

# sec news digest

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Issue 93-153

AUG 14 1993

August 10, 1993

U.S. SECURITIES  
EXCHANGE COMMISSION

## ADMINISTRATIVE PROCEEDINGS

### INITIAL DECISION BARS RICHARD DEMAIO, ORDERS HIM TO CEASE AND DESIST AND DISGORGE \$430,000 AND INTEREST

Administrative Law Judge Edward J. Kuhlmann has issued an initial decision, pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934 (Exchange Act), barring Richard D. DeMaio from association with any broker or dealer, ordering him to cease from violating Sections 5 and 17(a) of the Securities Act of 1933 and 10(b) and 15(c) of the Exchange Act and Rules 10b-5 and 15c1-2 thereunder. Also, pursuant to Section 21C(e) of Exchange Act, Demaio has been ordered to disgorge \$430,000 received as result of conduct which violated the securities laws and interest from December 31, 1988.

According to the decision, DeMaio, office manager at the Boca Raton, Florida office of the broker-dealer Graystone Nash, Incorporated (Graystone) during 1987 and 1988, was found to have willfully violated the Securities and Exchange Acts by, among other things, participating in and enforcing certain fraudulent practices of Graystone in connection with public offerings of units of common stock and warrants. The practices concerned the repurchase of the units by Graystone in the immediate aftermarket at a premium, requiring aftermarket common stock sales in certain ratios to sale of units in the offerings and the allocation of common stock to be sold in the aftermarkets at increasing, artificial "tick prices" predetermined by Graystone. (Initial Decision Rel. 37)

### DERMOT ROWLAND ORDERED TO CEASE AND DESIST

On August 9, the Commission issued an Order Instituting Cease and Desist Proceedings under Section 21C of the Securities Exchange Act of 1934 and Findings and Order against Dermot F. Rowland (Rowland) of Minneapolis, Minnesota. The Order requires Rowland to permanently cease and desist from committing or causing any violation of or any future violation of Section 16(a) of the Exchange Act and Rules 16a-2 and 16a-3 promulgated thereunder. Simultaneously, the Commission accepted Rowland's Offer of Settlement in which, without admitting or denying the matters set forth in the Order, he consented to the issuance of the Order. The Order finds that during the period from June 10, 1988 through February 15, 1991 Rowland failed to file timely a Form 3 and six Forms 4, required to be filed by Section 16(a) of the Exchange Act and the rules thereunder, reporting his holdings and transactions with respect to the registered equity securities of Homestyle Buffet, Inc., which transactions had a total value of over \$3.2 million. (Rel. 34-32727)

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## CIVIL PROCEEDINGS

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### CIVIL ACTION AGAINST MICHAEL MATONIS AND JOHN TOSCANI, JR.

On August 9, the Commission announced the filing of a civil action in the U.S. District Court for the Southern District of New York against Michael M. Matonis (Matonis) and John L. Toscani, Jr. (Toscani) seeking permanent injunctive relief and disgorgement.

The Commission's complaint alleges that Matonis and Toscani violated Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder by creating the false and misleading appearance of a market for the securities of Firestone Development Corp. (Firestone) and Beta Tech Robotics, Inc. (Beta Tech), publishing false price quotes for Firestone and Beta Tech securities in the National Daily Quotation Service "Pink Sheets", and making material misrepresentations and omissions to the public.

Simultaneous with the filing of the complaint, and without admitting or denying any of the allegations in the complaint, Matonis consented to the entry of a Final Judgment of Permanent Injunction And Other Equitable Relief On Consent (Final Judgment) granting the relief sought in the Commission's complaint.

Subject to entry of the Final Judgment by the Court, Matonis has also consented to an order in a Commission administrative proceeding making findings that Matonis has been enjoined and permanently barring Matonis from association with any broker, dealer, investment adviser, investment company or municipal securities dealer. [SEC v. Michael M. Matonis and John L. Toscani, Jr., 93 Civ. 5531, MBM, SDNY] (LR-13748)

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## INVESTMENT COMPANY ACT RELEASES

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### THE BURNHAM FUND INC., ET AL.

A notice has been issued giving interested persons until August 31 to request a hearing on an application filed by The Burnham Fund Inc., et al. for a conditional order under Section 6(c) of the Investment Company Act that would exempt applicants from Sections 2(a)(32), 2(a)(35), 18(f), 18(g), 18(i), 22(c), and 22(d) and Rule 22c-1 thereunder. The conditional order would permit applicants to issue multiple classes of shares representing interests in the same portfolio of securities, and to assess and, under certain circumstances, waive a contingent deferred sales load on certain redemptions of shares. (Rel. IC-19614 - August 6)

### TECHNOLOGY FUNDING MEDICAL PARTNERS I, L.P., ET AL.

A notice has been issued giving interested persons until August 31 to request a hearing on an application filed by Technology Funding Medical Partners I, L.P., et al. Applicants seek a conditional order under Section 17(d) and Rule 17d-1 permitting

Technology Funding Medical Partners I, L.P. to participate in joint transactions with certain affiliated business development companies pursuant to an existing order. (Rel. IC-19615 - August 6)

#### MAXIM SERIES FUND, INC., ET AL.

A notice has been issued giving interested persons until August 31 to request a hearing on an application filed by Maxim Series Fund, Inc. (Fund), Great-West Life Assurance Company, and certain life insurance companies and their separate accounts investing now or in the future in the Fund (collectively, Applicants). Applicants seek an order pursuant to Section 6(c) of the Investment Company Act granting exemptions from the provisions of Sections 9(a), 13(a), 15(a) and 15(b) of the Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder to the extent necessary to permit shares of the Fund to be sold to separate accounts funding variable annuity and variable life insurance contracts issued by both affiliated and unaffiliated life insurance companies. (Rel. IC-19616 - August 6)

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### HOLDING COMPANY ACT RELEASES

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#### ALABAMA POWER COMPANY

A supplemental order has been issued authorizing Alabama Power Company, an electric public-utility subsidiary company of The Southern Company, a registered holding company, to refinance \$36.1 million of the costs of certain pollution control and sewage and solid waste disposal facilities located in Mobile, Alabama. The Commission has reserved jurisdiction over all transactions associated with refinancing additional costs for such facilities in amounts of up to \$307.11 million. (Rel. 35-25864)

#### CENTRAL POWER AND LIGHT COMPANY

A supplemental notice has been issued giving interested persons until August 30 to request a hearing on a proposal by Central Power and Light Company (CPL), an electric public-utility subsidiary company of Central and South West Corporation, a registered holding company. CPL proposes to issue and sell, through December 31, 1995, up to \$360 million of first mortgage bonds (Bonds). The proceeds of the Bonds will be used principally to redeem all or a portion of one or more series of CPL's outstanding first mortgage bonds and to repurchase all or a portion of CPL's outstanding 8.72% preferred stock. (Rel. 35-25865; International Series Rel. 572)

#### NORTHEAST UTILITIES

A notice has been issued giving interested persons until August 30 to request a hearing on a proposal by Northeast Utilities (Northeast), a registered holding company, and Charter Oak Energy, Inc. (Charter Oak) and COE Development Corporation, nonutility subsidiaries of Northeast. Northeast proposes to invest up to \$7 million in Charter Oak for the acquisition by Charter Oak of interests in two nonutility subsidiaries that will own an interest in a foreign utility company. (Rel. 35-25865; International Series Rel. 572)

## ALLEGHENY GENERATING COMPANY

A notice has been issued giving interested persons until August 30 to request a hearing on a proposal by Allegheny Generating Company (Allegheny Generating), an indirect wholly owned subsidiary company of Allegheny Power System, a registered holding company, to issue and sell through December 31, 1994, one or more series of debentures (Debentures) in an aggregate principal amount not to exceed \$150 million. The Debentures of any such series will mature no later than thirty years from the date of their issuance. The proceeds from the Debentures' sale will be used to refund outstanding higher coupon debentures of Allegheny Generating. Allegheny Generating proposes to sell the Debentures either through the alternative competitive bidding procedures authorized by the Commission's Statement of Policy Concerning Application of Rule 50 under the Public Utility Holding Company Act of 1935 (HCAR No. 22623, Sept. 2, 1982), or through an exception from competitive bidding requirements of Rule 50. Allegheny Generating has received authorization to commence negotiations with underwriters. (Rel. 35-25865; International Series Rel. 572)

## CENTRAL AND SOUTH WEST CORP. ET AL.

An order has been issued authorizing Central and South West Corporation, a registered holding company, and its nonutility subsidiary company, CSW Energy, Inc., to provide through December 31, 1995 guarantees and to arrange for letters of credit or similar provisions and arrangements in connection with the development of qualifying cogeneration facilities, qualifying small power production facilities and independent power facilities, including exempt wholesale generators as defined in Section 32(e) of the Act. The amount of any such guarantees, letters of credit or other support arrangements actually issued and outstanding at any one time will not exceed \$50 million in the aggregate. (Rel. 35-25866)

## 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 STATE STREET BOSTON CORP, 225 FRANKLIN ST, BOSTON, MA 02110 (617) 786-3000 - 250,000,000 (\$250,000,000) STRAIGHT BONDS. (FILE 33-49885 - AUG. 02) (BR. 2)
- S-3 PHILADELPHIA ELECTRIC CO, 2301 MARKET ST, P O BOX 8699, PHILADELPHIA, PA 19103 (215) 841-4000 - 1,000,000 (\$1,020,000,000) MORTGAGE BONDS. (FILE 33-49887 - AUG. 03) (BR. 7)
- S-8 KAISER ALUMINUM CORP, 5847 SAN FELIPE STE 2600, HOUSTON, TX 77057 (713) 975-7600 - 2,500,000 (\$19,375,000) COMMON STOCK. (FILE 33-49889 - AUG. 03) (BR. 13)

REGISTRATIONS CONTINUED

- S-3 DISNEY WALT CO, 500 S BUENA VISTA ST, BURBANK, CA 91521 (818) 560-1000 - 1,000,000,000 (\$1,000,000,000) STRAIGHT BONDS. (FILE 33-49891 - AUG. 03) (BR. 11)
- S-3 HAMMA M A CO/DE, 1301 E 9TH ST STE 3600, CLEVELAND, OH 44114 (216) 589-4000 - 2,000,000 (\$57,500,000) COMMON STOCK. (FILE 33-66128 - JUL. 16) (BR. 5)
- S-3 PROPERTY TRUST OF AMERICA, 1790 COMMERCE PARK DRIVE, EL PASO, TX 79912 (915) 877-3900 - 5,086,125 (\$98,543,671) COMMON SHARES OF BENEFICIAL INTEREST. (FILE 33-66744 - JUL. 30) (BR. 5)
- S-6 FIRST TRUST SPECIAL SITUATIONS TRUST SERIES 76, 1001 WARRENVILLE ROAD, LISLE, IL 60532 - INDEFINITE SHARES. (FILE 33-66796 - JUL. 29) (BR. 18 - NEW ISSUE)

REGISTRATIONS EFFECTIVE:

<u>NAME OF ISSUER</u>	<u>FILE NO.</u>	<u>DISPOSITION DATE</u>
CONDUCTUS INC	33-64020	08/03/93
CONDUCTUS INC	33-64020	08/03/93
CONTINENTAL CABLEVISION INC	33-65798	08/06/93
CONTINENTAL CABLEVISION INC	33-65798	08/06/93
CONTINENTAL CABLEVISION INC	33-65798	08/06/93
CONVEX COMPUTER CORP	33-66842	08/03/93
CONVEX COMPUTER CORP	33-66948	08/03/93
CORAL GABLES FEDCORP INC	33-67002	08/04/93
CORAL GABLES FEDCORP INC	33-67004	08/04/93
CORNING INC /NY / CORNING LAB SERVICES	133-49923	08/06/93
CORNING INC /NY / CORNING LAB SERVICES	133-49923	08/06/93
DAL TILE INTERNATIONAL INC	33-64140	08/03/93
DAL TILE INTERNATIONAL INC	33-64140	08/03/93
DATA I/O CORP	33-66824	08/02/93
DATASOUTH COMPUTER CORP	33-66974	08/04/93
DEERE JOHN CAPITAL CORP	33-66082	08/06/93
DENSE PAC MICROSYSTEMS INC	33-62094	08/04/93
DIAMETRICS MEDICAL INC	33-64910	08/05/93
DIAMETRICS MEDICAL INC	33-64910	08/05/93
DIGITAL SOUND CORP	33-67000	08/04/93
DUAL DRILLING CO /DE/	33-64550	08/05/93
DUAL DRILLING CO /DE/	33-64550	08/05/93
DUAL DRILLING CO /DE/	33-64550	08/05/93
DUAL DRILLING CO /DE/	33-64550	08/05/93
DUAL DRILLING CO /DE/	33-64550	08/05/93
DYNAGEN INC	33-66826	08/02/93
EASTERN UTILITIES ASSOCIATES	33-49897	08/04/93
ELECTRONIC ARTS INC	33-66836	08/02/93
EP TECHNOLOGIES INC	33-67020	08/04/93
EXCEL REALTY TRUST INC	33-63160	08/04/93
EXCEL REALTY TRUST INC	33-63160	08/04/93
EXCEL REALTY TRUST INC	33-63160	08/04/93
EXCEL REALTY TRUST INC	33-63160	08/04/93
EXCEL REALTY TRUST INC	33-63160	08/04/93
EXCEL REALTY TRUST INC	33-63160	08/04/93
EXPEDITORS INTERNATIONAL OF WASHINGTON	133-67066	08/05/93
F&M NATIONAL CORP	33-65802	08/04/93
F&M NATIONAL CORP	33-65802	08/04/93
FARMESTOCK VINER HOLDINGS INC	33-67068	08/05/93

## REGISTRATIONS EFFECTIVE CONT.

<u>NAME OF ISSUER</u>	<u>FILE NO.</u>	<u>DISPOSITION DATE</u>
FIRST INTERSTATE BANCORP /DE/	33-64864	08/04/93
FIRST INTERSTATE BANCORP /DE/	33-64864	08/04/93
FIRST INTERSTATE BANCOSYSTEM OF MONTANA	133-64304	08/04/93
FIRST INTERSTATE BANCOSYSTEM OF MONTANA	133-64304	08/04/93
FIRST INTERSTATE BANCOSYSTEM OF MONTANA	133-64304	08/04/93
FIRST INTERSTATE BANCOSYSTEM OF MONTANA	133-64304	08/04/93
GERRITY OIL & GAS CORPORATION	33-66984	08/04/93
GMIS INC /DE	33-66064	08/04/93
GMIS INC /DE	33-66064	08/04/93
GREENFIELD INDUSTRIES INC /DE/	33-66898	08/02/93
GREENFIELD INDUSTRIES INC /DE/	33-66900	08/02/93
GREENFIELD INDUSTRIES INC /DE/	33-66904	08/02/93
GREENFIELD INDUSTRIES INC /DE/	33-66906	08/02/93
HARMONY HOLDINGS INC	33-66970	08/04/93
HECTOR COMMUNICATIONS CORP	33-65176	08/04/93
HECTOR COMMUNICATIONS CORP	33-65176	08/04/93
HILLSIDE BEDDING INC	33-66896	08/02/93
HORN & HARDART CO /NV/	33-66394	08/03/93
IDB COMMUNICATIONS GROUP INC	33-67072	08/05/93
IDB COMMUNICATIONS GROUP INC	33-67074	08/05/93
IIS INTELLIGENT INFORMATION SYSTEMS LTD	33-62862	08/03/93
IIS INTELLIGENT INFORMATION SYSTEMS LTD	33-62862	08/03/93
IIS INTELLIGENT INFORMATION SYSTEMS LTD	33-62862	08/03/93
IIS INTELLIGENT INFORMATION SYSTEMS LTD	33-62862	08/03/93
IMATRON INC	33-66952	08/04/93
IMATRON INC	33-66992	08/03/93
INTERNATIONAL SHIPHOLDING CORP	33-64896	08/02/93
INTERNATIONAL SHIPHOLDING CORP	33-64896	08/02/93
KAISER ALUMINUM CORP	33-49889	08/03/93
KELLEY OIL & GAS PARTNERS LTD	33-66408	08/06/93
KENDALL INTERNATIONAL INC	33-66996	08/04/93
KIDDER PEABODY ACCEPTANCE CORP I	33-64676	08/06/93
KIDDER PEABODY ACCEPTANCE CORP I	33-64676	08/06/93
KILM TRANSPORT SERVICES INC	33-66976	08/04/93
KLS GOLD MINING CO	33-62268	08/04/93
KLS GOLD MINING CO	33-62268	08/04/93
KLS GOLD MINING CO	33-62268	08/04/93
LEXINGTON CORPORATE PROPERTIES INC	33-66858	08/04/93
LIPOSOME CO INC	33-66924	08/03/93
MANOR CARE INC/NEW	33-64680	08/02/93
MANOR CARE INC/NEW	33-64680	08/02/93
MERCANTILE BANCORPORATION INC	33-63196	08/03/93
MERCANTILE BANCORPORATION INC	33-63196	08/03/93
MERCANTILE BANCORPORATION INC	33-63196	08/03/93
METROPOLITAN BANCORP	33-64350	08/03/93
METROPOLITAN BANCORP	33-64350	08/03/93
METROPOLITAN BANCORP	33-64350	08/03/93
METROPOLITAN BANCORP	33-64350	08/03/93
MID OCEAN LTD	33-63298	08/03/93
MID OCEAN LTD	33-63298	08/03/93
MID OCEAN LTD	33-63298	08/03/93
MID OCEAN LTD	33-63298	08/03/93
MID OCEAN LTD	33-63298	08/03/93
MONARCH CASINO & RESORT INC	33-64556	08/06/93
MONARCH CASINO & RESORT INC	33-64556	08/06/93
MONARCH CASINO & RESORT INC	33-64556	08/06/93
MORELLIS NOMA II INC	33-66986	08/04/93
NU HORIZONS ELECTRONICS CORP	33-66730	08/04/93
OI CORP	33-66822	08/02/93

## REGISTRATIONS EFFECTIVE CONT.

<u>NAME OF ISSUER</u>	<u>FILE NO.</u>	<u>DISPOSITION DATE</u>
ONSITE ENERGY	33-66010-01	08/02/93
ONSITE ENERGY CORP	33-66010	08/02/93
ORYX ENERGY CO	33-48659	08/06/93
PACIFIC PHYSICIAN SERVICES INC /DE	33-66918	08/03/93
PENNSYLVANIA POWER CO	33-65156	08/05/93
PEPSICO INC	33-66144	08/04/93
PEPSICO INC	33-66146	08/04/93
PEPSICO INC	33-66148	08/04/93
PHILADELPHIA ELECTRIC CO	33-49887	08/06/93
PHILIPS ELECTRONICS N V	33-66484	08/04/93
PHILIPS ELECTRONICS N V	33-66484	08/04/93
PREFERRED ENTERTAINMENT INC	33-64040	08/05/93
PREFERRED ENTERTAINMENT INC	33-64040	08/05/93
PREFERRED ENTERTAINMENT INC	33-64040	08/05/93
PREFERRED ENTERTAINMENT INC	33-64040	08/05/93
PSYCHEMEDICS CORP	33-66942	08/04/93
QUICKRESPONSE SERVICES INC	33-63938	08/05/93
QUICKRESPONSE SERVICES INC	33-66944	08/04/93
RALLYS INC	33-66978	08/04/93
RALSTON PURINA CO	33-49915	08/05/93
RALSTON PURINA CO	33-49921	08/06/93
RFS HOTEL INVESTORS INC	33-63696	08/05/93
RFS HOTEL INVESTORS INC	33-63696	08/05/93
RFS HOTEL INVESTORS INC	33-63696	08/05/93
ROADMASTER INDUSTRIES INC	33-64230	08/05/93
ROADMASTER INDUSTRIES INC	33-64230	08/05/93
ROADMASTER INDUSTRIES INC	33-64230	08/05/93
ROCHESTER GAS & ELECTRIC CORP	33-49805	08/04/93
SCICLONE PHARMACEUTICALS INC	33-66832	08/03/93
SPARTAN STORES INC	33-66414	08/02/93
SPORTS & RECREATION INC	33-66960	08/03/93
SPORTS & RECREATION INC	33-66962	08/03/93
TCA HOLDINGS CORP	33-63392	08/05/93
TCA HOLDINGS CORP	33-63392	08/05/93
TCA HOLDINGS CORP	33-63392	08/05/93
TCA HOLDINGS CORP	33-63392	08/05/93
TCA HOLDINGS CORP	33-63392	08/05/93
TELEBIT CORP	33-66920	08/03/93
THE NEW WORLD POWER CORPORATION	33-66950	08/03/93
THQ INC	33-66954	08/03/93
TIME WARNER ENTERTAINMENT CO L P	33-61714	08/04/93
TIME WARNER ENTERTAINMENT CO L P	33-61714	08/04/93
TJ SYSTEMS CORP	33-64246	08/04/93
TJ SYSTEMS CORP	33-64246	08/04/93
TRO LEARNING INC	33-66946	08/04/93
U S ENVIRONMENTAL SOLUTIONS INC	33-67070	08/05/93
ULTRAK INC	33-64862	08/06/93
UNISYS CORP	33-64396	08/05/93
VAN KAMPEN MERRITT MUNICIPAL OPPORTUNITY	33-65836	08/06/93
VAN KAMPEN MERRITT MUNICIPAL OPPORTUNITY	33-65836	08/06/93
WESTERN ENERGY MANAGEMENT INC	33-66010-02	08/02/93
WICOR INC	33-67132	08/06/93
WILLIAMHOUSE REGENCY OF DELAWARE INC	33-64022	08/05/93
WILLIAMHOUSE REGENCY OF DELAWARE INC	33-64022	08/05/93
WINNERS CIRCLE INC	33-66956	08/03/93
WR ACQUISITION INC	33-64022-01	08/05/93
WR ACQUISITION INC	33-64022-01	08/05/93
ZENITH LABORATORIES INC	33-66872	08/02/93
ZIONS COOPERATIVE MERCANTILE INSTITUTION	33-66810	08/02/93

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## SEC PUBLIC INFORMATION NUMBERS

Members of the public seeking information and/or material from the Commission continue to complain of being incorrectly referred to the wrong telephone number by Commission staff. The following information is furnished to assist you in directly calling the appropriate office:

Consumer Affairs (202-272-7440): Investor inquiries and complaint processing information.

Freedom of Information Branch (202-272-7420): Requests concerning FOIA, Privacy Act, Sunshine Act, confidential treatment matters, etc.

Personnel Locator (202-272-2550): Requests for names and phone numbers of Commission personnel.

Public Affairs (202-272-2650): Information about matters in the SEC News Digest, the Commission's operations, and calls from the press not directed to particular individuals, and other related matters.

Public Reference (202-272-7450): Requests for information on whether or not a document has been filed, etc.

Publications Unit (202-272-7460/7461): Requests for forms, studies, directories, etc.

Office of the Secretary (202-272-2600): Requests for information on the Commission calendar.

SEC Information Line (202-272-3100/5624): General information about SEC operations and activities through a series of recorded messages.