

sec news digest

Issue 94-137

July 21, 1994

COMMISSION ANNOUNCEMENTS

Chairman Arthur Levitt will testify on behalf of the Commission concerning Litigation under the Federal Securities Law before the House Subcommittee on Telecommunication and Finance at 10:00 a.m., on July 22 in Room 2123 of the Rayburn House Office Building.

ENFORCEMENT PROCEEDINGS

ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AGAINST DANIEL DIAZ

The Commission entered an Order Making Findings and Imposing Remedial Sanctions in connection with previously instituted public administrative proceedings against Daniel Diaz of Springfield, Virginia. From in or about November 1989 until August 1990, Diaz served as the financial principal of American Wallstreet Securities, Inc., a registered broker-dealer which ceased operations in October 1990.

Diaz submitted, and the Commission accepted, an Offer of Settlement whereby he consented to the entry of an Order containing a finding that on March 24, 1993 a permanent injunction was entered against Diaz in connection with a civil action filed by the Commission on September 25, 1991, alleging that Diaz aided and abetted violations of the broker-dealer net capital and books and records provisions of the federal securities laws. Based upon this finding and Diaz's consent, the Commission barred Diaz from association with any broker, dealer, municipal securities dealer, investment company or investment adviser with a right to reapply after two (2) years. [SEC v. Eric J. Wallago, et al., USDC, M.D. Fla., Civil Action No. 91-1297-CIV-T-21A]. (LR-34375)

JOHN TOSCANI PERMANENTLY BARRED

The Commission issued an Order Instituting Proceedings pursuant to Sections 15(b)(6) and 19(h) of the Securities Exchange Act, Making Findings and Imposing Remedial Sanctions (Order) against John L. Toscani (Toscani), a New York resident. Toscani consented to the Order and submitted an offer of settlement in which he neither admitted nor denied findings that he violated the antifraud provisions. Toscani also

consented to the imposition of a permanent bar from association in any capacity with any broker, dealer, municipal securities dealer, investment adviser, or investment company.

The Order states that Toscani was permanently enjoined by the United States District Court for the Southern District of New York from further violations of Section 10(b) of the Securities Exchange Act (Exchange Act) and Rule 10b-5 thereunder.

The Commission's complaint in the above action alleges that Toscani violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder by creating the false and misleading appearance of a market for the securities of Firestone Development Corp. (Firestone) and Beta Tech Robotics, Inc. (Beta Tech), publishing price quotes for Firestone and Beta Tech securities which had no reasonable relation to the market, publishing fictitious price quotes for Firestone and Beta Tech securities, and making material misrepresentations and omissions to the public. [SEC v. Michael Matonis and John Toscani, Jr., 93 Civ. 5531 MBM, S.D.N.Y] (LR-34380)

PRELIMINARY INJUNCTION ENTERED AGAINST CONTINENTAL WIRELESS CABLE TELEVISION, INC., AND ITS OFFICERS; PERMANENT RECEIVER ORDERED

On July 12, the Honorable Edward J. Schwartz, United States District Court Judge for the Southern District of California, entered a preliminary injunction against Continental Wireless Cable Television, Inc., and its officers, Robin J. McPherson, Jay R. Bishop, and Gene R. Cardenaz (Defendants), enjoining all of the Defendants from violations of Sections 5(a), 5(c), and 17(a) of the Securities Act and Sections 10(b) and 15(a) of the Securities Exchange Act and Rule 10b-5 thereunder. In addition, the Court continued a freeze of the Defendants' assets pending the resolution of the Commission's action on the merits. The Court also appointed a permanent receiver over Continental. [SEC v. Continental Wireless Cable Television, Inc., et al., Civ. Action No. 940737S (BTM) SD Cal] (LR-14163)

COMPLAINT FILED AGAINST JOHN GENETTI, WESTLEY SCHER AND LOUIS VARGAS

The Commission announced that it filed a complaint on July 14, 1994, in the United States District Court for the Central District of California against John A. Genetti (Genetti), Westley Scher (Scher) and Louis F. Vargas (Vargas), alleging that the defendants operated a complex scheme to defraud investors through the sale of bogus municipal bonds, and seeking orders of permanent injunction, disgorgement and civil penalties against them.

Without admitting or denying the allegations in the complaint, Genetti and Scher consented to the entry of a final judgment: (1) permanently enjoining them from future violations of the federal securities laws; (2) ordering them each to disgorge \$25,038,531.32, payment of which will be waived based on their inability to pay; and (3) noting the appropriateness of civil penalties against them.

The complaint alleges that from 1984 to 1991, the defendants operated a fraudulent scheme involving the sale of fictitious municipal bonds, raising nearly \$29 million from more than 500 investors in several states using a succession of boiler-room entities. The boiler-room entities were Reserve Financial Group, First Securities Group of California, Inc., FSG Financial Services, Inc. and Century Asset Management, Inc.

Genetti, Scher and Vargas are each currently serving prison sentences in connection with their roles in the scheme. (LR-14164)

PROCEEDINGS AGAINST ROBERT FOSTER

The Commission announced that on July 20, 1994, administrative proceedings pursuant to the Securities Act and the Securities Exchange Act were instituted against Robert A. Foster for violations of certain antifraud provisions of the federal securities laws, including Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Simultaneously with the institution of these proceedings, the Commission accepted Foster's offer of settlement in which he consented, without admitting or denying the Commission's findings, to the entry of a cease and desist order against further violations of these statutory provisions. The Commission further ordered that Foster be barred from association with any broker, dealer, municipal securities dealer, investment adviser or investment company. The Commission ordered Foster to disgorge \$38,000, but waived disgorgement based on Foster's stated inability to pay.

Among other things, the Commission found that from June 1986, until August 1990, Foster was a registered representative in the Orlando, Florida office of Stuart-James. The Commission further found that Foster made materially false and misleading statements to customers about securities he was recommending that they purchase. The Commission found that Foster made unlawful stock price predictions, misrepresented risks of investments, guaranteed the performance of securities, and churned a customer's account. (Rel. Nos. 33-7077, 34-34408) (Admin. Proceedings 3-8423)

INVESTMENT COMPANY ACT RELEASES

CAMBRIDGE SERIES TRUST, ET AL.

A notice has been issued giving interested persons until August 12, to request a hearing on an application filed by Cambridge Series Trust, et al. for an order under Section 6(c) of the Investment Company Act that conditionally would exempt applicants from Sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), 22(c), and 22(d) of the Act, and Rule 22c-1 thereunder. The order would permit certain open-end management investment companies to issue multiple classes of shares representing interests in the same portfolio of securities, and assess and, under certain circumstances, waive a contingent deferred sales charge on certain redemptions of shares. (Rel. IC-20413 - July 18)

NEW YORK VENTURE FUND, INC., ET AL.

A conditional order has been issued under Section 6(c) of the Investment Company Act exempting applicants and certain other registered open-end management investment companies from Sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), 22(c), and 22(d) of the Act, and Rule 22c-1

thereunder. The order permits the investment companies to issue multiple classes of shares representing interests in the same portfolio of securities, and assess and, under certain circumstances, waive a contingent deferred sales charge on certain redemptions of shares. (Rel. IC-20414 - July 20)

AIM FUND GROUP, ET AL.

An order has been issued on an application filed by AIM Fund Group, et al. under Section 6(c) of the Investment Company Act amending a prior order granting relief from Sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), 22(c), and 22(d) of the Act and Rule 22c-1 thereunder. The prior order permits the issuance of multiple classes of shares and the imposition, and under certain circumstances, the waiver of a contingent deferred sales charge (CDSC). The requested amendment permits applicants to modify the circumstances in which the CDSC may be waived, and to include additional applicants. (Rel. IC-20415 - July 20)

CENTENNIAL APPRECIATION PORTFOLIO, SERIES 1 AND 2

An order has been issued under Section 8(f) of the Investment Company Act declaring that Centennial Appreciation Portfolio has ceased to be an investment company. (Rel. IC-20416 - July 20)

HOLDING COMPANY ACT RELEASES

NATIONAL FUEL GAS COMPANY

A notice has been issued giving interested persons until August 15 to request a hearing on a proposal by National Fuel Gas Company, a registered holding company. NFG requests authorization to enter into one or more interest rate swaps, plus other derivative instruments, such as interest rate caps, collars and floors through December 31, 1994 in notional amounts that in the aggregate will not exceed \$350 million. (Rel. 35-26087)

CONSOLIDATED NATURAL GAS

A supplemental notice has been issued giving interested persons until August 15 to request a hearing on a proposal by Consolidated Natural Gas Company (CNG), a registered holding company to reserve the right, without the consent of the holders of future debenture issues, to amend certain provisions in its indenture. (Rel. 35-26087)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change file by the New York Stock Exchange (SR-NYSE-94-25) to add to its fee structure charges for new electronic products and reduce charges for private lines and broker booth telephone extensions has become effective under Section 19(b)(3)(A) of the Securities Act. Publication of the proposal is expected in the Federal Register during the week of July 25. (Rel. 34-34395)

On July 7, 1994, a proposed rule change was filed by the Chicago Board Options Exchange (SR-CBOE-94-22) relating to block order discounts on transaction fees. Publication of the notice is expected in the Federal Register during the week of July 25. (Rel. 34-34407)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change filed by the Philadelphia Stock Exchange (SR-Phlx-91-45) that amends Options Floor Procedure Advice A-11, which relates to its Ten-Up Rule, and brings it into conformity with Exchange Rule 1033(a). Publication of the notice is expected in the Federal Register during the week of July 25. (Rel. 34-34400)

The Commission granted accelerated approval to a proposed rule change submitted by the Chicago Stock Exchange (SR-CHX-94-10) under Rule 19b-4 of the Exchange Act to amend its capital requirements to conform to the current requirements as set forth in SEC Rule 15c3-1. (Rel. 34-34409)

PROPOSED RULE CHANGE

On June 13, 1994 the Philadelphia Stock Exchange filed a proposed rule change (SR-PSE-94-28) pursuant to Rule 19b-4 under the Securities Exchange Act, to amend its rules to establish the following maximum quote spreads for National Over-the-Counter Index (XOC) option: \$2.00 for XOC options with bids of \$20.00 to less than \$40.00; and \$3.00 for XOC options with bids of \$40.00 or more. Publication of the notice is expected in the Federal Register during the week of July 25. (Rel. 34-34401)

The Philadelphia Depository Trust Company filed a proposed rule change (SR-PHILADEP-90-03) under Section 19(b) of the Securities Exchange Act. The rule relates to the implementation of an automated balance certificate program (FASTRACS) and has been approved on a temporary basis through December 30, 1994. (Rel. 34-34404)

Pursuant to Rule 19b-4 under the Securities Exchange Act on June 13 the Pacific Stock Exchange filed with the Commission a proposed rule change (SR-PSE-94-15), and on June 27, 1994 and June 28, 1994, the PSE filed Amendment Nos. 1 and 2, respectively, to the proposed rule change relating to listing and trading options on the PSE Israel Index. Publication of the notice is expected in the Federal Register during the week of July 25. (Rel. 34-34410)

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-1 MCC SUB INC, HIGHWAY 49 EAST, YAZOO CITY, MS 39194 (601) 746-4131 - 5,520,000 (\$82,800,000) COMMON STOCK. (FILE 33-54573 - JUL. 14) (BR. 1)
- S-8 ALLIANCE CAPITAL MANAGEMENT LP, 1345 AVE OF THE AMERICAS, NEW YORK, NY 10105 (212) 969-1000 - 2,000,000 (\$40,880,000) COMMON STOCK. (FILE 33-54575 - JUL. 14) (BR. 11)
- S-8 DELL COMPUTER CORP, 9505 ARBORETUM BLVD, AUSTIN, TX 78759 (512) 338-4400 - 2,216,370 (\$59,709,008) COMMON STOCK. (FILE 33-54577 - JUL. 14) (BR. 10)
- SB-2 CANTERBURY PARK HOLDING CORP, 1100 CANTERBURY DR, SHAKOPEE, MN 55379 (612) 445-7223 - 3,450,000 (\$16,100,000) COMMON STOCK. (FILE 33-81262-C - JUL. 01) (BR. 11 - NEW ISSUE)
- SB-2 ASV INC /MN/, PO BOX 218, MARCELL, MN 56657 (218) 832-3555 - 1,380,000 (\$4,485,000) COMMON STOCK. (FILE 33-81264-C - JUL. 07) (BR. 9 - NEW ISSUE)
- SB-2 HEALTHY ROMAN FOODS INC, 8111 LBJ FREEWAY, STE 375, DALLAS, TX 75251 (214) 437-9907 - 4,000,000 (\$10,000,000) COMMON STOCK. (FILE 33-81296-D - JUL. 08) (BR. 3 - NEW ISSUE)
- S-8 MEDICAL DIAGNOSTICS INC/DE, 6 NEW ENGLAND EXECUTIVE PARK, BURLINGTON, MA 01803 (617) 270-9560 - 200,000 (\$788,000) COMMON STOCK. (FILE 33-81462 - JUL. 13) (BR. 5)
- S-8 RECLAIM INC /DE/, 8001 NORTH DALE MABRY HIGHWAY STE 101-A, TAMPA, FL 33614 (813) 935-8533 - 250,000 (\$280,000) COMMON STOCK. (FILE 33-81464 - JUL. 13) (BR. 7)
- S-8 SKY SCIENTIFIC INC, 1515 N FEDERAL HWY STE 310, BOCA RATON, FL 33432 (407) 362-9494 - 630,000 (\$285,900) COMMON STOCK. (FILE 33-81466 - JUL. 13) (BR. 8)
- S-1 SAYETT GROUP INC, 17 TOBEY VILLAGE OFFICE PARK, PITTSFORD, NY 14534 (716) 264-9250 - 161,948 (\$445,357) COMMON STOCK. (FILE 33-81468 - JUL. 13) (BR. 11)

REGISTRATIONS CONT.

- S-1 WANG LABORATORIES INC, ONE INDUSTRIAL AVE, LOWELL, MA 01851
(508) 459-5000 - 1,375,000 (\$16,371,094) COMMON STOCK. 636,163
(\$63,616,300) PREFERRED STOCK. (FILE 33-81526 - JUL. 13) (BR. 9)
- S-3 CODA ENERGY INC, 5735 PINELAND DR, STE 300, DALLAS, TX 75231
(214) 692-1800 - 1,500,000 (\$9,840,000) COMMON STOCK. (FILE 33-81528 -
JUL. 13) (BR. 4)
- S-3 PITTENCRIEFF COMMUNICATIONS INC, 1 VILLAGE DR STE 500, ABILENE, TX 79606
(915) 690-5800 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE
33-81530 - JUL. 13) (BR. 8)
- S-4 CODA ENERGY INC, 5735 PINELAND DR, STE 300, DALLAS, TX 75231
(214) 692-1800 - 4,290,000 (\$386,100) COMMON STOCK. (FILE 33-81532 -
JUL. 13) (BR. 4)
- S-1 DIVERSIFIED FUTURES TRUST I, FINANCIAL SQUARE, 6TH FL, NEW YORK, NY
10292 (212) 804-7866 - 1,000,000 (\$100,000,000)
COMMON SHARES OF BENEFICIAL INTEREST. (FILE 33-81534 - JUL. 13) (BR. 11
- NEW ISSUE)
- S-1 FORELAND CORP, 12596 W BAYAUD AVE STE 200, UNION TERRACE OFFICE BLDG,
LAKEWOOD, CA 80226 (303) 988-3122 - 1,495,000 (\$4,111,250) COMMON STOCK.
1,495,000 (\$224,250) WARRANTS, OPTIONS OR RIGHTS. 130,000 (\$429,000)
COMMON STOCK. 130,000 (\$23,400) WARRANTS, OPTIONS OR RIGHTS. (FILE
33-81538 - JUL. 13) (BR. 4)
- S-8 QUADRAX CORP /DE/, 300 HIGH POINT AVE, PORTSMOUTH, RI 02871
(401) 683-6600 - 175,000 (\$60,156.25) COMMON STOCK. (FILE 33-81542 -
JUL. 13) (BR. 10)
- S-8 QUADRAX CORP /DE/, 300 HIGH POINT AVE, PORTSMOUTH, RI 02871
(401) 683-6600 - 29,415 (\$10,111.40) COMMON STOCK. (FILE 33-81544 -
JUL. 13) (BR. 10)
- S-8 QUADRAX CORP /DE/, 300 HIGH POINT AVE, PORTSMOUTH, RI 02871
(401) 683-6600 - 88,807 (\$30,527.40) COMMON STOCK. (FILE 33-81546 -
JUL. 13) (BR. 10)
- S-8 QUADRAX CORP /DE/, 300 HIGH POINT AVE, PORTSMOUTH, RI 02871
(401) 683-6600 - 100,000 (\$34,375) COMMON STOCK. (FILE 33-81548 - JUL. 13)
(BR. 10)
- F-9 GREAT LAKES POWER INC, BCE PLACE 181 BAY ST, STE 762 PO BOX 762,
TORONTO ONTARIO CANADA, A1 (416) 363-9491 - 300,000,000 (\$300,000,000)
FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 33-81550 - JUL. 13) (BR. 7
- NEW ISSUE)
- F-6 SASOL LTD/ADR/, 280 PARK AVE, C/O BANKERS TRUST CO, NEW YORK, NY 10015
- 20,000,000 (\$1,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE
33-81552 - JUL. 13) (BR. 99)
- F-3 POHANG IRON & STEEL CO LTD, 16 ULCHIRO 1 GA, KUMSEKI BLDG,
CHUNG GU SEOUL 100 191, N5 (202) 785-5643 (FILE 33-81554 - JUL. 13)
(BR. 6)
- S-8 ENVIROTEST SYSTEMS CORP /DE/, 2002 N FORBES BLVD, TUCSON, AZ 85745
(602) 620-1500 - 3,875,148 (\$37,464,477.84) COMMON STOCK. (FILE 33-81556 -
JUL. 13) (BR. 4)

ACQUISITIONS 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
CHILDRENS DISCOVERY CTRS INC MORGAN STANLEY GRP ET AL	COM NEW	4/28/93	51 1.1	16875720 0.0	NEW
FRUEHAUF TRAILER CORP ENERGY MGMT	COM 13D	7/11/94	2,011 10.1	35939710 12.7	RVSION
FUSION SYS CORP DAWSON-SAMBERG CAP MGMT ET AL	COM 13D	6/30/94	419 6.1	36112910 0.0	NEW
GAMETEK INC SCHWARTZ IRWIN H	COM 13D	6/14/94	5,445 72.3	36499910 0.0	NEW
HALTER VENTURE CORP STEPHEN CHERNER	COM 13D	7/18/94	475 6.2	40643030 8.8	UPDATE
M D C HLDGS INC SIEGLER GARY ET AL	COM 13D	7/14/94	962 5.1	55267610 0.0	NEW
PHOTRONICS INC TOPPAM PRINTING CO LTD	COM 13D	7/20/94	1,060 16.5	71940510 16.5	UPDATE
PROCOM GROUP INC RUGGIERI DAVID S	COM 13D	6/29/94	5,200 65.0	74700099 65.0	UPDATE
RE CAP CORP TWEEDY BROWNE CO L P ET AL	COM 13D	7/15/94	497 7.1	75490410 5.6	UPDATE
SKYBOX INTL INC BGLS INC	COM 13D	11/15/89	968 11.6	83091410 0.0	NEW
SKYBOX INTL INC BROOKE GROUP LTD	COM 13D	7/ 7/94	1,334 16.0	83091410 0.0	NEW
SKYBOX INTL INC HARRINGTON HOLDINGS	COM 13D	11/15/89	366 4.4	83091410 0.0	NEW
SKYBOX INTL INC LEBOW BENNETT S	COM 13D	7/ 7/94	1,515 18.2	83091410 0.0	NEW
TESORO PETE CORP OAKVILLE N V	COM 13D	6/29/94	1,523 6.4	88160910 7.2	UPDATE
UNI MARTS INC JERJIAN TINA ORDOUKHANIAN	COM 13D	7/17/94	1,048 15.2	90457130 0.0	NEW
WAREHOUSE AUTO CTRS INC NATHAN MORTON	COM 13D	6/21/94	260 9.2	93425710 0.0	NEW