL CORP, 233 N MICHIGAN AVE, CHICAGO, IL 60601 (312) 819-7500 - 318,029 (\$5,274,479) COMMON STOCK. (FILE 33-39701 - APR. 01) (BR. 5)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST SERIES 607, 333 WEST WACKER DR, C/O JOHN NUVEEN & CO INC, CHICAGO, IL 60606 (FILE 33-39709 - APR. 02) (BR. 22 - NEW ISSUE)
- S-3 EASTMAN KODAK CREDIT CORP, 343 STATE ST, ROCHESTER, NY 14650 (716) 724-4332 (FILE 33-39710 - APR. 02) (BR. 13)
- S-8 MICHAEL ANTHONY JEWELERS INC, 115 SO MACQUESTEN PKWY, MOUNT VERNON, NY 10550 (914) 699-0000 - 500,000 (\$2,000,000) COMMON STOCK. (FILE 33-39729 - APR. 01) (BR. 9)
- S-1 HEALTHSOURCE INC, PO BOX 2041, DONOVAN STREET EXTENSION, CONCORD, NH 03302 (603) 225-5077 - 250,000 (\$6,218,750) COMMON STOCK. 2,050,000 (\$50,993,750) COMMON STOCK. UNDERWRITER: KIDDER PEABODY & CO INC, ROBERTSON STEPHENS & CO. (FILE 33-39730 - APR. 02) (BR. 9)
- S-3 FLORIDA PROGRESS CORP, ONE PROGRESS PLAZA, PO BOX 33042, ST PETERSBURG, FL 33733 (813) 824-6400 - 3,000,000 (\$120,187,500) COMMON STOCK. (FILE 33-39731 - APR. 02) (BR. 8)
- S-18 CARLSBERG PROPERTIES INC, 2800 TWENTY EIGHTH ST, SANTA MONICA, CA 90405 (213) 450-9696 - 3,500,000 (\$3,500,000) STRAIGHT BONDS. (FILE 33-39732 - APR. 01) (BR. 5 - NEW ISSUE)
- S-3 SOCIETY CORP, 800 SUPERIOR AVE, CLEVELAND, OH 44114 (216) 689-3000 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE 33-39733 - APR. 02) (BR. 2)
- S-3 SOCIETY CORP, 800 SUPERIOR AVE, CLEVELAND, OH 44114 (216) 689-3000 - 2,000,000 (\$200,000,000) PREFERRED STOCK. (FILE 33-39734 - APR. 02) (BR. 2)
- S-4 FIRSTBANK OF ILLINOIS CO, 205 S FIFTH STREET, SPRINGFIELD, IL 62701 (217) 753-7543 - 210,526 (\$4,526,309) COMMON STOCK. (FILE 33-39735 - APR. 02) (BR. 2)
- S-3 BOATMENS BANCSHARES INC, 100 N BROADWAY, ST LOUIS, MO 63102 (314) 425-7525 - 2,990,000 (\$114,928,125) COMMON STOCK. (FILE 33-39736 - APR. 02) (BR. 2)

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## ACQUISITION OF SECURITIES

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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	SMRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
AGNICO EAGLE MINES LTD MENTOR EXPLORATION & DEVL CO	COM 13D	3/ 7/91	3,554 11.6	00847410 10.7	UPDATE
AMERICAN SOFTWARE INC STATE OF WISCONSIN INVEST	CL A BD	3/13/91	1,305 5.8	02968310 0.0	NEW
BOLT BERANEK NEWMAN INC STATE OF WISCONSIN INVEST	COM BD	3/13/91	986 5.3	09768910 0.0	NEW
CAMPBELL SOUP CO HAMILTON DORRANCE H ET AL	COM 13D	4/ 3/91	18,365 14.5	13442910 17.8	UPDATE
CELLCOM CORP WALSH JAMES C ET AL	COM NEW 13D	6/20/90	1,333 11.5	15115430 0.0	NEW
DIGITAL MICROWAVE CORP STATE OF WISCONSIN INVEST	COM BD	3/11/91	765 6.4	25385910 0.0	NEW
EAGLE BANCSHARES INC SERRATO J C JR	COM 13D	2/12/91	117 7.5	26999010 0.0	RVISION
ECOGEN INC BLECH DAVID	COM 13D	3/31/91	11,175 95.1	27886410 90.1	UPDATE
GOLDEX MINES LTD AGNICO EAGLE MINES LTD	COM 13D	3/28/91	4,107 36.1	38136510 34.2	UPDATE
HORSHAM CORP MUTUAL LIFE ASSUR/CANADA ET AL	SUB VTG 13D	2/ 8/91	5,286 6.8	44090710 0.0	NEW
LEISURE CONCEPTS INC AVILA ROBERT J ET AL	COM 13D	3/25/91	409 13.1	52539710 11.8	UPDATE
LIPOSOME TECHNOLOGY INC BLECH DAVID	COM 13D	3/27/91	4,099 43.8	53631110 43.7	UPDATE
NATIONAL SEMICONDUCTOR CORP STATE OF WISCONSIN INVEST	COM BD	3/22/91	6,394 6.2	63764010 5.2	RVISION
OFFICE DEPOT INC CARREFOUR NEDERLAND B V	COM 13D	1/14/91	3,553 23.0	67622010 21.9	UPDATE
READING & BATES CORP SOUTH PAC BKG CORP ET AL	COM \$0.05 13D	3/30/91	94,092 39.9	75528170 3.4	UPDATE