

# sec news digest

Issue 89-213

November 7, 1989

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## ADMINISTRATIVE PROCEEDINGS

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WILLIAM E. POHL BARRED,  
WEPEX, INC.'S REGISTRATION REVOKED

**U.S. SECURITIES AND  
EXCHANGE COMMISSION**

The Commission instituted public administrative proceedings under Sections 203(e) and 203(f) of the Investment Advisers Act of 1940 against William E. Pohl and Wepex, Inc., a registered investment adviser of which Pohl is the sole officer, director, and shareholder. Simultaneously, Respondents submitted Offers of Settlement which the Commission accepted. Respondents consented to an Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions which find that they were enjoined on August 21, 1989 from future violations of the antifraud and books and records provisions of the securities laws [SEC v. William E. Pohl, et al., SDOH, Civil Action No. C-1-88-1009].

Accordingly, the Commission revoked Wepex's registration and barred Pohl from association with any broker, dealer, investment adviser, investment company, or municipal securities dealer with a provision that he may reapply after eight years to become so associated in a non-proprietary, non-supervisory capacity.

The Order along with the Complaint underlying the above injunctive action alleged that between 1984 and 1986, Respondents raised at least \$330,000 from 23 Ohio investors in the fraudulent offer and sale of unregistered securities and that Pohl misappropriated these monies. (Rel. IA-1209)

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## CIVIL PROCEEDINGS

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PERMANENT INJUNCTION ISSUED AGAINST ROBERT D. MERCER-FALKOFF

The Boston Regional Office announced that on October 18 Judge Nevas, U.S. District Court of Connecticut, issued a Final Order of Permanent Injunction against Robert D. Mercer-Falkoff, enjoining further violations of the antifraud and periodic reporting provisions of the securities laws. Mercer was the president and chief executive officer of R W Technology, Inc.

The October 13 Complaint alleged that Mercer committed fraud in connection with the unregistered distribution of RW's common stock from January 1, 1989 to the present. It also alleged that Mercer aided and abetted the filing of periodic reports with the Commission that contained misleading statements about RW's operations, capabilities, prospects, and profitability. (SEC v. Robert D. Mercer-Falkoff, No. N-89-516-ANH). (LR-12292)

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## CRIMINAL PROCEEDINGS

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DAVID KEN YOSHINAGA SENTENCED

The Denver Regional Office, the Office of the U.S. Attorney for the District of Colorado, and the U.S. Postal Inspection Service announced that on October 26 David Ken Yoshinaga was sentenced to five years imprisonment, followed by five years probation, and ordered to pay restitution in the amount of \$1,118,218.21. Yoshinaga had pled guilty to one count of mail fraud and one count of fraud under the Investment Advisers Act.

The underlying facts were the same as those in a 1984 injunctive action against Yoshinaga and two of his companies in which they were permanently enjoined from future violations of the antifraud provisions of the securities laws. On April 10, 1986, Yoshinaga was held in contempt of a court order ordering him to turn over \$933,933.15 of investor monies to the Commission. Between 1986 and March 1989, when Yoshinaga was arrested, he was a fugitive. (U.S. v. Ken Yoshinaga, et al., USDC CO, 89-CR-048). (LR-12291)

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## INVESTMENT COMPANY ACT RELEASES

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### FIDELITY AND GUARANTY LIFE INSURANCE COMPANY

An order has been issued exempting Fidelity and Guaranty Life Insurance Company, F&G Life Variable Annuity Account, and F&G Securities, Inc. from the provisions of Sections 26(a)(2)(C) and 27(g)(2) of the Investment Company Act to permit the deduction of mortality and expense risk charges from the assets of the Variable Account. (Rel. IC-17200 - Nov. 3)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING GRANTED

Orders have been issued granting the application of the following stock exchanges for unlisted trading privileges in the common stock of 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: Cincinnati Stock Exchange - 22 issues. (Rel. 34-27419); and the Midwest Stock Exchange - five issues. (Rel. 34-27420)

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## SELF-REGULATORY ORGANIZATIONS

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### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The Midwest Securities Trust Company filed a proposed rule change which became effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The proposal (SR-MSTC-89-9) permits MSTC to modify its interim accounting procedure for the processing of a large cash dividend involving due bills. (Rel. 34-27411)

### NOTICE OF PROPOSED RULE CHANGE

The Chicago Board Options Exchange filed a proposed rule change under Rule 19b-4 (SR-CBOE-89-22) to establish summary fine procedures for a member's failure to perform certain reporting duties required by Exchange rules. Publication of the proposal is expected to be made in the Federal Register during the week of November 6. (Rel. 34-27417)

### APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed by The Chicago Board Options Exchange (SR-CBOE-89-22) to permit combination orders which are executed in conjunction with stock orders to have the same priorities as combination orders that do not involve stock transactions and to update its rules with respect to the limit order book to reflect that there are no more Board Brokers on the CBOE. (Rel. 34-27418)

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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.

- S-18 SHAREAMERICA INC, 3 LANDMARK SQUARE, STAMFORD, CT 06901 (203) 359-2700 - 1,150,000 (\$5,750,000) COMMON STOCK. 100,000 (\$100) WARRANTS, OPTIONS OR RIGHTS. 100,000 (\$640,000) COMMON STOCK. UNDERWRITER: GRADY & HATCH & CO INC. (FILE 33-31609-B - OCT. 23) (BR. 12 - NEW ISSUE)
- S-18 SHARON CAPITAL CORP, 200 EAST 90TH ST STE 26-H, C/O DEBORAH A SALERNO, NEW YORK, NY 10128 (212) 360-1759 - 41,400 (\$248,400) COMMON STOCK. 993,600 (\$5,713,200) COMMON STOCK. 3,600 (\$23,112) WARRANTS, OPTIONS OR RIGHTS. 43,200 (\$237,600) COMMON STOCK. 43,200 (\$259,200) COMMON STOCK. UNDERWRITER: WESTMINSTER SECURITIES CORP. (FILE 33-31720-NY - OCT. 24) (BR. 12 - NEW ISSUE)
- S-1 CHEMICAL BANK, 277 PARK AVE, NEW YORK, NY 10172 (212) 310-6161 - 350,000,000 (\$350,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 33-31742 - OCT. 30) (BR. 11)
- S-8 OFFICE DEPOT INC, 851 BROKEN SOUND PKWY NW, BOCA RATON, FL 33487 (407) 994-2131 - 250,000 (\$4,500,000) COMMON STOCK. (FILE 33-31743 - OCT. 30) (BR. 7)
- S-1 INTERNATIONAL TRADE BANKCORP, 1936 N DRUID HILLS RD NE, ATLANTA, GA 30319 (404) 636-1229 - 2,500,000 (\$25,000,000) COMMON STOCK. (FILE 33-31774 - OCT. 27) (BR. 2 - NEW ISSUE)
- S-1 HARVEST FINANCIAL CORP /IA/, 2560 DODGE ST, DUBUQUE, IA 52001 (319) 557-9000 - 462,875 (\$4,628,750) COMMON STOCK. (FILE 33-31787 - OCT. 26) (BR. 2 - NEW ISSUE)
- S-1 CITIBANK SOUTH DAKOTA N A, 701 E 60TH ST N, SIOUX FALLS, SD 57117 (605) 331-2626 - 1,000,000 (\$1,000,000) OTHER SECURITIES INCLUDING VOTING TRUST. UNDERWRITER: MERRILL LYNCH CAPITAL MARKETS. (FILE 33-31789 - OCT. 26) (BR. 11)
- S-18 WESTERN FUTURES FUND II LP, 555 WEST JACKSON BLVD SUITE 700, CHICAGO, IL 60606 (312) 408-4700 - 72,464,768 (\$7,500,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-31792 - OCT. 26) (BR. 12 - NEW ISSUE)
- S-1 INDUSTRIAL FUNDING CORP, 2121 S W BROADWAY STE 200, PORTLAND, OR 97201 (503) 228-2111 - 2,156,250 (\$30,187,500) COMMON STOCK. UNDERWRITER: ALEX BROWN & SONS INC, PIPER JAFFRAY & HOPWOOD INC. (FILE 33-31794 - OCT. 27) (BR. 5 - NEW ISSUE)
- S-18 RCP CAPITAL CORP, 6 MADISON LANE, CARLE PLACE, NY 11514 (516) 294-6693 - 250,000 (\$250,000) COMMON STOCK. 500,000 (\$500,000) COMMON STOCK. 500,000 (\$625,000) COMMON STOCK. (FILE 33-31799-NY - OCT. 24) (BR. 11 - NEW ISSUE)
- S-3 BELDING HEMINWAY CO INC /DE/, 1430 BROADWAY, NEW YORK, NY 10018 (212) 944-6040 - 10,000 (\$345,000) COMMON STOCK. (FILE 33-31806 - OCT. 27) (BR. 8)
- S-1 POLARIS AIRCRAFT INCOME FUND VI, FOUR EMBARCADERO CENTER, SAN FRANCISCO, CA 94111 (415) 362-0333 - 500,000 (\$250,000,000) LIMITED PARTNERSHIP CERTIFICATE. UNDERWRITER: POLARIS SECURITIES CORP. (FILE 33-31810 - OCT. 30) (BR. 5 - NEW ISSUE)
- S-4 FIFTH THIRD BANCORP, 38 FOUNTAIN SQ PLZ, CINCINNATI, OH 45263 (513) 579-5300 - 499,200 (\$13,651,200) COMMON STOCK. (FILE 33-31813 - OCT. 30) (BR. 1)
- S-1 PSYCHEMEDICS CORP, 1807 WILSHIRE BLVD STE B2, SANTA MONICA, CA 90403 (213) 828-5224 - 3,853,000 (\$13,716,680) COMMON STOCK. 4,200,000 (\$14,952,000) COMMON STOCK. 150,000 (\$534,000) COMMON STOCK. (FILE 33-31814 - OCT. 30) (BR. 6)
- N-2 NYLEV MUNICIPAL FUND INC, 800 SCUDDERS MILL RD, PLAINSBORO, NJ 08536 (609) 282-2800 - 5,700,000 (\$69,000,000) COMMON STOCK. (FILE 33-31816 - OCT. 30) (BR. 17 - NEW ISSUE)
- F-6 BASS PUBLIC LIMITED CO /ADR, 48 WALL ST, C/O BANK OF NEW YORK, NEW YORK, NY 10286 (212) 530-1784 - 880,000,000 (\$44,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. 31,832,000,000 RETAINS. (FILE 33-31832 - OCT. 27) (BR. 99 - NEW ISSUE)
- S-3 BANCORP OF MISSISSIPPI INC, ONE MISSISSIPPI PLZ, P O DRAWER 789, TUPELO, MS 38802 (601) 680-2000 - 27,500,000 (\$27,500,000) STRAIGHT BONDS. (FILE 33-31833 - OCT. 27) (BR. 1)
- S-4 DOW CHEMICAL CO /DE/, 2030 WILLARD H DOW CTR, MIDLAND, MI 48674 (517) 636-1000 - 96,463,465 (\$1,262,706,757) WARRANTS, OPTIONS OR RIGHTS. (FILE 33-31839 - OCT. 30) (BR. 2)
- S-3 NERCO INC, 111 SW COLUMBIA STE 800, PORTLAND, OR 97201 (503) 796-6600 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE 33-31841 - OCT. 30) (BR. 4)

- S-4 PEPSICO INC, 700 ANDERSON HILL RD, PURCHASE, NY 10577 (914) 253-2000 - 600,000 (\$3,211,007) COMMON STOCK. (FILE 33-31844 - OCT. 30) (BR. 11)
- S-8 MARYLAND FEDERAL BANCORP INC, 3505 HAMILTON STREET, HYATTSVILLE, MD 20782 (301) 779-1200 - 497,732 (\$6,336,643) COMMON STOCK. (FILE 33-31845 - OCT. 30) (BR. 1)
- S-1 CHANTAL PHARMACEUTICAL CORP, 12400 WILSHIRE BLVD, LOS ANGELES, CA 90025 (213) 207-1950 - 1,563,637 (\$4,789,420) COMMON STOCK. (FILE 33-31846 - OCT. 30) (BR. 9)
- S-4 FORD BANK GROUP INC, 1500 BROADWAY, LUBBOCK, TX 79401 (806) 763-5993 - 449,898 (\$4,151,019) COMMON STOCK. 38,454 (\$1,615,743) PREFERRED STOCK. (FILE 33-31847 - OCT. 31) (BR. 1)
- S-11 MERRILL LYNCH MORTGAGE INVESTORS INC /DE/, WORLD FINANCIAL CTR, N TWR 10TH FL RM 10-102A, NEW YORK, NY 10281 (212) 449-2098 - 400,000,000 (\$400,000,000) PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 33-31848 - OCT. 31) (BR. 12)
- S-1 RPS CORP, AMERICAN EXPRESS TOWER WORLD FIN CENTER, NEW YORK, NY 10285 (212) 298-2000 - 306,435 (\$3,064,350) COMMON STOCK. 612,870 (\$6,128,700) PREFERRED STOCK. (FILE 33-31851 - OCT. 31) (BR. 4)
- S-8 RABBIT SOFTWARE CORP /PA /, SEVEN GREAT VALLEY PKWY EAST, GREAT VALLEY CORPORATE CTR, MALVERN, PA 19355 (215) 647-0440 - 1,500,000 (\$1,437,500) COMMON STOCK. (FILE 33-31852 - OCT. 31) (BR. 10)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST SERIES 528, 333 W WACKER DR, C/O JOHN NUVEEN & CO INC, CHICAGO, IL 60606 - INDEFINITE SHARES. (FILE 33-31856 - OCT. 30) (BR. 22 - NEW ISSUE)
- S-6 MUNICIPAL INVT TR FD ONE HUNDRED FORTY THIRD INTERM TERM SE, ONE LIBERTY PLZ - 13TH FLR, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10006 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN HUTTON INC. (FILE 33-31857 - OCT. 31) (BR. 17 - NEW ISSUE)
- S-6 MUNICIPAL INVESTMENT TRUST FUND MULTISTATE SERIES 6M, ONE LIBERTY PLZ - 13TH FLR, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10006 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN HUTTON INC. (FILE 33-31858 - OCT. 31) (BR. 22 - NEW ISSUE)
- S-6 MUNICIPAL INVT TR FD ONE HUNDRED FORTY NINTH INSURED SERIES, ONE LIBERTY PLZ - 13TH FLR, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10006 - INDEFINITE SHARES. DEPOSITOR: DEAN WITTER REYNOLDS INC, MERRILL LYNCH PIERCE FENNER & SMITH, PAINWEBBER INC, PRUDENTIAL BACHE SECURITIES INC, SHEARSON LEHMAN HUTTON INC. (FILE 33-31859 - OCT. 31) (BR. 17 - NEW ISSUE)