

# sec news digest

LIBRARY

MAR 11 1991

Issue 91-46

U.S. SECURITIES AND  
EXCHANGE COMMISSION

March 8, 1991

---

## NOTICE OF COMMISSION MEETINGS

---

Following is a schedule of Commission meetings which will be conducted under provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday mornings. Meetings on Wednesdays, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, NW, Washington, DC. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

### CLOSED MEETING - TUESDAY, MARCH 12, 1991 - 2:30 P.M.

The subject matter of the March 12 closed meeting will be: Settlement of injunctive action; and Opinion.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Daniel Gray at (202) 272-2300.

### CHANGE IN THE MEETING: DELETION

The following item was not considered at a closed meeting on Tuesday, March 5, at 2:30 p.m.: Opinion.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Kaye Williams at (202) 272-2400.

---

**CIVIL PROCEEDINGS**

---

**FINAL JUDGMENT OF PERMANENT INJUNCTION ENTERED AGAINST MALIBU CAPITAL CORPORATION**

The Los Angeles Regional Office of the Commission announced that on February 15, Judge Norma Holloway Johnson of the U.S. District Court for the District of Columbia entered a Final Judgment of Permanent Injunction against Malibu Capital Corporation (Malibu), located in Virginia. Malibu consented to entry of the Final Judgment without admitting or denying the allegations in the complaint.

The complaint alleged that Malibu filed a misleading annual report with the Commission on Form 10-K for its fiscal year ended December 31, 1986, which report falsely stated that Malibu's financial statements were presented in accordance with generally accepted accounting principles, when in fact its financial statements overstated its consolidated assets by 103%. The complaint also alleged that Malibu failed to file and to timely file required annual and quarterly reports and notifications of late filing.

The Final Judgment permanently enjoins Malibu from future violations of Sections 13(a) and 15(d) of the Exchange Act and Rules 12b-20, 12b-25, 13a-1, 13a-13, 15d-1 and 15d-13 thereunder, and orders Malibu forthwith to file with the Commission its delinquent annual and quarterly reports. [SEC v. Malibu Capital Corporation, Civil Action No. 90-2359 NHJ, D.D.C.] (LR-12793)

**SIMONE PALAZZOLO ENJOINED**

The Boston Regional Office announced that on February 18, Judge Eginton, U.S. District Court for the District of Connecticut, issued a Final Order of Permanent Injunction against Simone V. Palazzolo (Palazzolo) enjoining further violations of the registration, antifraud and periodic reporting provisions of the federal securities laws. Palazzolo, who consented to the Injunction without admitting or denying the allegations in the complaint, serves as General Counsel to R W Technology, Inc.

The October 3, 1989 complaint alleged that Palazzolo substantially assisted RW's unregistered offering of securities by meeting with potential investors, issuing opinion letters supporting various stock transactions and preparing many of the promotional materials used in the offering. The complaint also alleged that Palazzolo prepared Forms 10-Q and 10-K which contained misstatements and omissions of material facts concerning RW's operations, capabilities, contracts, related party transactions, prospects and profitability. [SEC v. R W Technology, Inc., No. N-89-486-WWE] (LR-12794, See also LR-12271)

**RESTITUTION SOUGHT FROM ESTATE OF PROMOTER IN FRAUDULENT SECURITIES OFFERING**

The Boston Regional Office, announced the filing, on February 25, of an action against the estate of Paul Casavina, Sr. (Estate) to obtain restitution of unlawful benefits derived from the fraudulent public offering of the stock of R W Technology, Inc. (RW). The Commission alleged, in a Motion for Joinder of the Estate as a Necessary Party, that Casavina made fraudulent statements to investors concerning the products

and business prospects of RW and offered and sold stock to investors at prices not related to the actual market price. The Motion seeks an Order from the Court joining the Estate as a defendant in pending litigation against RW and further seeks an Order requiring the Estate to give up shares of stock in RW in order to fund a proposed restitution offer to investors and requiring the Estate to account for any other assets not previously identified to the staff. [SEC v. R W Technology, Inc., et al., No. N-89-486-WWE] (LR-12796)

#### DISGORGEMENT AND PERMANENT INJUNCTION ENTERED AGAINST ROBERT COHEN

On February 20, U.S. District Court Judge Kevin Thomas Duffy, Southern District of New York, issued a Final Consent, Judgment of Permanent Injunction and Other Equitable Relief as to Defendant Robert E. Cohen (Cohen). The Final Judgment enjoins Cohen from further violations of the antifraud provisions of the federal securities laws and requires him to disgorge \$47,440, over a two year period, plus prejudgment and postjudgment interest.

The Commission's complaint alleges that Cohen was the President and controlling shareholder of Wellshire Securities, Inc. The complaint further alleges that Wellshire operated as a boiler room selling speculative over-the-counter securities to the public through violative sales practices, including baseless price predictions, unauthorized trades in customer accounts and misrepresentations regarding specific securities, including Ventura Inc. and Environmental Landfills, Inc. The complaint alleges that Cohen was aware of these practices and encouraged them. The complaint also alleges that Cohen made materially false and misleading statements to members of the investing public and participated in the manipulation of the market for Ventura Inc.

Without admitting or denying the allegations contained in the complaint, Cohen consented to the issuance of the Final Judgment. [SEC v. Wellshire Securities, Inc., et al., 90 Civ. 1707, KTD, USDC, SDNY] (LR-12797)

---

#### INVESTMENT COMPANY ACT RELEASES

---

##### MORTGAGE LIQUIDITY FUND

A notice has been issued giving interested persons until April 2 to request a hearing on an application filed by Mortgage Liquidity Fund, Inc. for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-18030 - March 6)

##### PRUDENTIAL SECURITIES INCORPORATED

A notice has been issued pursuant to Section 9(c) of the Investment Company Act granting Prudential Securities Incorporated (Prudential Securities) a temporary order exempting it from the provisions of Section 9(a) of the Act to relieve Prudential Securities from any ineligibility resulting from the employment of five individuals who are subject to injunctions in Commission enforcement actions. The notice also gives interested persons until April 3 to request a hearing on Prudential Securities' request for a permanent order of exemption. (Rel. IC-18031 - March 6)

---

## HOLDING COMPANY ACT RELEASES

---

### APPALACHIAN POWER COMPANY

An order has been issued authorizing a proposal by Appalachian Power Company, an electric public-utility subsidiary company of American Electric Power Company, Inc., a registered holding company, to acquire 500 Class A shares of VEDCORP, Inc., a Virginia corporation created to invest capital in new and expanding small, rural Virginia firms, for a total purchase price of \$500,000. (Rel. 35-25266)

### ALLEGHENY GENERATING COMPANY

An order has been issued authorizing a proposal by Allegheny Generating Company, an indirect subsidiary company of Allegheny Power System, Inc., a registered holding company, to issue and sell, from time to time through March 31, 1993, notes to dealers in commercial paper up to an aggregate principal amount of \$150 million, under an exception from competitive bidding. (Rel. 35-25267)

---

## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

---

### DELISTING GRANTED

An order has been issued granting the application of the Boston Stock Exchange to strike from listing and registration Medco Research, Inc., Common Stock, No Par Value. (Rel. 34-28940)

---

## MISCELLANEOUS

---

### EXEMPTION FROM REPORTING REQUIREMENTS GRANTED

An order has been issued granting the application of Carlisle Plastics, Inc. and Poly-Tech, Inc. for an exemption for Poly-Tech, Inc. from certain reporting requirements under Section 15(d) of the Securities Exchange Act. (Rel. 34-28933)

## 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-3 UNITED HEALTHCARE CORP, 300 OPUS CTR, 9900 BREN RD E, MINNETONKA, MN 55343  
(612) 936-1300 - 3,450,000 (\$104,578,125) COMMON STOCK. (FILE 33-39060 - FEB. 27)  
(BR. 9)
- S-3 MICRO HEALTHSYSTEMS INC, 414 EAGLE ROCK AVE, WEST ORANGE, NJ 07052 (201) 731-9252 -  
67,000 (\$1,943,000) COMMON STOCK. (FILE 33-39062 - FEB. 28) (BR. 10)
- S-8 INTERNATIONAL PAPER CO /NEW/, TWO MANHATTANVILLE RD, PURCHASE, NY 10577  
(914) 397-1500 - 400,000 (\$24,850,000) COMMON STOCK. (FILE 33-39066 - FEB. 28)  
(BR. 8)
- S-8 FIRSTMISS GOLD INC, 5190 NEIL RD STE 310, RENO, NV 89502 (601) 948-7550 - 140,250  
(\$140,250) CONVERTIBLE DEBENTURES AND NOTES. (FILE 33-39067 - FEB. 28) (BR. 1)
- S-3 FLEMING COMPANIES INC /OK/, 6301 WATERFORD BLVD, P O BOX 26647, OKLAHOMA CITY, OK  
73126 (405) 840-7200 - 150,000,000 (\$150,000,000) STRAIGHT BONDS. (FILE 33-39068 -  
FEB. 28) (BR. 3)
- S-1 ALLIED CLINICAL LABORATORIES INC, 2515 PARK PLAZA, NASHVILLE, TN 37203  
(615) 320-2283 - 2,012,500 (\$39,243,750) COMMON STOCK. (FILE 33-39069 - FEB. 28)  
(BR. 6)
- S-4 ALLECO INC, ALLEGHENY CIR, CHEVERLY, MD 20781 (301) 341-6000 - 7,122,800  
(\$3,027,190) STRAIGHT BONDS. 23,720,800 (\$10,081,340) STRAIGHT BONDS. (FILE 33-39070  
- FEB. 28) (BR. 12)
- S-1 CRAGIN FINANCIAL CORP, 5200 W FULLERTON AVE, CHICAGO, IL 60639 (312) 889-1000 -  
10,500,000 (\$105,000,000) COMMON STOCK. UNDERWRITER: ADAMS COHEN SECURITIES INC.  
(FILE 33-39073 - FEB. 28) (BR. 2 - NEW ISSUE)
- S-3 NATIONWIDE HEALTH PROPERTIES INC, 4675 MACARTHUR COURT STE 510, NEWPORT BEACH, CA  
92660 (714) 251-1211 - 2,000,000 (\$38,875,000) COMMON STOCK. (FILE 33-39156 - FEB. 27)  
(BR. 6)
- S-3 DOMINION RESOURCES INC /VA/, 701 E BYRD ST, RICHMOND, VA 23219 (804) 771-4483 -  
850,000 (\$40,268,750) COMMON STOCK. (FILE 33-39160 - MAR. 01) (BR. 13)
- S-3 DUPONT E I DE NEMOURS & CO, 1007 MARKET ST, WILMINGTON, DE 19898 (302) 774-1000 -  
2,000,000,000 (\$2,000,000,000) STRAIGHT BONDS. (FILE 33-39161 - MAR. 01) (BR. 13)
- S-8 PHILIP MORRIS COMPANIES INC, 120 PARK AVE, NEW YORK, NY 10017 (212) 880-5000 -  
500,000 (\$33,625,000) COMMON STOCK. (FILE 33-39162 - MAR. 01) (BR. 13)
- S-4 CENTURY TELEPHONE ENTERPRISES INC, 1900 N 18TH ST -7TH FLR, STE 700, MONROE, LA  
71211 (318) 388-9500 - 750,000 (\$22,597,500) COMMON STOCK. (FILE 33-39196 - FEB. 28)  
(BR. 7)

REGISTRATIONS CONTINUED

- S-1 PARAGON MORTGAGE CORP, 2401 LAKE PARK DR STE 300, SMYRNA, GA 30080 (404) 435-6400 - 2,270,016 (\$993,132) COMMON STOCK. (FILE 33-39199 - FEB. 28) (BR. 11)
- S-8 AMERICAN GENERAL CORP /TX/, 2929 ALLEN PKWY, HOUSTON, TX 77019 (713) 522-1111 - 2,000,000 (\$73,750,000) COMMON STOCK. (FILE 33-39200 - FEB. 28) (BR. 9)
- S-8 AMERICAN GENERAL CORP /TX/, 2929 ALLEN PKWY, HOUSTON, TX 77019 (713) 522-1111 - 950,000 (\$35,031,250) COMMON STOCK. (FILE 33-39201 - FEB. 28) (BR. 9)
- S-8 AMERICAN GENERAL CORP /TX/, 2929 ALLEN PKWY, HOUSTON, TX 77019 (713) 522-1111 - 550,000 (\$20,281,250) COMMON STOCK. (FILE 33-39202 - FEB. 28) (BR. 9)
- S-3 IOWA ILLINOIS GAS & ELECTRIC CO, 206 E SECOND ST, DAVENPORT, IA 52808 (319) 326-7111 - 100,000,000 (\$100,000,000) MORTGAGE BONDS. (FILE 33-39211 - FEB. 28) (BR. 8)
- S-3 IOWA ILLINOIS GAS & ELECTRIC CO, 206 E SECOND ST, DAVENPORT, IA 52808 (319) 326-7111 - 500,000 (\$50,000,000) PREFERRED STOCK. (FILE 33-39212 - MAR. 01) (BR. 8)
- S-8 HEALTH IMAGES INC, 8601 DUNWOODY PL STE 200, ATLANTA, GA 30350 (404) 587-5084 - 100,000 (\$1,244,000) COMMON STOCK. (FILE 33-39216 - FEB. 28) (BR. 6)
- S-3 INTERGRAPH CORP, INTERGRAPH CORP, HUNTSVILLE, AL 35894 (205) 730-2000 (FILE 33-39217 - MAR. 01) (BR. 10)

**ACQUISITION 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
AIM TELS INC	COM		2,469	00142310	
QUINCE ASSOCIATES ET AL	13D	2/22/91	36.7	21.3	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
ALPHA 1 BIOMEDICALS INC CURRAN JOHN P	WTS CL A 13D	2/21/91	205 20.5	02091011 0.0	NEW
CENTRAL CORP MINTZ SAUL A	COM 13D	5/17/90	39 5.4	15290010 0.0	NEW
CHESTER VALLEY BANCORP TITHER W THOMAS JR ET AL	COM 13D	2/28/91	N/A N/A	16633510 N/A	UPDATE
COMPUTER AUTOMATION INC R W VENTURES II	COM 13D	3/ 1/91	318 9.4	20490110 0.0	NEW
EHRlich BOBER FINL CORP HOWARD MELVIN	COM 13D	12/24/90	350 11.6	28245210 11.6	RVISION
EMCON ASSOC STATE OF WISCONSIN INVEST	COM BD 13D	1/25/91	200 5.1	29084310 4.9	RVISION
FALCON PRODS INC X-MEN PARTNERSHIP ET AL	COM 13D	2/25/91	311 8.4	30607510 6.7	UPDATE
FIRST EXECUTIVE CORP DEL HICKS THOMAS O ET AL	COM 13D	3/ 1/91	6,218 7.3	32013510 9.5	UPDATE
HYTK INDS BECKSTEAD GORDON E	COM 13D	2/28/91	20,035 14.1	44918899 0.0	NEW
INAV TRAVEL CORP DAUGHERTY JACK R	COM 13D	2/14/91	2,139 21.0	45199610 0.0	NEW
KETEMA INC AMER SECURITIES CORP, CLIENTS	COM 13D	3/ 1/91	975 24.8	49265310 24.4	UPDATE
KINARK CORP BUTLER LAWRENCE ET AL	COM 13D	3/ 4/91	311 8.7	49447410 5.8	UPDATE
LIBRARY BUR INC ENGERT HERBERT W	COM 13D	2/26/91	178 7.4	53161710 6.8	UPDATE
LIBRARY BUR INC RIFENBURGH RICHARD P	COM 13D	2/26/91	458 19.0	53161710 13.1	UPDATE
LIBRARY BUR INC VAN PELT PETER J	COM 13D	2/26/91	2 N/A	53161710 N/A	UPDATE
MAI BASIC FOUR INC LEBOW BENNETT S ET AL	COM 13D	2/19/91	44,531 100.0	55262010 72.4	UPDATE
MEDICAL CARE INTL INC FIDELITY INTL LTD	COM 13D	2/ 6/91	1,464 7.4	58450510 9.2	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
MEDICAL CARE INTL INC FMR CORP	COM 13D	2/14/91	1,464 7.4	58450510 9.2	UPDATE
MEMRY CORP NATIONAL TRUST CO	COM 13D	1/31/91	875 7.3	58626310 0.0	NEW
METRO BANCSHARES INC DAVIS JEROME H ET AL	COM 13D	2/21/91	121 5.1	59199510 6.7	UPDATE
MICRON TECHNOLOGY INC AMSTRAD PLC ET AL	COM 13D	3/ 1/91	2,571 7.0	59511210 9.7	UPDATE
NATIONAL TRANSACTION NETWORK BCE VENTURE CAPITAL	COM NEW 13D	3/ 1/91	11,467 39.7	63822130 32.8	UPDATE
O.R.S. CORPORATION MAGUIRE FOUNDATION	COM 13D	2/26/91	6,881 17.5	67101910 12.5	UPDATE
PANSOPHIC SYS INC HARRIS ASSOCIATES INC	COM 13D	2/25/91	1,356 7.6	69863110 9.5	UPDATE
PERSONAL DIAGNOSTICS INC MICHAEL JOHN H	COM 13D	2/19/91	1,456 27.3	71533410 26.8	UPDATE
PORTA SYS CORP ROCKER DAVID A	COM 13D	2/25/91	278 5.2	73564710 0.0	NEW
RAPITECH SYS INC SHEA E & M REAL PPTY TR ET AL	COM 13D	2/22/91	1,957 25.7	75381010 0.0	NEW
READING & BATES CORP SOUTH PAC BKG CORP ET AL	COM \$0.05 13D	3/ 1/91	8,058 21.3	75528170 19.2	UPDATE
ROLLINS INC GAMCO INVESTORS INC ET AL	COM 13D	3/ 1/91	3,058 12.9	77571110 13.9	UPDATE
ROSPATCH CORP DEL ATLANTIS GRP INC	COM 13D	2/28/91	498 19.7	77820410 18.8	UPDATE
SUBURBAN BANKSHARES FIRST SAVE ASSOCIATES ET AL	CL A 13D	2/21/91	26 4.8	86437510 5.6	UPDATE
SYNALLOY CORP CHARIOT HLDGS	COM 13D	3/ 5/91	233 6.9	87156510 19.0	UPDATE
ZENITH ELECTRCS CORP NYCOR INC	COM 13D	3/ 5/91	2,200 7.6	98934910 7.6	UPDATE