

sec news digest

Issue 95-78

April 24, 1995

COMMISSION ANNOUNCEMENTS

BARBARA GREEN, INVESTMENT MANAGEMENT DEPUTY DIRECTOR, DEPARTS TO JOIN FRANKLIN TEMPLETON FUND GROUP

The Commission announced today that Barbara J. Green, Deputy Director of the Division of Investment Management, will be leaving the SEC in early May to join Templeton Worldwide, Inc. as Vice President - Senior Counsel International Development. Templeton Worldwide is part of the Franklin Templeton Group, one of the largest fund groups in the United States. (Press Rel. 95-73)

ENFORCEMENT PROCEEDINGS

NASD ACTION AGAINST BRUCE ZIPPER SUSTAINED

The Commission has sustained the NASD sanctions against Bruce N. Zipper of Plantation, Florida. In its earlier decision, in Bruce N. Zipper, Securities Exchange Act Release No. 33376 (December 23, 1993), the Commission had sustained the NASD's findings that Zipper had failed to honor a validly rendered arbitration award, in violation of Article III, Section I of the Rules of Fair Practice. However, the Commission vacated the NASD's sanctions and remanded the proceedings to the NASD for a consideration of Zipper's claimed inability to pay the arbitration award.

During the pendency of the appeal, Zipper negotiated a settlement of the arbitration award. The Commission found the issue presented to the NASD on remand was the appropriate sanction for failure to honor the arbitration award in a timely manner. The Commission found that Zipper's failure to make any attempt to settle the award until faced with disciplinary action provided ample basis for the sanctions imposed. The Commission sustained the NASD's imposition on Zipper of a censure, \$5,000 fine and a five business day suspension. (Rel. 34-35606)

NASD ACTION AGAINST DONALD BICKERSTAFF SUSTAINED

The Commission has sustained NASD disciplinary action against Donald N. Bickerstaff of Tiburon, California, a former sales manager for the Prudential Insurance Company of America and its broker-dealer affiliate, Pruco Securities Corporation. The NASD censured Bickerstaff, barred him from association with any NASD member, and fined him \$50,000.

Rejecting Bickerstaff's claim that the NASD lacked jurisdiction to discipline him, the Commission found that Bickerstaff forged a customer's signature on two insurance documents, and prepared and furnished to another customer a false insurance policy schedule. In affirming the sanctions assessed by the NASD, the Commission stated that Bickerstaff's continued association with an NASD member firm would subject the public to unwarranted risk. (Rel. 34-35607)

COMMISSION SUSTAINS NASD ACTION AGAINST MICHAEL HUME

The Commission sustained an NASD disciplinary action against Michael H. Hume of Incline Village, Nevada. The Commission found, as had the NASD, that Hume, while manager of the Reno, Nevada, branch office of Wedbush Morgan Securities, Inc., failed to supervise a salesman adequately during the period from April 1986 through January 1987. The salesman recommended securities transactions that resulted in a customer's account being excessively traded. The NASD censured Hume, fined him \$5,000, and required him to requalify by examination prior to assuming any supervisory position with any member firm.

The Commission found, as had the NASD, that Hume had enough red flags to have alerted him to pursue an inquiry beyond merely questioning the salesman. Hume noted the continually increasing commissions and declining equity in the account, but he deferred notifying his superiors of the situation, and confirming with the customers that this pattern of trading represented their wishes. In essence, the Commission concluded that Hume did not react with sufficient concern to his own alarms. (Rel. 34-35608)

AHMED MOHAMED SOLIMAN BARRED AND REGISTRATION REVOKED

The Commission has revoked Soliman's registration as an investment adviser and concluded that Soliman should be barred from association with any broker or dealer or investment adviser. The Commission found that, on April 1, 1992, Soliman pled guilty to violating 26 U.S.C. § 7207 (submitting false and fraudulent documents on material matters to the Internal Revenue Service), a misdemeanor. The Commission determined that this was a crime involving the making of a false report, forgery, and fraudulent concealment. The Commission also found that Soliman failed to make and keep journals, ledgers, trial balances, and financial statements, as required by Section 204 of the Advisers Act and Rule 204-2(a) thereunder. (Rel. 34-35609; IA-1482)

ADMINISTRATIVE PROCEEDINGS INSTITUTED AND SIMULTANEOUSLY SETTLED WITH RESPECT TO WAYNE WOOD

The Commission announced that public administrative proceedings have been instituted and simultaneously settled with respect to Wayne E. Wood and that Wood has been barred from participating in an offering of any penny stock.

The Commission found that on January 27, 1995, Wood, the president of Unifirst Corp., was enjoined for violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder. Wood caused a Rule 15c2-11 information with respect to Unifirst to be distributed to broker-dealers although Wood knew the financial statements included therein overstated the company's net assets by \$44,500,000. Unifirst's Rule 15c2-11 materials also failed to disclose that Wood controlled over 70% of the company's stock. In addition, Wood set up brokerage accounts in nominee names and sold his stock to the public. (Rel. 34-35610)

ADMINISTRATIVE PROCEEDINGS INITIATED AGAINST RAY STODDARD AND JOSEPH CILLO

The Commission announced that it has entered an order instituting public administrative proceedings against Ray S. Stoddard and Joseph P. Cillo to determine what action, if any, is appropriate with respect to their participation in offerings of penny stock.

The order alleges that Stoddard has been permanently enjoined from violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder and that Cillo has been permanently enjoined from violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

It is alleged, among other things, that Stoddard signed a letter in which he opined that the stock of Unifirst Corp. was freely tradeable based on his review of certain corporate records when, in fact, Stoddard had undertaken no such review.

It is further alleged that Cillo, as counsel for Unifirst, aided and abetted in the public distribution of information which failed to disclose that Unifirst's president had acquired a 70% interest in the company's stock and that Cillo gave written instructions to Unifirst's transfer agent to issue such stock into nominee name, thereby assisting Unifirst's president in the sale of the president's stock. (Rel. 34-35611)

ADMINISTRATIVE AND CEASE AND DESIST PROCEEDINGS INITIATED AND SETTLED WITH RESPECT TO GEORGE DUKE

The Commission announced that it has instituted and simultaneously settled public administrative and cease and desist proceedings against George R. Duke. Duke has been barred from participating in an offering of any penny stock and ordered to cease and desist from violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. In addition, Duke was ordered to disgorge \$26,634.09, payment of which was waived based upon Duke's demonstrated inability to pay.

The Commission found that Duke represented to the president of Unifirst Corporation that he could assist the company in going public and that he could locate brokers who would be willing to sell Unifirst's stock to the public. In order to have Unifirst acquired by a publicly trading company, Duke retained a certified public account to prepare a balance sheet and conduct an audit for Unifirst. After Unifirst had been acquired, Duke then delivered to Unifirst's president approximately 70% of the public company's stock. Unifirst's Rule 15c2-11 information materials failed to disclose that its president controlled 70% of the company's issued and outstanding stock. Duke caused the Rule 15c2-11 materials to be delivered to a broker-dealer which was to engage in selling Unifirst stock to the public. (Rel. 33-7160; 34-35612)

PERMANENT INJUNCTIONS AND OTHER EQUITABLE RELIEF ENTERED AGAINST UNITED COMMUNICATIONS, LTD., GREG PARKER, ROBERT PALMAREZ, JOSE VARGAS, UEG, LC, UCL-CC, LC, AND OMNIVISION OF DAYTON.

On April 21, the Honorable James Robertson, United States District Judge for the District of Columbia, entered an Order of Permanent Injunction and Other Equitable Relief against defendants United Communications, Ltd. (UCL), Greg E. Parker, Robert Palmarez, Jose Vargas, UEG, L.C., UCL-CC, L.C., and Omnivision of Dayton. The Order permanently enjoins them from future violations of the securities registration provisions of the federal securities laws, and also permanently enjoins defendants UCL, Parker and Palmarez from future violations of the broker-dealer registration and antifraud provisions. The Order further provides that UCL, Parker and Palmarez shall pay disgorgement and prejudgment interest in an amount to be agreed on by the parties within 90 days, or, in the absence of agreement, in an amount to be determined by the Court on application by the Commission. The Order notes the appropriateness of civil penalties in this case, but does not impose them based on defendants' sworn representations to the Commission. Finally, the Order requires defendants to cooperate with the Commission in its continuing investigations. Defendants, without admitting or denying the allegations of the Complaint, consented to entry of the Order.

The Commission's Complaint, filed February 27, 1995, alleged that these and other defendants offered and sold unregistered securities of limited liability companies purportedly organized to develop wireless cable television systems, through unregistered high pressure telemarketing sales organizations, and misrepresented and omitted material facts concerning the risks and rewards of the ventures. The funds disgorged by UCL, Parker and Palmarez will be paid to the UCL Disgorgement Fund established February 27, 1995 pursuant to the Final Judgment entered against relief defendant TechniVision, Inc., and will be held with funds disgorged by other defendants for distribution to investors at the close of the case. The case is continuing against the remaining defendants. [SEC v. United Communications, Ltd., Civil Action No. 95-0400, JR, D.D.C.] (LR-14477)

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-8 INTERNATIONAL DAIRY QUEEN INC, 7505 METRO BLVD, MINNEAPOLIS, MN 55439
(612) 830-0200 - 600,000 (\$10,875,000) COMMON STOCK. (FILE 33-58615 -
APR. 14) (BR. 3)

- S-3 TOTAL SYSTEM SERVICES INC, 1200 SIXTH AVE, P O BOX 1755, COLUMBUS, GA
31902 (706) 649-2310 - 28,800 (\$482,400) COMMON STOCK. (FILE 33-58617 -
APR. 14) (BR. 10)

- S-4 PAYCHEX INC, 911 PANORAMA TRAIL S, ROCHESTER, NY 14625 (716) 385-6666 -
308,089 (\$9,446,665) COMMON STOCK. (FILE 33-58619 - APR. 14) (BR. 9)

- S-3 ROTECH MEDICAL CORP, 4506 LB MCLEOD RD STE F, ORLANDO, FL 32811
(407) 841-2115 - 2,300,000 (\$68,149,000) COMMON STOCK. (FILE 33-58621 -
APR. 14) (BR. 6)

- S-6 TAX EXEMPT SECURITIES TRUST PENNSYLVANIA TRUST 115,
C/O DAVIS POLK & WARDWELL, 450 LEXINGTON AVE, NEW YORK, NY 10017
(212) 450-4540 - INDEFINITE SHARES. (FILE 33-58623 - APR. 14) (BR. 22
- NEW ISSUE)

- S-4 MCDONALDS CORP, ONE MCDONALD'S PLZ, OAK BROOK, IL 60521 (708) 575-3000
- 450,000,000 (\$459,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-58625
- APR. 14) (BR. 12)

- S-8 EQUIFAX INC, 1600 PEACHTREE ST NW, P O BOX 4081, ATLANTA, GA 30302
(404) 885-8000 - 1,500,000 (\$49,312,500) COMMON STOCK. (FILE 33-58627 -
APR. 14) (BR. 6)

- S-8 AMRESCO INC, 1845 WOODALL RODGERS FRWY, STE 1300, DALLAS, TX 75201
(214) 953-7700 - 300,000 (\$2,100,000) COMMON STOCK. (FILE 33-58629 -
APR. 14) (BR. 9)

REGISTRATIONS CONT.

- S-4 GOODRICH PETROLEUM CORP, 5847 SAN FELIPE, SUITE 700, HOUSTON, TX 77057 (713) -78-0-94 - 42,512,054 (\$24,168,505) COMMON STOCK. 1,175,000 (\$7,050,000) PREFERRED STOCK. (FILE 33-58631 - APR. 14) (NEW ISSUE)
- S-8 STANHOME INC, 333 WESTERN AVE, WESTFIELD, MA 01085 (413) 562-3631 - 15,000 (\$433,125) COMMON STOCK. (FILE 33-58633 - APR. 14) (BR. 7)
- S-3 TEKTRONIX INC, 2660 SW PKWY, WILSONVILLE, OR 97070 (503) 627-7111 - 1,646,565 (\$70,390,653) COMMON STOCK. (FILE 33-58635 - APR. 14) (BR. 8)
- S-8 BJ SERVICES CO, 5500 NW CENTRAL DR, HOUSTON, TX 77210 (713) -46-2-42 - 1,500,000 (\$32,070,000) COMMON STOCK. (FILE 33-58637 - APR. 14) (BR. 3)
- S-8 BJ SERVICES CO, 5500 NW CENTRAL DR, HOUSTON, TX 77210 (713) -46-2-42 - 60,000 (\$1,282,800) COMMON STOCK. (FILE 33-58639 - APR. 14) (BR. 3)
- S-4 HILLHAVEN CORP, 1148 BROADWAY PLZ, TACOMA, WA 98402 (206) 572-4901 - 5,500,000 (\$141,625,000) COMMON STOCK. (FILE 33-58641 - APR. 14) (BR. 6)
- S-4 UNION PLANTERS CORP, 7130 GOODLETT FARMS PKWY, CORDOVA, TN 38018 (901) 383-6000 - 407,196 (\$13,437,468) COMMON STOCK. (FILE 33-58643 - APR. 14) (BR. 1)
- S-3 MICRODYNE CORP, 3601 EISENHOWER AVENUE, STE 300, ALEXANDRIA, VA 22304 (703) 739-0500 - 100,000 (\$1,625,000) COMMON STOCK. (FILE 33-58645 - APR. 14) (BR. 7)
- S-4 CITY HOLDING CO, 3601 MACCORKLE AVE SE, CHARLESTON, WV 25304 (304) 925-6611 - 950,000 (\$16,463,500) COMMON STOCK. (FILE 33-58647 - APR. 14) (BR. 2)
- S-4 PICO HOLDINGS INC, 13515 YARMOUTH DR, PICKERINGTON, OH 43147 (614) 864-7100 - 5,103,897 (\$42,107,150.25) COMMON STOCK. (FILE 33-91108 - APR. 12) (BR. 9 - NEW ISSUE)
- S-1 BROCKWAY STANDARD HOLDINGS CORP, 8607 ROBERTS DR, STE 250, ATLANTA, GA 30350 (404) 587-0888 - 3,634,000 (\$58,144,000) COMMON STOCK. UNDERWRITER: BEAR STEARNS & CO INC, BT SECURITIES CORP. (FILE 33-91114 - APR. 12) (BR. 10 - NEW ISSUE)
- S-1 USDATA CORP, 2435 NORTH CENTRAL EXPRESSWAY, RICHARDSON, TX 75080 (214) 680-9700 - 3,047,500 (\$15,237,500) COMMON STOCK. (FILE 33-91124 - APR. 12) (BR. 6 - NEW ISSUE)
- S-1 ARCSYS INC, 1208 EAST ARQUES AVE, SUNNYVALE, CA 94086 (408) 738-8881 - 2,760,000 (\$27,600,000) COMMON STOCK. UNDERWRITER: ALEX BROWN & SONS, MORGAN STANLEY & CO INC, WESSELS ARNOLD & HENDERSON. (FILE 33-91128 - APR. 12) (BR. 10 - NEW ISSUE)
- S-1 VIDEOSERVER INC, 5 FORBES RD, LEXINGTON, MA 02173 (617) 863-2300 - 2,870,000 (\$37,310,000) COMMON STOCK. UNDERWRITER: GOLDMAN SACHS & CO, ROBERTSON STEPHENS & CO. (FILE 33-91132 - APR. 12) (BR. 3 - NEW ISSUE)
- S-1 KENTUCKY FIRST BANCORP INC, 306 NORTH MAIN ST, CYNTHIANA, KY 41031 (606) 654-6961 - 1,256,375 (\$12,563,750) COMMON STOCK. UNDERWRITER: TRIDENT SECURITIES INC. (FILE 33-91134 - APR. 12) (BR. 2 - NEW ISSUE)

REGISTRATIONS CONT.

- S-11 WNC HOUSING TAX CREDIT FUND V LP SERIES 3, 3158 REDHILL AVE, STE 120, COSTA MESTA, CA 92636 (714) 662-5565 - 50,000 (\$50,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-91136 - APR. 13) (BR. 5 - NEW ISSUE)
- SB-2 INTEGRATED COMMUNICATION NETWORK INC, 444 BRICKELL AVE STE 900, MIAMI, FL 33131 - 1,150,000 (\$5,750,000) COMMON STOCK. 100,000 (\$100) WARRANTS, OPTIONS OR RIGHTS. 100,000 (\$550,000) COMMON STOCK. \$100 WARRANTS, OPTIONS OR RIGHTS. UNDERWRITER: HAMPSHIRE SECURITIES CORPORATION. (FILE 33-91144 - APR. 13) (BR. 11 - NEW ISSUE)
- S-3 CREATIVE BIOMOLECULES INC, 45 SOUTH STREET, HOPKINTON, MA 01748 (508) 435-9001 - 5,021,070 (\$10,983,590.63) COMMON STOCK. (FILE 33-91150 - APR. 12) (BR. 4)
- S-4 FINANCIAL TRUST CORP, 1415 RITNER HWY, P O BOX 220, CARLISLE, PA 17013 (717) 243-8003 - 1,054,888 (\$10,966,144.21) COMMON STOCK. (FILE 33-91154 - APR. 13) (BR. 1)
- S-8 WISCONSIN PHARMACAL COMPANY INC, 1 REPEL RD, JACKSON, WI 53037 (414) 677-4121 - 150,000 (\$750,000) COMMON STOCK. (FILE 33-91158 - APR. 12) (BR. 1)
- S-8 TIVOLI SYSTEMS INC, 9442 CAPITAL OF TEXAS HIGHWAY NORTH, STE 500 ARBORETUM PLAZA ONE, AUSTIN, TX 78759 (512) 794-9070 - 3,710,870 (\$136,856,885.60) COMMON STOCK. (FILE 33-91160 - APR. 12) (BR. 9)
- S-3 UAC SECURITIZATION CORP, 45 NORTH PENNA ST, STE 40, INDIANAPOLIS, IN 46204 (317) 231-6400 - 2,000,000 (\$2,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-91162 - APR. 13) (BR. 12)
- S-8 DIALOGIC CORP, 1515 US RTE 10, PARSIPPANY, NJ 07054 (201) 993-3000 - 430,222 (\$9,787,551) COMMON STOCK. (FILE 33-91164 - APR. 12) (BR. 10)
- S-8 MARSHALLTOWN FINANCIAL CORP, 303 WEST MAIN ST, MARSHALLTOWN, IO 50158 (202) 414-6100 - 136,375 (\$1,160,931) COMMON STOCK. (FILE 33-91168 - APR. 13) (BR. 2)
- SB-2 ODWALLA INC, 3500 COAST HWY ONE, DRAWER O, DAVENPORT, CA 95017 (415) 425-4557 - 766,667 (\$16,195,840.38) COMMON STOCK. UNDERWRITER: HAMBRECHT & QUIST INC, VAN KASPER & CO. (FILE 33-91170 - APR. 13) (BR. 3)
- S-8 TIER ENVIRONMENTAL SERVICES INC, 20505 US 19N #12-283, CLEARWATER, FL 34624 (212) 247-3030 - 400,000 (\$1,200,000) COMMON STOCK. (FILE 33-91178 - APR. 14) (BR. 11)
- S-8 PLACER DOME INC, 1055 DUNSMUIR ST STE 1600, PO BOX 49330 BENTALL POSTAL STATION, VANCOUVER BC CANADA V7X 1P1, A1 (604) 682-7082 - 500,000 (\$11,812,500) COMMON STOCK. (FILE 33-91180 - APR. 13) (BR. 1)
- S-8 ORTEL CORP/DE/, 2015 W CHESTNUT ST, ALHAMBRA, CA 91803 (818) 281-3636 - 1,500,000 (\$24,562,500) COMMON STOCK. 1,500,000 WARRANTS, OPTIONS OR RIGHTS. (FILE 33-91182 - APR. 13) (BR. 8)
- S-8 HEARTLAND WIRELESS COMMUNICATIONS INC, 903 W BOWSER STE 140, RICHARDSON, TX 75081 (214) 479-9244 - 950,000 (\$12,421,875) COMMON STOCK. (FILE 33-91186 - APR. 13) (BR. 7)

REGISTRATIONS CONT.

- S-8 XYLOGICS INC /DE/, 53 THIRD AVE, BURLINGTON, MA 01803 (617) 272-8140 - 240,000 (\$4,200,000) COMMON STOCK. (FILE 33-91188 - APR. 14) (BR. 9)
- S-8 HEARTLAND WIRELESS COMMUNICATIONS INC, 903 N BOWSER STE 140, RICHARDSON, TX 75081 (214) 479-9244 - 50,000 (\$715,000) COMMON STOCK. (FILE 33-91190 - APR. 13) (BR. 7)
- S-3 WELLSFORD RESIDENTIAL PROPERTY TRUST, 610 FIFTH AVENUE, NEW YORK, NY 10020 (212) 735-1108 - 1,000,000 (\$20,437,500) COMMON SHARES OF BENEFICIAL INTEREST. (FILE 33-91192 - APR. 13) (BR. 6)
- S-8 AMERICAN BUSINESS INFORMATION INC /DE, 5711 S 86TH CIRCLE, OMAHA, NE 68127 (402) 593-4500 - 1,000,000 (\$21,312,500) COMMON STOCK. (FILE 33-91194 - APR. 13) (BR. 6)
- S-8 ALLIANT TECHSYSTEMS INC, 600 2ND ST NE, HOPKINS, MN 55343 (612) 931-6000 - 1,000,000 (\$37,812,500) COMMON STOCK. (FILE 33-91196 - APR. 13) (BR. 6)