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U.S. SECURITIES
EXCHANGE COMMISSION

January 21, 1994

ANNOUNCEMENTS

CHAIRMAN LEVITT ANNOUNCES THE APPOINTMENT OF CHARLES SENATORE AS SEC'S SOUTHEAST REGIONAL DIRECTOR

Chairman Levitt today announced that he has appointed Charles V. Senatore as the Regional Director of the SEC's Southeast operations. Mr. Senatore will head the Southeast Region with its headquarters office in Miami and a district office in Atlanta. In this capacity, he will manage the Commission's enforcement, examination, bankruptcy and disclosure efforts for the entire region.

Since 1991, Mr. Senatore has been a litigation partner in the Palm Beach offices of Cadwalader, Wickersham & Taft, where he was responsible for coordinating and conducting trials with an emphasis on securities and financial fraud. From 1988 to 1991, he was a partner in the law firm of Jordan, Schulte & Burchette in Miami. Beginning in 1985, he served as an Assistant U.S. Attorney for the Southern District of Florida and in 1988 was appointed Chief of the Public Corruption Section in that office. (Press Rel. 94-03)

ENFORCEMENT PROCEEDINGS

NASD DISCIPLINARY FINDINGS AGAINST THOMAS F. WHITE & CO., INC. AND JOHN BOUDINOT SUSTAINED AND SANCTIONS MODIFIED

The Commission has sustained the NASD's findings of violation against Thomas F. White & Co., Inc. of San Francisco, California and John Warren Boudinot, one of the firm's traders. The NASD found the firm and Boudinot responsible for charging customers excessive markups in the sale of 34 corporate bonds during March and April 1990. It censured the firm and Boudinot and fined them \$10,000. The firm was also ordered to refund \$19,509 to purchasers. The refund is to be accompanied by a letter disclosing that the refunds were ordered by the NASD.

The Commission sustained the NASD's findings of violation in 32 transactions. Boudinot purchased the bonds at prices below the quoted ask price. Nevertheless, the bonds were sold to the firm's retail customers at markups based on the higher quoted price. The Commission reiterated its long-held position that, if a firm is not a market maker, its contemporaneous cost, absent countervailing evidence, is the best evidence of market price, which serves as the basis for computing markups.

The Commission set aside the NASD's findings of violation in two retail sales, noting that the firm purchased bonds at a higher price immediately after those sales, which provided evidence of the then prevailing market price. It accordingly reduced the amount to be refunded to customers, which the NASD based on the amount of excessive markups, from \$19,509 to \$17,207. (Rel. 34-33477)

NASD ACTION AGAINST DIEHM SUSTAINED

The Commission has sustained a finding of violation by the NASD against Eric M. Diehm. The Commission found that Diehm did not make a good faith effort to pay a validly rendered arbitration award, in violation of Article III, Section 1 of the NASD's Rules. Although he had entered into a settlement agreement with the arbitration complainant, he had not done so until the NASD began this disciplinary proceeding. However, during the pendency of his appeal, Diehm fulfilled the terms of the settlement and, in accordance with its sanctions, the NASD lifted Diehm's bar. The Commission sustained the remaining sanctions of censure and the \$5,000 fine. (Rel. 34-33478)

NASD ACTION AGAINST JAY MICHAEL FERTMAN AFFIRMED

The Commission has affirmed NASD disciplinary action against Jay Michael Fertman of Englewood, Colorado. Fertman was a former general securities principal at William Barton Financial, Inc. (WBFI), a former NASD member firm. The NASD censured Fertman, barred him from association with any NASD member in any capacity, and fined him \$1,902,075 (subject to reduction equal to any demonstrated amount paid to customers as restitution).

The Commission found that Fertman manipulated the stocks of four "blind pool" companies (Companies). Fertman directed a complex series of trades in the Companies' stocks among his personal accounts, a third party's accounts, and the WBFI trading account. This trading activity created the appearance that the stocks were in demand and accomplished a steep escalation in their prices. The Commission also found that Fertman created and used sales scripts and other penny stock sales literature that contained unwarranted, unbalanced and misleading claims. Fertman also failed to notify two broker-dealers with whom he maintained securities accounts of his NASD affiliation.

In affirming the sanctions against Fertman as neither excessive nor oppressive, the Commission noted that Fertman's "flagrant fraud violations justified heavy sanctions." It endorsed the NASD's approach of fining away Fertman's "ill-gotten gains" and reducing the fine by any amounts Fertman demonstrates he has paid as restitution to customers. (Rel. 34-33479)

DECISION SUSPENDING THOMAS CANON, JR. AND ORDERING HIM TO CEASE AND DESIST FROM VIOLATING SECURITIES EXCHANGE ACT FINAL

The decision of an administrative law judge suspending Thomas Q. Canon, Jr. for six months from association with any broker or dealer has become final. The decision also ordered Canon to permanently cease and desist from committing or causing any violation and committing or causing any future violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

Canon, formerly a salesman in the Salt Lake City, Utah office of Wilson-Davis & Co., Inc., a broker-dealer, was found to have willfully aided and abetted Richard L. Warner's manipulation of the price of Automated Language Processing Systems, Inc. stock over a two and one-half year period from 1987 through 1989. Canon was the account executive for a number of Warner nominee accounts through which Warner traded. Among other practices, Warner attempted to counteract the stock's price decline by frequently purchasing small round lots at or near the market's close. Canon knew of the underlying reasons for Warner's trades and the resultant deception on the market. Nevertheless, he provided Warner with the market information upon which the manipulative trading decisions were based, and Canon accepted and executed Warner's orders. (Rel. 34-33480)

COMMISSION SUSTAINS NASD DISCIPLINARY ACTION AGAINST FIRST HERITAGE INVESTMENT COMPANY AND AGOSTINO ZOLEZZI

The Commission has sustained the disciplinary action taken by the NASD against First Heritage Investment Company of San Diego, California, and Agostino I. Zolezzi, the firm's owner, president, and registered financial and operations principal. The NASD had censured the firm and Zolezzi, and fined them a total of \$8,000. The NASD had also suspended Zolezzi from association with any member for three days.

As a "\$5,000 broker-dealer," the firm was prohibited from participating in firm commitment underwritings. The Commission found that the firm and Zolezzi violated this prohibition when the firm became a selected dealer for an initial public offering of Mediware Information Systems, Inc. (Mediware) common stock underwritten on a firm commitment basis. The Commission also determined that Zolezzi failed to give the telegraphic notice required by Commission rule after being advised by the NASD that, because of the firm's participation in the underwriting, the firm was in net capital deficiency and was obligated to give the notice. Finally, the Commission found that, by requesting and accepting client funds for the purchase of Mediware shares before the effectiveness of the registration statement for the offering, the firm and Zolezzi sold unregistered stock in violation of Section 5 of the Securities Act of 1933. (Rel. 34-33484)

NASD DISCIPLINARY ACTION AGAINST G.K. SCOTT & CO., INC., GEORGE KEVORKIAN AND JOHN KEVORKIAN SUSTAINED

The Commission has sustained NASD disciplinary action against G.K. Scott & Co., Inc., of Plainview, New York, George Kevorkian (the firm's owner and president) and John Kevorkian (the firm's trader). The NASD found the firm and John Kevorkian responsible for charging excessive markups in the sale of First Agate securities during September,

1988. It also found that the firm violated the NASD's interpretation with respect to free-riding and withholding, and that the firm and George Kevorkian failed to establish, maintain, and enforce adequate written supervisory procedures. All applicants were censured. John Kevorkian was suspended from membership for 30 days, prohibited from acting as a general securities principal with any member for two years, and fined \$716,000 jointly and severally with the firm. George Kevorkian was fined \$50,000 jointly and severally with the firm. The firm was fined \$4,000, prohibited from acting as a lead underwriter for six months, and required to update its supervisory procedures within 30 days.

The Commission sustained the findings of violation. The Commission concluded that, because G.K. Scott dominated and controlled the market for First Agate securities, the firm's contemporaneous cost, absent countervailing evidence, is the best evidence of market price, which serves as the basis for computing markups. The Commission found that John Kevorkian's reckless disregard for determining the actual prevailing market price satisfied the scienter requirement for the antifraud violation. (Rel. 34-33485)

TEMPORARY RESTRAINING ORDER AND OTHER EMERGENCY RELIEF ENTERED AGAINST REGISTERED INVESTMENT ADVISER

On January 13, the Honorable Julie E. Carnes, United States District Judge for the Northern District of Georgia, entered an order temporarily restraining Center for Financial Planning, Inc. (CFP), a registered investment adviser, located in Atlanta, and its president, Homer W. Forster (Forster), from violations of the antifraud provisions of the Securities Exchange Act of 1934 and the Investment Advisers Act of 1940.

The Commission's complaint, filed earlier that day, alleges that in late December 1993, without authorization, Forster redeemed over \$1.6 million in variable annuity contracts belonging to six CFP clients and wired approximately \$1.57 million of the proceeds to a bank account in Luxembourg. None of the six clients received any of those proceeds.

The court also froze the defendants' assets, and ordered them to account for and repatriate the money transferred to Luxembourg. In addition, the court ordered expedited discovery, appointed Commission employees to serve process, and prohibited the destruction of documents. A hearing on the Commission's motion to show cause why the defendants should not be preliminary enjoined is scheduled for January 26, 1994. [SEC v. Homer W. Forster, et al., Civil Action No. 1:94-CV-0084-JEC, N.D. Ga.] (LR-13937)

PERMANENT INJUNCTIONS ENTERED AGAINST UNIFIRST CORPORATION, FRANCIS MOELLENBERG AND DONALD HUSS

The Commission announced that on January 4 Final Judgments of Permanent Injunction were entered in the United States District Court for the District of Utah against Unifirst Corporation, a California corporation, and against Francis W. Moellenberg and Donald E. Huss of Fort Collins, Colorado. The defendants consented to entry of the final judgments without admitting or denying the allegations in the Commission's

complaint. The final judgments enjoin the defendants from violations of Section 17(a) of the Securities Act, Section 10(b) of the Securities Exchange Act and Rule 10b-5 promulgated thereunder.

Unifirst's stock was sold into the public market using financial statements prepared by Moellenberg and Huss. The complaint alleges the accountants deviated from generally accepted auditing standards (GAAS) when they audited the December 20, 1989, balance sheet for Unifirst. Their failure to comply with GAAS resulted in the assets and shareholders equity section of Unifirst's balance sheet being overstated by approximately \$44,500,000, or over 99 percent of Unifirst's total assets. This overstatement caused the balance sheet to materially deviate from generally accepted accounting principles. [SEC v. Unifirst Corporation, et al., USDC, D. UT, Civil Action No. 93-C-867J] (LR-13938; AAE Rel. 520)

FORMER VICE PRESIDENT AT PRUDENTIAL SECURITIES CHARGED WITH DEFRAUDING CLIENTS

The Commission announced that Bede F. Howard (Howard), formerly a vice president at Prudential Securities Inc., was charged in the United States District Court for the District of New Jersey with defrauding a number of his clients out of more than \$700,000. The Commission's complaint alleges that Howard induced several of his clients to invest in investment vehicles he knew were fictitious. Howard is alleged to have falsely represented to his clients that these investments existed and would yield unusually high returns. Howard, the complaint alleges, kept for his personal use the more than \$700,000 that his clients gave him to invest in these phony investments.

The Commission requests in its complaint that Howard be enjoined from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder, as well as the imposition of civil penalties under the Insider Trading and Securities Fraud Enforcement Act of 1988. [SEC v. Bede F. Howard a/k/a Howard F. Bede, 94 Civ., 285, AMW, D.N.J.] (LR-13940)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The Municipal Securities Rulemaking Board filed a proposed rule change (SR-MSRB-94-02) to adopt rules relating to political contributions and prohibitions on municipal securities business. Publication of the notice is expected in the Federal Register during the week of January 17. (Rel. 34-33482)

PROPOSED RULE CHANGE AND AMENDMENT TO PROPOSED RULE CHANGE

The American Stock Exchange filed a proposed rule change (SR-AMEX-93-46) relating to Equity Linked Term Notes linked to American Depositary Receipts. On January 12, the Amex filed Amendment No. 1 to the proposed rule change. Publication of the notice is expected in the Federal Register during the week of January 17. (Rel. 34-33483)

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.

CORRECTION

The November 8th issue of the Digest reported Amer Group Ltd filed an F-6, file number 33-70848, received October 26, 1993, the address should have been:

c/o Bank of New York
101 Barclay Street
New York, NY 10286

- S-1 MINNESOTA EDUCATIONAL COMPUTING CORP, 6160 SUMMIT DRIVE NORTH,
MINNEAPOLIS, MN 55430 (612) 569-1500 - 1,803,200 (\$22,540,000)
COMMON STOCK. (FILE 33-73910 - JAN. 11) (BR. 9 - NEW ISSUE)

- S-4 HALLWOOD ENERGY PARTNERS LP, 4582 SOUTH ULSTER ST PKWY STE 1700, DENVER,
CO 80237 (303) 850-7373 - 1,693,710 (\$13,227,875.10)
LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-73946 - JAN. 11) (BR. 3)

- S-3 WELLSFORD RESIDENTIAL PROPERTY TRUST, 375 PARK AVE STE 307, NEW YORK, NY
10152 (212) 735-1108 - 1,894,631 (\$48,313,090.50)
COMMON SHARES OF BENEFICIAL INTEREST. (FILE 33-73948 - JAN. 11) (BR. 6)

- S-8 BORAL LIMITED, 20TH FLR NORWICH HOUSE 6 10 OCONNELL ST,
SYDNEY NSW 2000 AUSTRALIA, C3 - 1,300,000 (\$2,909,400) COMMON STOCK.
(FILE 33-73952 - JAN. 11) (BR. 10)

- S-8 NAM TAI ELECTRONICS INC, 9/F HOUTEX INDUSTRIAL BLDG, 16 HUNG TO RD,
KWUN TONG KOWLOON HONG KONG, K3 (852) 341-0273 - 650,000 (\$5,133,750)
COMMON STOCK. (FILE 33-73954 - JAN. 11) (BR. 10)

- S-3 CASE RECEIVABLES INC, 1010 MILAM ST STE 2609A, HOUSTON, TX 77002
(713) 757-1546 - 1,000,000,000 (\$1,000,000,000) STRAIGHT BONDS. (FILE
33-73956 - JAN. 12) (BR. 12)

- S-1 DAKOTA MINING CORP, 410 17TH ST, STE 2450, DENVER, CO 80202
(303) 573-0221 - 6,029,789 (\$13,205,238) COMMON STOCK. 3,014,894
(\$3,195,788) WARRANTS, OPTIONS OR RIGHTS. 7,211,601 (\$13,687,088)
COMMON STOCK. (FILE 33-73958 - JAN. 12) (BR. 1)

- S-2 SURGICAL TECHNOLOGIES INC, 2801 S DECKER LAKE LN, SALT LAKE CITY, UT
84119 (801) 046-8225 - 65,000 (\$251,875) COMMON STOCK. (FILE 33-73960 -
JAN. 12) (BR. 8)

REGISTRATIONS CONT.

- N-2 NORTHERN STAR INCOME FUND INC, 222 SOUTH NINTH ST, PIPER JAFFRAY TOWER, MINNEAPOLIS, MN 55402 (612) 342-6426 - 4,600,000 (\$69,000,000) COMMON STOCK. (FILE 33-73970 - JAN. 11) (BR. 16 - NEW ISSUE)
- S-11 MONEY STORE INC /NJ, 2840 MORRIS AVE, UNION, NJ 07083 (908) 686-2000 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-73976 - JAN. 11) (BR. 11)
- S-4 TAUBMAN REALTY GROUP LTD PART, 200 EAST LONG LAKE RD, BLOOMFIELD, MI 48304 (810) 258-6800 - 200,000,000 (\$200,000,000) COMMON STOCK. (FILE 33-73988 - JAN. 12) (BR. 6 - NEW ISSUE)
- S-3 KOHLS CORPORATION, N54 W13600 WOODALE DR, MENOMONEE FALLS, WI 53051 (414) 783-5800 - 4,887,500 (\$227,268,750) COMMON STOCK. (FILE 33-73990 - JAN. 12) (BR. 2)
- S-1 OLYMPIC STEEL INC, 5080 RICHMOND RD, CLEVELAND, OH 44146 (216) 292-3800 - 4,600,000 (\$78,200,000) COMMON STOCK. (FILE 33-73992 - JAN. 12) (BR. 2 - NEW ISSUE)
- S-1 WESTERN NATIONAL CORP, 11825 N PENNSYLVANIA ST, CARMEL, IN 46032 (317) 573-6100 - 150,000,000 (\$150,000,000) STRAIGHT BONDS. (FILE 33-73994 - JAN. 12) (BR. 9)
- S-1 INFOSOFT INTERNATIONAL INC, 222 BERKELEY ST, BOSTON, MA 02116 (617) 351-3000 - 3,450,000 (\$48,300,000) COMMON STOCK. (FILE 33-73996 - JAN. 12) (BR. 10 - NEW ISSUE)
- F-6 GLASSWORKS OF CHILE, CAMINO A VALPARAISO 501, PADRE HURTADO PENAFLOR, SANTIAGO CHILE, F3 (562) 556-1021 - 25,000,000 (\$1,250,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-73998 - JAN. 12) (BR. 10)
- S-11 BEAR STEARNS SECURED INVESTORS INC, 1601 ELM ST, DALLAS, TX 19890 (214) 754-8300 - 2,000,000,000 (\$2,000,000,000) MORTGAGE BONDS. (FILE 33-74000 - JAN. 12) (BR. 12)
- S-8 VALUE HEALTH INC / CT, 22 WATERVILLE RD, AVON, CT 06001 (203) 678-3400 - 1,342,827 (\$40,284,810) COMMON STOCK. (FILE 33-74002 - JAN. 12) (BR. 9)
- N-2 JARDINE FLEMING INDIA FUND INC, 1285 AVE OF THE AMERICAS, NEW YORK, NY 10019 (212) 713-2000 - 4,600,000 (\$69,000,000) COMMON STOCK. (FILE 33-74004 - JAN. 12) (BR. 17 - NEW ISSUE)
- S-3 FIDELITY BANCORP INC, 1009 PERRY HIGHWAY, PITTSBURGH, PA 15237 (412) 367-3300 - 100,000 (\$1,612,500) COMMON STOCK. (FILE 33-74006 - JAN. 11) (BR. 2)
- S-4 CHIPCOM CORP, SOUTHBOROUGH OFFICE PK, 118 TURNPIKE RD, SOUTHBOROUGH, MA 01772 (508) 460-8900 - 1,000,000 (\$50,375,000) COMMON STOCK. (FILE 33-74008 - JAN. 12) (BR. 10)
- S-4 AMERICAN RESTAURANT GROUP INC, 450 NEWPORT CENTER DR, NEWPORT BEACH, CA 92660 (714) 721-8000 - 50,000,000 (\$49,505,000) STRAIGHT BONDS. (FILE 33-74010 - JAN. 12) (BR. 12)
- S-8 PETSTUFF INC, 655 HEMBREE PKWY STE G, ROSEWELL, GA 30076 (404) 772-9940 - 120,000 (\$1,170,000) COMMON STOCK. (FILE 33-74014 - JAN. 12) (BR. 7)

REGISTRATIONS CONT.

- S-8 INNOVIR LABORATORIES INC, 510 E 73RD ST, NEW YORK, NY 10021
(212) 249-4703 - 1,500,000 (\$6,033,353.92) COMMON STOCK. (FILE 33-74016 -
JAN. 12) (BR. 4)
- S-8 ARROW TRANSPORTATION CO, 10145 N PORTLAND RD, PORTLAND, OR 97203
(503) 286-3661 - 100,000 (\$700,000) COMMON STOCK. (FILE 33-74018 -
JAN. 12) (BR. 4)
- S-8 FIRSTMISS GOLD INC, 5190 NEIL RD STE 310, RENO, NV 89502 (702) 827-0211
- 31,875 (\$31,875) CONVERTIBLE DEBENTURES AND NOTES. (FILE 33-74020 -
JAN. 12) (BR. 1)
- S-8 NYLEX CORP, 34551 ARDENWOOD BLVD, FREMONT, CA 94555 (510) 796-6100 -
750,000 (\$5,343,750) COMMON STOCK. (FILE 33-74022 - JAN. 12) (BR. 10)
- S-8 DATA BROADCASTING CORPORATION, 120 WALL STREET 9TH FL, NEW YORK, NY
10005 (212) 208-7705 - 4,760,000 (\$13,613,600) COMMON STOCK. (FILE
33-74026 - JAN. 12) (BR. 12)
- S-8 HOMECORP INC, 1107 EAST STATE ST, ROCKFORD, IL 61104 (815) 987-2200 -
110,436 (\$904,471) COMMON STOCK. (FILE 33-74082 - JAN. 12) (BR. 1)
- S-1 MINNESOTA EDUCATIONAL COMPUTING CORP, 6160 SUMMIT DRIVE NORTH,
MINNEAPOLIS, MN 55430 (612) 569-1500 - 1,803,200 (\$22,540,000)
COMMON STOCK. (FILE 33-73910 - JAN. 11) (BR. 9 - NEW ISSUE)
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JAN. 12) (BR. 8)