

# sec news digest

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May 27, 1988

U.S. SECURITIES AND  
EXCHANGE COMMISSION

## COMMISSION ANNOUNCEMENTS

### MARY KEEFE PROMOTED TO ASSISTANT REGIONAL ADMINISTRATOR (ENFORCEMENT)

William D. Goldsberry, Chicago Regional Office (CRO) Administrator, announced the promotion of Mary E. Keefe from Chief, Branch of Enforcement, to Assistant Regional Administrator (Enforcement).

Ms. Keefe graduated from Northern Illinois University with a Bachelor's Degree, cum laude, in 1972 and graduated from DePaul College of Law with a Juris Doctorate Degree in 1979. After graduation, she joined a Chicago law firm specializing in securities and commercial litigation. She remained with the firm until 1982 when she joined the CRO. She was promoted to Chief, Branch of Enforcement, in April 1985.

### THOMAS NEAL APPOINTED CHIEF FINANCIAL ANALYST

Kathryn B. McGrath, Director of the Division of Investment Management, announced that Thomas Neal has been appointed Chief Financial Analyst. In that position, Mr. Neal will be responsible for the administration of the activities of the Office of Financial Analysis and Inspections. Mr. Neal has been on the Division's staff since 1983 serving as Deputy Chief of the Office of Insurance Products. He received his B.A. from Presbyterian College in 1969 and an M.B.A. from Winthrop College in 1974.

## CIVIL PROCEEDINGS

### E. F. HUTTON & COMPANY, INC. SENTENCED

On May 16, E. F. Hutton & Company, Inc. pled guilty to one count of conspiracy to violate the Bank Secrecy Act and two counts of engaging in money laundering. Hutton, in a plea agreement, agreed to paying the maximum fine of \$1.01 million.

At trial, the U.S. Attorney's evidence would have established that from May 1982 through August 1984, two registered representatives of Hutton's Providence branch office laundered at least \$1.5 million for their clients. Cash was laundered at local banks by Hutton employees and clients through the purchase of multiple cashier's checks in amounts under \$10,000. The brokers hid the identities of their clients by creating fictitious accounts bearing false names and social security numbers. The checks were deposited in the fictitious accounts whereupon tax-exempt municipal bearer-bonds were purchased thus insuring the anonymity of the clients. Pursuant to terms of a plea agreement, Hutton was sentenced to a maximum fine of \$1.01 million for the three felony counts.

On October 22, 1987, the Commission censured Hutton and ordered undertakings relating to Hutton's cash receipts procedures, and suspended the former manager of its Providence branch office. (U.S. v. E. F. Hutton & Company, Inc., Cr. No. 88-036-L, DRI). (LR-11748)

## INVESTMENT COMPANY ACT RELEASES

### CHEVAL/ALLIANCE U.S. EQUITY FUND

A notice has been issued giving interested persons until June 17 to request a hearing on an application filed by Cheval/Alliance U.S. Equity Fund for an order declaring that it has ceased to be an investment company. (Rel. IC-16411 - May 25)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING SOUGHT

NOTICES

Notices have been issued giving interested persons until June 15 to comment on the application of the following stock exchanges for unlisted trading privileges in the specified number of issues which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system: Midwest Stock Exchange - seven issues. (Rel. 34-25745); and the Philadelphia Stock Exchange - four issues. (Rel. 34-25746)

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## SELF-REGULATORY ORGANIZATIONS

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### APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change filed under Rule 19b-4 by: The American and Philadelphia Stock Exchanges and The Chicago Board Options Exchange (SR-Amex-87-23, SR-Phlx-87-32, and SR-CBOE-87-27) to exempt certain hedged positions from equity options positions and exercise limits during a two-year pilot program. (Rel. 34-25738); and (SR-CBOE-87-25) to provide for a one-year pilot program during which public customers may apply for an exemption from broad-based index option position limits for positions that are hedged against qualified stock portfolios. (Rel. 34-25739)

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## TRUST INDENTURE ACT RELEASES

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### USAIR, INC.

A notice has been issued giving interested persons until June 18 to request a hearing on an application by USAIR, Inc., a Delaware corporation, under Section 310(b)(1)(ii) of the Trust Indenture Act of 1939. The application declares that the trusteeship of Meridian Trust Company under 18 USAIR indentures is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Trust Company from acting as trustee under any one of such indentures. Eight of the indentures are dated May 16, 1988 and the securities to be issued under them are approximately \$166.4 million of Equipment Trust Certificates, Series E through L (\$20.8 million per Series). Four were dated March 1, 1988 and the securities issued under them are \$19.8 million of Equipment Trust Certificates, Series A; \$19.8 million of Equipment Trust Certificates, Series B; \$19.4 million of Equipment Trust Certificates, Series C; and \$19.4 million of Equipment Trust Certificates, Series D. The other six are dated November 30, 1987 and the securities issued under them are \$124.8 million of Equipment Trust Certificates, Series A through F (\$20.8 million per Series). (Rel. TI-2168)

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## MISCELLANEOUS

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### NOTICE OF INTENTION TO CANCEL REGISTRATION

The Commission published a Notice of Intention to Cancel the Registration of TSC Investment Management, Inc. under Section 203(h) of the Investment Advisers Act of 1940 in the Federal Register. The Commission believes reasonable grounds exist to support a finding that TSC is no longer in existence or is not engaged in business as an investment adviser. Notice was given that any interested person may, not later than 30 days after the date of publication of the notice, submit to the Commission in writing a request for a hearing, accompanied by a statement as to the nature of his interest, the reason for such request, and the request that he be notified if the Commission should order a hearing thereon. (Rel. IA-1124)

## 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 PACIFIC SELECT EXEC SEPARATE ACC OF PACIFIC MUTUAL LIFE IN, 700 NEWPORT CENTER DR, C/O PACIFIC MUTUAL LIFE INSURANCE CO, NEWPORT BEACH, CA 92660 - INDEFINITE SHARES. (FILE 33-21754 - MAY. 18) (BR. 20 - NEW ISSUE)
- S-18 OMNI FILMS INTERNATIONAL INC, 5696 PINKNEY AVE, SARASOTA, FL 34233 (813) 924-4239 - 920,000 (\$4,600,000) COMMON STOCK. UNDERWRITER: GREY RANDOLF & ABBOTT LTD. (FILE 33-21885-A - MAY. 17) (BR. 11)
- S-4 CRYSTAL OIL CO /LA/, 229 MILAM ST, SHREVEPORT, LA 71101 (318) 222-7791 - 73,094,660 (\$23,052,361) CONVERTIBLE DEBENTURES AND NOTES. (FILE 33-21947 - MAY. 17) (BR. 12 - NEW ISSUE)
- S-2 CRYSTAL OIL CO /LA/, 229 MILAM ST, SHREVEPORT, LA 71101 (318) 222-7791 - 6,066,666 (\$27,300,000) COMMON STOCK. 1,333,333 (\$6,000,000) COMMON STOCK. (FILE 33-21950 - MAY. 17) (BR. 12)
- S-3 LOMAS & NETTLETON MORTGAGE INVESTORS, 2001 BRYON TOWER, DALLAS, TX 75201 (214) 746-7111 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-21953 - MAY. 18) (BR. 5)
- S-3 CIT GROUP HOLDINGS INC /DE/, 135 W 50TH ST, NEW YORK, NY 10020 (201) 740-5600 - 362,000,000 (\$362,000,000) STRAIGHT BONDS. (FILE 33-21954 - MAY. 18) (BR. 12)
- S-3 UNION CARBIDE CORP, 39 CLD RIDGEBURY RD, DANBURY, CT 06817 (203) 794-2000 - 17,250,000 (\$398,906,250) COMMON STOCK. (FILE 33-21956 - MAY. 19) (BR. 2)
- S-8 MMI MEDICAL INC, 1900 ROYALTY DR STE 280, POMONA, CA 91767 (714) 620-0391 - 250,000 (\$1,796,875) COMMON STOCK. (FILE 33-21958 - MAY. 19) (BR. 6)
- S-8 PETROLITE CORP, 100 N BROADWAY, ST LOUIS, MO 63102 (314) 241-8370 - 1,000,000 (\$1,000,000) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE 33-21962 - MAY. 19) (BR. 1)
- S-3 SIGNET BANKING CORP, 7 N EIGHTH ST, PO BOX 25970, RICHMOND, VA 23260 (804) 747-2000 - 1,000,000 (\$24,000,000) COMMON STOCK. (FILE 33-21963 - MAY. 19) (BR. 2)
- S-3 TRITON ENERGY CORP, 1400 ONE ENERGY SQ, 4925 GREENVILLE AVE, DALLAS, TX 75206 (214) 691-5200 - 330,891 (\$6,247,222) COMMON STOCK. (FILE 33-21984 - MAY. 20) (BR. 11)
- S-1 SAN JUAN FIBERGLASS POOLS INC, 37020 INDUSTRIAL AVE, HEMET, CA 92343 (714) 925-0426 - 8,100,000 (\$850,500) COMMON STOCK. (FILE 33-21988 - MAY. 20) (BR. 11)
- S-3 MNC FINANCIAL INC /MD/, 10 LIGHT ST, PO BOX 987, BALTIMORE, MD 21202 (301) 244-5000 - 500,000,000 (\$500,000,000) STRAIGHT BONDS. (FILE 33-21990 - MAY. 19) (BR. 2)
- S-1 DIAMOND SHAMROCK R&M INC, 9830 COLONNADE BLVD, SAN ANTONIO, TX 78230 (512) 641-6800 - 2,300,000 (\$57,500,000) PREFERRED STOCK. (FILE 33-21991 - MAY. 19) (BR. 3)
- S-2 SYSTEM ENERGY RESOURCES INC, ONE JACKSON PL, 188 E CAPITOL ST, JACKSON, MS 39201 (601) 984-9600 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-21993 - MAY. 19) (BR. 8)
- S-1 HOOK SUPERX INC, 175 TRI COUNTY PKWY, CINCINNATI, OH 45246 (513) 782-3000 - 75,000,000 (\$75,000,000) STRAIGHT BONDS. (FILE 33-21994 - MAY. 20) (BR. 4)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST SERIES 472, 333 W WACKER DR, C/O JOHN NUVEEN & CO INC, CHICAGO, IL 60606 DEPOSITOR: NUVEEN JOHN & CO INC. (FILE 33-22005 - MAY. 20) (BR. 22 - NEW ISSUE)
- S-3 CENTRAL POWER & LIGHT CO /TX/, 565 N CARANCAHUA ST, CORPUS CHRISTI, TX 78401 (512) 881-5300 - 150,000,000 (\$152,625,000) MORTGAGE BONDS. (FILE 33-22006 - MAY. 20) (BR. 13)

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 \* CALLS FROM THE PUBLIC \*  
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 \* 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:  
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 \* Consumer Affairs (272-7440) - Investor inquiries and complaint processing information.  
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 \* Freedom of Information Branch (272-7420) - Requests concerning FOIA, Privacy Act, Sunshine Act, confidential treatment matters, etc.  
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 \* Personnel Locator (272-2550) - Requests for names and phone number of Commission personnel.  
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 \* 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 individual and other related matters.  
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 \* Public Reference (272-7450) - Requests for information on whether or not a document has been filed, etc.  
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 \* Publications Unit (272-7460) - Requests for forms, studies, directories, filing requirements, copy procedures, etc.  
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 \* Office of the Secretary (272-2600) - Requests for information on the Commission calendar.  
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