

# sec news digest

Issue 95-231

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## COMMISSION ANNOUNCEMENTS

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### COMMISSION ANNOUNCES THAT GENERAL COUNSEL SIMON LORNE HAS RESIGNED TO RETURN TO PRIVATE PRACTICE

The Commission announced on November 30 that its General Counsel, Simon M. Lorne, has decided to resign from his position and return to the private sector in January. Mr. Lorne, who was appointed by Chairman Arthur Levitt, has served as General Counsel since October of 1993.

Prior to joining the SEC, Mr. Lorne was a partner in the Los Angeles law firm of Munger, Tolles & Olson, practicing primarily in the areas of securities and corporate law. He is the author of Acquisitions and Mergers: Negotiated and Contested Transactions, as well as numerous articles and two monographs. He is an active member of the American Bar Association's Section of Business Law. In addition, Mr. Lorne taught securities law at the University of Pennsylvania and University of Southern California Law Schools. (Press Rel. 95-249)

### COMMISSION ANNOUNCES APPOINTMENT OF RICHARD WALKER AS GENERAL COUNSEL

The Commission announced on November 30 the appointment of Richard H. Walker, previously Regional Director of the agency's Northeast Region, as its General Counsel. Mr. Walker will replace Simon Lorne, who is resigning to return to the private sector.

As Regional Director, Mr. Walker managed the New York City, Boston and Philadelphia offices of the Commission. While in this position, Mr. Walker led the prosecution of one of the largest Ponzi schemes in history, Towers Financial; brought one of the first municipal securities market cases, SEC v. Rudi; exposed the fraudulent 'double-your-money' scheme of the Foundation for New Era Philanthropy; and initiated several major insider trading cases. (Press Rel. 95-250)

## COMMISSION ANNOUNCES APPOINTMENT OF CARMEN LAWRENCE AS NORTHEAST REGIONAL DIRECTOR

The Commission announced on November 30 the appointment of Carmen J. Lawrence as Director of the Commission's Northeast Regional Office. Ms. Lawrence, previously Senior Associate Regional Director of the Northeast Regional Office, replaces Richard Walker, who will become SEC General Counsel.

As Senior Associate Regional Director, Ms. Lawrence has been responsible for leading the enforcement program in the northeast region. She has served on the Commission's staff in positions of increasing responsibility for a total of 13 years. During that time she has headed some of the agency's most significant enforcement efforts. These include SEC v. Edward R. Downe, Jr., et al., the Commission's case against Steven Hoffenberg and Towers Financial Corp., and the insider trading case brought against the son of former MCA President, Sidney Sheinberg. (Press Rel. 95-251)

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## RULES AND RELATED MATTERS

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### AMENDMENT TO RULE 3a12-8 ADOPTED

The Commission has issued a release adopting an amendment to Rule 3a12-8 under the Securities Exchange Act of 1934. Rule 3a12-8 exempts certain designated foreign government securities for purposes of trading futures contracts on those securities. The amendment adds the debt securities of Mexico to the list of designated foreign government securities that are exempted by Rule 3a12-8. Publication of the rule amendment is expected in the Federal Register during the week of December 4. (Rel. 34-36530; International Series Rel. 893; File No. S7-26-95)

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## ENFORCEMENT PROCEEDINGS

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### TEMPORARY RESTRAINING ORDER ENTERED AGAINST ROBERT GERSH, BOSTON MUNICIPAL SECURITIES, INC., DEVONSHIRE ESCROW AND TRANSFER CORP., AND SEVEN RELIEF DEFENDANTS

On November 30, the Honorable Reginald C. Lindsay of the United States District Court for the District of Massachusetts granted the Commission's request for an ex parte Temporary Restraining Order,

asset freeze and other relief against Defendants Robert D. Gersh (Gersh), Boston Municipal Securities (BMS), and Devonshire Escrow and Transfer Corp. (Devonshire) and Relief Defendants Ma'Ayan Book Company, Charles River Landing, Ltd., CRL Group, Inc., Culinary Classics of Chestnut Hill, Inc., Culinary Classics of Burlington, Inc., The Kitchen Shelf, Inc. and the Compu-Bill Co., Inc. (Relief Defendants). The Commission's complaint alleges that the Defendants violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder and Section 17(a) of the Securities Act of 1933 by engaging in continuing fraudulent acts in connection with the offer and sale of \$14 million in securities in the form of Certificates of Participation (COPs). At least \$7,000,000 in investor funds has been misappropriated by the Defendants and remain unaccounted for. The complaint alleges that Gersh commingled the proceeds of the investments and misappropriated the monies to invest in a variety of personal business ventures. The Complaint further alleges that Gersh has defaulted on two COPs issues and that additional COPs defaults are imminent, because approximately \$2,220,000 of the COPs securities mature on December 1, 1995, and Gersh has insufficient funds available to repay investors. [SEC v. GERSH, et al. Civil Action No. 95-12580, RCL, D. Massachusetts] (LR-14742)

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#### INVESTMENT COMPANY ACT RELEASES

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#### SOUTHLAND LIFE INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until December 26 to request a hearing on an application filed by Southland Life Insurance Company, (Southland), Southland Separate Account A1 (Account), and ING America Equities, Inc. (collectively, Applicants). Applicants seek an order pursuant to Section 6(c) of the Investment Company Act granting exemptions from the provisions of Sections 26(a)(2)(C) and 27(c)(2) of the Act to the extent necessary to permit the deduction of mortality and expense risk and enhanced death benefit charges from the assets of the Account in connection with the issuance and sale of certain variable annuity contracts (Contracts). Exemptive relief also is requested to the extent necessary to permit the deduction of mortality and expense risk and enhanced death benefit charges from the assets of any other separate account established in the future by Southland, in connection with the issuance of variable annuity contracts that are substantially similar in all material respects to the Contracts. (Rel. IC-21547 - November 29)

GLENBROOK LIFE AND ANNUITY COMPANY, ET AL.

An order has been issued pursuant to Section 6(c) of the Investment Company Act exempting Glenbrook Life and Annuity Company (Glenbrook), Glenbrook Life and Annuity Company Separate Account A (Variable Account), and Allstate Life Financial Services, Inc. from the provisions of Sections 26(a)(2)(C) and 27(c)(2) of the Act to the extent necessary to permit Glenbrook to deduct a mortality and expense risk charge from the assets of the Variable Account, and any other separate account established by Glenbrook in the future, in connection with the issuance and sale of certain deferred variable annuity contracts (Contracts) and/or any contracts that are similar in all material respects to the Contracts (Other Contracts), and to extend such exemptive relief to certain other broker-dealers which may serve in the future as a principal underwriter of the Contracts or Other Contracts. (Rel. IC-21548 - November 29)

FIRST PRARIE SPECIAL EQUITY FUND  
FIRST PRARIE MUNICIPAL INCOME FUND  
FIRST PRARIE QUALITY INCOME FUND  
FIRST PRARIE INTERNATIONAL FUND  
FIRST PRARIE EQUITY/INCOME FUND  
FIRST PRARIE GROWTH EQUITY FUND

Notices have been issued giving interested persons until December 26 to request a hearing on applications filed by the above-named companies for orders under Section 8(f) of the Investment Company Act declaring that applicants have ceased to be investment companies. (Rel. IC-21549; IC-21550; IC-21551; IC-21552; IC-21553; IC-21554, respectively - November 29)

THE VANGUARD GROUP, INC., ET AL.

An order has been issued under Section 6(c) of the Investment Company Act exempting applicants from Section 12(d)(1) of the Act, under Sections 6(c) and 17(b) of the Act exempting applicants from Section 17(a) of the Act, and pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder. The order permits applicants to create a "fund of index funds" that would invest according to specified ratios or weightings in shares of two or more Vanguard index funds without regard to the percentage limitations of Section 12(d)(1). The order also permits the boards of trustees/directors of the funds constituting The Vanguard Group of Investment Companies to modify the funds' service agreement to provide that a fund of index funds may become a member of The Vanguard Group of Investment Companies without bearing duplicative capital contribution or expense allocation costs. (Rel. IC-21555 - November 29)

SMITH BARNEY ADJUSTABLE RATE GOVERNMENT INCOME FUND, ET AL.

An order has been issued on an application filed by Smith Barney Adjustable Rate Government Income Fund, other funds in the Smith Barney group of investment companies (collectively, Funds) and Smith Barney Holdings Inc. under Section 6(c) of the Investment Company Act granting an exemption from Sections 13(a)(2), 13(a)(3), 18(a), 18(c), 18(f)(1), 22(f), 22(g) and 23(a) of the Act, and Rule 2a-7 thereunder, under Sections 6(c) and 17(b) of the Act granting an exemption from Section 17(a)(1), and under Section 17(d) of the Act and Rule 17d-1 thereunder. The order enables the Funds to enter into deferred compensation arrangements with their directors or trustees who are not interested persons of the Funds. (Rel. IC-21556 - November 29)

SEI INSTITUTIONAL MANAGED TRUST, ET AL.

A notice has been issued giving interested persons until December 19 to request a hearing on an application filed by SEI Institutional Managed Trust, et al. for an order under Section 6(c) of the Investment Company Act exempting applicants from Section 12(d)(1) of the Act, under Sections 6(c) and 17(b) of the Act exempting applicants from Section 17(a) of the Act, and under Section 17(d) of the Act and Rule 17d-1 thereunder. The requested order would permit SEI Asset Allocation Trust to operate as a "fund of funds" and to acquire up to 100% of the voting shares of any acquired fund. (Rel. IC-21557 - November 29)

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, ET AL.

A notice has been issued giving interested persons until December 26 to request a hearing on an application filed by The Prudential Insurance Company of America (Prudential), The Prudential Variable Appreciable Account (Separate Account), and Pruco Securities Corporation (collectively, Applicants). Applicants seek an order under Section 6(c) of the Investment Company Act granting exemptions from Section 27(a)(3) of the Act and Rule 6e-3(T)(b)(13)(ii) thereunder. This order will permit the Separate Account to issue flexible premium survivorship variable life insurance contracts in which the sales charge deducted from premiums up to one target premium paid during any year exceeds the sales charge payable on any excess premium payments made in any prior year. (Rel. IC-21558 - November 29)

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## SELF-REGULATORY ORGANIZATIONS

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### CORRECTION TO ORDER GRANTING ACCELERATED APPROVAL OF PROPOSED RULE CHANGE BY THE CHICAGO BOARD OPTIONS EXCHANGE

The Commission published a correction to an order granting accelerated approval to a proposed rule change (SR-CBOE-95-56) filed by the Chicago Board Options Exchange pursuant to Rule 19b-4 under the Securities Exchange Act of 1934. The correction revises the first part of footnote three of the order and provides the correct position limits for options on the Standard & Poor's (S&P) Chemical Index and the S&P Retail Index, which were stated incorrectly in the approval order. Publication of the approval order is expected in the Federal Register during the week of December 4. (Rel. 34-36439A)

### PROPOSED RULE CHANGE

The Commission received a proposed rule change filing (SR-CBOE-95-58) by the Chicago Board Options Exchange on October 19, 1995, to amend its listing standards in respect of options on equity securities issued in a spin-off, reorganization, recapitalization, restructuring or similar transaction where the issuance is made pursuant to a public offering or a rights distribution. Publication of the notice is expected in the Federal Register during the week of December 4. (Rel. 34-36528)

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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.

F-6 GOVERNOR & CO OF THE BANK OF IRELAND (ADR), 48 WALL ST,  
C/O BANK OF NEW YORK NEW YORK, NY 10286 (212) 495-1727 - 25,000,000  
(\$1,250,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-99274 -  
NOV. 22) (BR. 99 - NEW ISSUE)

S-8 HOMEOWNERS FINANCIAL CORP, 5055 KELLER SPRINGS RD, DALLAS, TX 75248 -  
3,700 (\$18,500) COMMON STOCK. (FILE 33-99578 - NOV. 20) (BR. 11)

REGISTRATIONS CONT.

- S-8 HELIONETICS INC, 6849 HAYVENHURST AVE, VAN NUYS, CA 91406 (714) 261-8313 - 597,527 (\$209,134.45) COMMON STOCK. (FILE 33-99588 - NOV. 20) (BR. 9)
- S-1 ONYX ACCEPTANCE FINANCIAL CORP, 8001 IRVINE CENTER DR, SUITE 500, IRVINE, CA 92718 (714) 753-1191 - 100,000,000 (\$100,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-99608 - NOV. 17) (BR. 12)
- S-8 PACKAGING PLUS SERVICES INC, 20 SOUTH TERMINAL DRIVE, PLAINVIEW, NY 11803 (516) 349-1300 - 400,000 (\$224,000) COMMON STOCK. (FILE 33-99634 - NOV. 20) (BR. 12)
- S-3 TAUBMAN CENTERS INC, 200 E LONG LAKE RD, BLOOMFIELD HILLS, MI 48304 (810) 258-7453 - 3,080,000 (\$29,075,200) COMMON STOCK. (FILE 33-99636 - NOV. 21) (BR. 5)
- S-8 NETWORK APPLIANCE INC, 319 NORTH BERNADO AVENUE, MOUNTAIN VIEW, CA 94043 (415) 428-5100 - 4,019,012 (\$64,304,192) COMMON STOCK. (FILE 33-99638 - NOV. 21) (BR. 10)
- F-1 NICE SYSTEMS LTD, ATIDIM INDUSTRIAL PARK BLDG 7, NEVE SHARETT PO BOX 58070, TEL AVIV 61580 ISRAEL, L3 - 2,300,000 (\$21,620,000) FOREIGN COMMON STOCK. (FILE 33-99640 - NOV. 21) (BR. 9 - NEW ISSUE)
- S-8 MARINER HEALTH GROUP INC, 125 EUGENE ONEAL DRIVE, NEW LONDON, CT 06320 (203) 572-7744 - 1,810,000 (\$22,851,250) COMMON STOCK. (FILE 33-99642 - NOV. 21) (BR. 6)
- S-4 INTUIT INC, 155 LINFIELD AVE, MENLO PARK, CA 94025 (415) 322-0573 - \$300,000,000 COMMON STOCK. (FILE 33-99644 - NOV. 21) (BR. 9)
- S-8 INTEVAC INC, 3550 BASSETT ST, SANTA CLARA, CA 95054 (408) 986-9888 - 2,133,667 (\$12,802,002) COMMON STOCK. (FILE 33-99648 - NOV. 21) (BR. 7)
- S-8 LASER INDUSTRIES LTD, ATIDIM SCIENCE BASED INDUSTRIAL PK, P O BOX 13135 NEVE SHARETT, TEL AVIV 61131 ISRAEL, L3 - 500,000 (\$5,250,000) FOREIGN COMMON STOCK. (FILE 33-99654 - NOV. 21) (BR. 8)
- S-3 ZONAGEN INC, 2408 TIMBERLOCH PL, B-4, WOODLANDS, TX 77380 (713) 367-5892 - 3,634,400 (\$24,532,200) COMMON STOCK. (FILE 33-99664 - NOV. 21) (BR. 4)
- S-8 SOLO SERVE CORP, 1610 CORNERWAY BLVD, SAN ANTONIO, TX 78219 (210) 662-6262 - 500,000 (\$645,000) COMMON STOCK. (FILE 33-99666 - NOV. 21) (BR. 2)
- S-3 ASTRO SCIENCES CORP, 9600 TOPANGA CANYON BOULEVARD, CHATSWORTH, CA 91311 (818) 709-1778 - 5,365,000 (\$11,735,977.50) COMMON STOCK. (FILE 33-99668 - NOV. 21) (BR. 9)
- S-8 SOLO SERVE CORP, 1610 CORNERWAY BLVD, SAN ANTONIO, TX 78219 (210) 662-6262 - 135,000 (\$174,150) COMMON STOCK. (FILE 33-99670 - NOV. 21) (BR. 2)
- S-8 CAMBRIDGE TECHNOLOGY PARTNERS MASSACHUSETTS INC, 304 VASSAR ST, CAMBRIDGE, MA 02139 (617) 374-9800 - 9,845 (\$4,725.60) COMMON STOCK. (FILE 33-99672 - NOV. 21) (BR. 10)
- S-8 VIEW TECH INC, 950 FLYNN RD, STE F, CAMARILLO, CA 93012 (805) 482-8277 - 350,000 (\$2,630,242.90) COMMON STOCK. (FILE 33-99674 - NOV. 21) (BR. 7)
- S-1 WORLD COLOR PRESS INC /DE/, 101 PARK AVE, NEW YORK, NY 10178 (212) 986-2440 - \$275,000,000 COMMON STOCK. (FILE 33-99676 - NOV. 22) (BR. 11)

REGISTRATIONS CONT.

- S-8 YOUNG BROADCASTING INC /DE/, 599 LEXINGTON AVENUE, NEW YORK, NY 10022  
(212) 754-7070 - 1,074,448 (\$24,057,908) COMMON STOCK. (FILE 33-99678 -  
NOV. 21) (BR. 7)
- S-8 SOFTWARE 2000 INC /MA/, 25 COMMUNICATIONS WAY, DRAWER 6000, HYANNIS, MA  
02601 - 1,400,000 (\$14,525,000) COMMON STOCK. (FILE 33-99682 - NOV. 21)  
(BR. 10)
- S-1 PERFORMANCE TECHNOLOGIES INC \DE\, 315 SCIENCE PARKWAY, ROCHESTER, NY  
14620 (716) 256-0200 - 2,300,000 (\$23,000,000) COMMON STOCK. (FILE  
33-99684 - NOV. 22) (BR. 3 - NEW ISSUE)
- S-1 TRACKER CORP OF AMERICA, 180 DUNDAS STREET WEST, SUITE 1502,  
TORONTO ONTARIO CANADA M5G 1Z8, A6 (602) 991-4790 - 18,830,366  
(\$19,409,564.59) COMMON STOCK. (FILE 33-99686 - NOV. 22) (BR. 11)
- S-1 OCCUSYSTEMS INC, 3010 LBJ FREEWAY, STE 400, DALLAS, TX 75234  
(214) 484-2700 - 558,445 (\$10,610,455) COMMON STOCK. (FILE 33-99688 -  
NOV. 22) (BR. 5)
- S-3 THOMAS GROUP INC, 5215 N OCONNOR BLVD SUITE 2500, IRVING, TX 75039  
(214) 869-3400 - 102,994 (\$1,498,562.70) COMMON STOCK. (FILE 33-99690 -  
NOV. 21) (BR. 5)
- S-8 JUNIPER FEATURES LTD, 111 GREAT NECK RD STE 604, GREAT NECK, NY 11021  
(516) 829-4670 - 750,000 (\$135,000) COMMON STOCK. (FILE 33-99692 -  
NOV. 21) (BR. 5)
- S-4 METROPOLITAN REALTY CO LLC, 535 GRISWALD, STE 748, DETROIT, MI 48226  
(313) 961-5552 - 4,415,192 (\$36,431,191.50)  
LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-99694 - NOV. 21) (BR. 5  
- NEW ISSUE)
- S-11 METROPOLITAN REALTY CO LLC, 535 GRISWALD, STE 748, DETROIT, MI 48226  
(313) 961-5552 - 50,000,000 (\$50,000,000) LIMITED PARTNERSHIP CERTIFICATE.  
(FILE 33-99696 - NOV. 21) (BR. 5)
- S-3 MATRITECH INC/DE/, 763 CONCORD AVE, CAMBRIDGE, MA 02138 (617) 661-6660  
- 3,498,916 (\$14,433,028.50) COMMON STOCK. (FILE 33-99724 - NOV. 21)  
(BR. 4)
- S-1 STRATOSPHERE CORP, 2000 LAS VEGAS BLVD SOUTH, LAS VEGAS, NV 89104  
(702) 382-4446 - 1,050,000 (\$10,762,500) COMMON STOCK. (FILE 33-99726 -  
NOV. 22) (BR. 12)