

C-2

sec news digest

LIBRARY

AUG 3 1990

Issue 90-148

August 1, 1990

U.S. SECURITIES AND
EXCHANGE COMMISSION

CIVIL PROCEEDINGS

COMPLAINT NAMES DAVID SCHARDIEN

The Commission today announced the filing of a Complaint in the U.S. District Court for the District of Columbia against David Schardien (Schardien), former Vice-President of the Utility Propane Company (UPC), formerly a subsidiary of the KCS Group, Inc. In the Complaint, the Commission seeks a permanent injunction enjoining the defendant from violations of Section 14(a) of the Securities Exchange Act of 1934 and Rules 14a-3 and 14a-6 thereunder. Without admitting or denying the allegations in the Complaint, Schardien has consented to the entry of the injunction sought by the Commission.

In the Complaint, the Commission alleges that in September 1989, Schardien distributed an anonymous proxy solicitation to most of the shareholders of record of the KCS Group Inc., urging them to reject the Company's recommendation that the sale of UPC to a third party be approved. The Complaint further alleges that Schardien failed to file either the preliminary or definitive proxy materials with the Commission as required by the federal securities laws and that the materials Schardien distributed did not contain all the information required, including a statement identifying the party engaging in the solicitation. [SEC v. David Schardien, Civil Action No. 90-1796] (LR-12564)

CRIMINAL PROCEEDINGS

JAMES LYNN AVERETT GUILTY PLEA

The Denver Regional Office, the Salt Lake City Branch Office, and the U.S. Attorney for the District of Utah announced that, on July 5, James Lynn Averett of Salt Lake City, Utah plead guilty to a one-count felony information charging Averett with conspiracy to commit securities fraud.

Averett admitted that he planned with others to obtain all of the stock of a corporation and to engage in a controlled market manipulation to artificially raise the price of the company's stock. Averett, an attorney, admitted that his role in the scheme included the contribution of an asset, the preparation of merger documents

for a corporate acquisition and name change, the securing of a legal tradeability opinion letter, and the arrangement for the company to be listed in the "pink sheets" published by the National Quotation Bureau, Inc. The corporation to be used in the scheme was U.S.A. Medical Corporation, formerly S.M.I., Inc. [U.S. v. James Lynn Averett, USDC for the District of Utah, Central Division, Criminal Action File No. 90-CR-0129S] (LR-12563)

INVESTMENT COMPANY ACT RELEASES

ABT GROWTH & INCOME TRUST

A notice has been issued giving interested persons until August 28 to request a hearing on an application filed by ABT Growth and Income Trust et al. for an order pursuant to Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder, to permit the operation of a joint trading account in repurchase agreements. (Rel. IC-17626, July 30)

BENHAM VARIABLE INSURANCE TRUST

A notice has been issued giving interested persons until August 24 to request a hearing on an application filed by Benham Variable Insurance Trust (Applicant) for an order under Section 8(f) of the Investment Company Act of 1940 declaring that the Applicant has ceased to be an investment company. (Rel. IC-17627, July 30)

MACKENZIE FINANCIAL CORPORATION

A permanent order has been issued on an application filed by Mackenzie Financial Corporation and Mackenzie Investment Management Inc. (Applicants) under Section 9(c) of the Investment Company Act of 1940 exempting Applicants and future affiliates from the disqualification provisions of Section 9(a) of the Act. Absent such an exemption, Section 9(a) would prevent Applicants from engaging in certain investment company businesses due to an Order of Prohibition entered against Applicants on June 28, 1990, by the Supreme Court of Ontario, Canada. (Rel. IC-17628, July 31)

TEMPLETON, GALBRAITH & HANSBERGER

A permanent order has been issued on an application filed by Templeton, Galbraith & Hansberger Ltd., Templeton Management Limited, Templeton Investment Counsel, Inc., Templeton Global Bond Managers, Inc., John Templeton Counselors, Inc., Templeton Funds Distributor, Inc., and Templeton Funds Annuity Company (Applicants) under Section 9(c) of the Investment Company Act of 1940 exempting Applicants and future affiliates from the disqualification provisions of Section 9(a) of the Act. Absent such an exemption, Section 9(a) would prevent Applicants from engaging in certain investment company businesses due to an Order of Prohibition entered against Applicants on June 28, 1990, by the Supreme Court of Ontario, Canada. (Rel. IC-17629, July 31)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES

By order dated July 3 (HCAR No. 25114), Northeast Utilities (Northeast), a registered holding company, was authorized to create and acquire all the common stock of a new wholly owned subsidiary, HEC Inc., which would engage in providing energy management services to large institutional customers primarily in New England and in New York, and related financings. The initial notice, dated June 8, 1990 (HCAR No. 25102), of the filing of the application in this matter was not published in the Federal Register, as required under the Act, and a supplemental notice was issued on July 11, 1990 (HCAR No. 25102-A). A supplemental order has been issued authorizing Northeast to engage in the same transactions. (Rel. 35-25114-A)

THE COLUMBIA GAS SYSTEM

A notice has been issued giving interested persons until August 13 to request a hearing on a proposal by The Columbia Gas System, Inc. (Columbia), a registered holding company and certain of its subsidiaries, Columbia Gas of Ohio, Inc., Columbia Gas of Pennsylvania, Inc., Columbia Gas of Kentucky, Inc., Columbia Gas of New York, Inc., Columbia Gas of Maryland, Inc., Commonwealth Gas Services, Inc.; Columbia Gas Development Corporation, Columbia Gas Development of Canada Lt., Commonwealth Propane, Inc., Columbia Propane Corporation, Columbia Gas System Service Corporation, Columbia Lng Corporation, Columbia Atlantic Trading Corporation, The Inland Gas Company, Inc., Tristar Ventures Corporation, Columbia Gas Transmission Corporation, Columbia Gulf Transmission Company (Columbia Transmission), Commonwealth Gas Pipeline Corporation, Columbia Natural Resources, Inc. and Columbia Coal Gasification Corporation, whereby Columbia Transmission would increase the amount of first mortgage bonds it can issue to Columbia through December 31, 1991 to \$625 million, and Columbia would amend its \$500 Million Credit Agreement to extend the termination date to October 5, 1993, and to add a Money Market Option to the alternate pricing provisions. (Rel. 35-25120)

CSW CREDIT

A notice has been issued giving interested persons until August 20 to request a hearing on a proposal by Central and South West Corporation (CSW), a registered holding company, and CSW Credit, Inc., (Credit), its nonutility subsidiary company, to change Credit's ratio of debt to equity requirement to a requirement that the equity ratio be no less than 5%. (Rel. 35-25122)

MISSISSIPPI POWER & LIGHT COMPANY

A notice has been issued giving interested persons until August 20 to request a hearing on a proposal by Mississippi Power & Light Company (MP&L), an electric public-utility subsidiary company of Entergy Corporation, a registered holding company, to institute certain programs to seek out and meet the electric utility needs of its customers. It is contemplated that the Program will be divided into four discreet areas: "Space Conditioning," "Premium Power," "Electrotechnologies" and "Field Services." (Rel. 35-25122)

ENTERGY CORPORATION

A notice has been issued giving interested persons until August 20 to request a hearing on a proposal by Entergy Corporation (Entergy), a registered holding company, and its subsidiary companies, Arkansas Power & Light Company, Louisiana Power & Light Company and System Energy Resources, Inc. (collectively, Operating Subsidiaries), and Entergy Operations, Inc. (EOI), whereby Entergy will enter into separate Guarantee Agreements with each of the Operating Subsidiaries to guarantee the financial ability of EOI to meet its various obligations under certain nuclear power plant Operating Agreements. (Rel. 35-25122)

AMERICAN ELECTRIC POWER COMPANY

An order has been issued authorizing a proposal by American Electric Power Company, Inc. (AEP), a registered holding company, to buy 2,100 shares of common stock of Ohio Valley Electric Corporation (OVEC) from Louisville Gas and Electric Company, a publicly owned gas and electric public-utility company, for a total purchase price of \$300,000. AEP's ownership interest in OVEC would increase from 42.1% to 44.2% as a result of the proposed transaction. (Rel. 35-25123)

MCN CORPORATION

An order has been issued authorizing MCN Corporation, a public-utility holding company which is exempt from registration under Section 3(a)(1) of the Act pursuant to Rule 2, to acquire all of the outstanding common stock of Citizens Gas Fuel Company, a Michigan gas utility company. (Rel. 35-25124)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING PRIVILEGES GRANTED

An order has been issued granting the application of the New York Stock Exchange for unlisted trading privileges in 1 issue for the purpose of trading the security as part of the NYSE's Exchange Stock Portfolio which is based on the Standard & Poors 500 Portfolio Index. The stock is listed and registered on a national securities exchange. Last sale information relating to the stock is reported in the consolidated transaction reporting system. (Rel. 34-28247)

An order has been issued granting the application of the Chicago Board Options Exchange for unlisted trading privileges in 2 issues for the purpose of trading the securities as part of a market basket on the Standard & Poors 500 and 100 Indexes. The stocks is listed and registered on another national securities exchange. Last sale information on the securities are reported in the consolidated transaction reporting system. (34-28269)

Orders have been issued granting the applications of the following exchanges for unlisted trading privileges in the common stock of securities which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system: Midwest Stock Exchange - 13 issues (Rel. 34-28272); and Philadelphia Stock Exchange - 9 issues (Rel. 34-28270).

WITHDRAWALS SOUGHT

Notices have been issued giving interested persons until August 13 to comment on the applications of Home Shopping Network, Inc., to withdraw its Common Stock, (\$1 Par) and Kent Electronics Corporation, to withdraw its Common Stock, (No Par) from listing and registration on the American Stock Exchange. (Rel. 34-28256 and 34-28257, respectively)

DELISTINGS GRANTED

Orders have been issued granting the applications of the following exchanges to strike from listing and registration the specified securities: Boston Stock Exchange - Dataflex Corporation, Common Stock, (No Par) (Rel. 34-28255); American Stock Exchange - Silvercrest Industries, Inc., Common Stock, (1 cent Par) (Rel. 34-28261) and The Chariot Group, Inc., Common Stock, (\$.10 Par) (Rel. 34-28271); Philadelphia Stock Exchange - Private Brands, Inc., Common Stock, (\$.001 Par), Convertible Preferred Stock, (\$.001 Par), Class A Common Stock Purchase Warrants, Units (Consisting of one share of Common Stock, One share of Convertible Preferred Stock, One Class A Common Stock Purchase Warrant and One Class B Common Stock Purchase Warrant) (Rel. 34-28279); New York Stock Exchange - Williams Natural Gas Company, Adjustable Rate Cumulative Preferred Stock, Series A (Rel. 34-28280), Financial Corporation of Santa Barbara, Common Stock, (\$1 Par) (Rel. 34-28281) and Ethyl Corporation, Cumulative Second Preferred Stock, \$2.40 Convertible Series A (Rel. 34-28286).

UNLISTED TRADING PRIVILEGES SOUGHT

Notices have been issued giving interest persons until August 16 to comment on applications of the following exchanges for unlisted trading privileges in the common stock of securities which are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system: Philadelphia Stock Exchange - 5 issues (Rel. 34-28273); and Midwest Stock Exchange - 8 issues (Rel. 34-28274).

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
ADVANCED TELECOMMUNICATIONS ALLTEL CORP	COM	13D	5,585 24.4	00792310 23.5	UPDATE
AEGIS GRP PLC WARBURG PINCUS & CO ET AL	ORD SH	13D	10,297 13.1	01099499 0.0	NEW
AQUANAUTICS CORP IRITECH SPA	COM	13D	1,500 8.3	03890510 6.6	UPDATE
BANKERS FIRST CORP GRIFFIN WILLIAM M ET AL	COM	13D	351 8.2	06615710 6.6	UPDATE
BLYTH HLDGS INC HAULBOWLINE LTD	COM	13D	207 8.2	09643410 0.0	NEW
CHEMEX PHARMACEUTICALS INC BLECH DAVID	COM	13D	4,000 27.6	16361010 11.0	UPDATE
COAST SVGS FINL INC DELAWARE KRUTTSCHNITT THEODORE H	COM	13D	976 6.4	19099010 0.0	NEW
COMFED BANCORP INC DEL WEISS EUGENE ET AL	COM	13D	250 3.0	20038010 9.4	UPDATE
DESOTO INC SHUFRO ROSE & EHRMAN	COM	13D	159 3.9	25059510 8.4	UPDATE
EYE TECHNOLOGY INC SKIER DAVID A	COM	13D	1,490 7.1	30190710 5.7	UPDATE
GNW FINL CORP GRIFFIN WILLIAM M ET AL	COM	13D	75 3.8	36191710 5.0	UPDATE
GREAT AMERN MGMT & INVT INC HELLMAN & FRIEDMAN CAP ET AL	COM PAR \$0.01	13D	2,000 18.0	38989320 0.0	NEW
HOME PORT BANCORP INC SABRE OPERATIONS ET AL	COM	13D	90 4.3	43730410 8.2	UPDATE
HOUSE FABRICS INC FMR CORP	COM	13D	978 14.7	44175810 14.6	UPDATE
IMCERA GROUP INC FMR CORP	COM	13D	1,635 7.2	45245410 5.7	UPDATE
IONICS INC FIDELITY INTL LTD	COM	13D	399 9.6	46221810 8.4	UPDATE
LANGER BIOMECHANICS GROUP FS VENTURE PTNRSHIP	COM	13D	63 2.4	51570710 2.4	UPDATE
MACK TRUCKS INC REGIE NAT DES USINES RENAULT	COM	14D-1	25,843 87.0	55451110 87.0	UPDATE

ACQUISITIONS CONT.

MEDICAL CARE INTL INC FMR CORP	COM 13D	7/29/90	1,558 8.1	58450510 6.9	UPDATE
MICHAEL ANTHONY JEWELERS INC PAOLERCIO ANTHONY JR	COM 13D	7/16/90	1,524 30.6	59406010 31.4	UPDATE
MICHAEL ANTHONY JEWELERS INC PAOLERCIO MICHAEL	COM 13D	7/16/90	1,924 38.6	59406010 39.2	UPDATE
MICRO DISPLAY SYS INC FISH EDWARD H ET AL	COM PAR \$0.08 13D	5/21/90	2,656 18.5	59483320 12.3	UPDATE
POLIFLY FINL CORP BIASE NICOLA	COM 13D	7/26/90	188 8.6	73111310 10.0	UPDATE
SAGE SOFTWARE INC KINNAIRD RICHARD C	COM 13D	7/16/90	356 5.7	78667410 0.0	NEW
SOUTH CAROLINA FED CORP ZUCKER JERRY	COM 13D	7/26/90	204 8.8	83701410 8.1	UPDATE
SPORTING LIFE INC MICKLITSCH MAX S	COM 13D	6/29/90	77 8.1	84999010 5.8	UPDATE
THERMODYNETICS INC FERRARO JOHN F	COM 13D	6/ 1/90	1,073 10.9	88362210 10.8	UPDATE
THERMODYNETICS INC FERRARO JOHN F	COM 13D	6/ 1/90	1,073 10.9	88362210 10.8	RVSION
THERMODYNETICS INC LERMAN ROBERT A	COM 13D	6/ 1/90	1,128 11.5	88362210 11.4	UPDATE
THERMODYNETICS INC LERMAN ROBERT A	COM 13D	6/ 1/90	1,128 11.5	88362210 11.4	UPDATE
THOMASTON MLS INC MOUNT VERNON MILLS INC ET AL	CL B 13D	7/24/90	76 9.7	88456910 9.5	UPDATE
THOMASTON MLS INC MOUNT VERNON MILLS INC ET AL	CL A 13D	7/24/90	423 19.2	88456920 18.1	UPDATE
TOCOR INC GERHARD LANG H ET AL	UNIT 12/31/1994 13D	7/18/90	277 9.6	88890820 8.2	UPDATE
US SHELTER CORP MICCO CORP	COM 13D	7/23/90	1,979 20.7	91259510 6.3	NEW
US SHELTER CORP MICCO CORP	COM 13D	7/23/90	1,979 20.7	91259510 6.3	UPDATE
US SHELTER CORP TUCK N BARTON JR	COM 13D	7/23/90	1,376 14.4	91259510 20.7	NEW
US SHELTER CORP TUCK N BARTON JR	COM 13D	7/23/90	1,376 14.4	91259510 20.7	UPDATE
UNITED THERMAL CORP CATALYST ENERGY	COM 13D	7/27/90	12,020 83.5	91307210 83.3	UPDATE
WESTAR CORP PIERCE FEREE A	COM 13D	6/14/90	4,260 8.1	95709710 0.0	NEW

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Room (when ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
ALLEGHENY INTERNATIONAL INC	PA			X					X	07/12/90	
AMBASSADOR FINANCIAL GROUP INC	FL				X				X	07/19/90	
AMERICAN EXPRESS CREDIT CORP	DE				X					07/27/90	
ANCO PRODUCTION CO	NV				X					07/23/90	
APL CORP	NY		X						X	07/17/90	
ARMCO INC	OH				X				X	07/24/90	
BARD C R INC /NJ/	NJ				X					07/27/90	
BCS INC /CO/	CO				X				X	07/10/90	
BOWL AMERICA INC	MD				X	X	X			07/29/90	
CANAVERAL INTERNATIONAL CORP	DE				X					07/20/90	
CARDEL INC	DE				X					07/03/90	
CHEMETRON CORP/DE/NEW	DE		X						X	07/12/90	
CITICORP SAVINGS OF ILLINOIS /NEW/					X				X	07/25/90	
CLINICAL HOMECARE LTD	DE				X				X	07/01/90	
CONNECTICUT ENERGY CORP	CT								X	07/24/90	
COPLEY PENSION PROPERTIES VII	MA				X				X	06/29/90	
CORDERO INDUSTRIES INC	DE	X	X		X				X	07/17/90	
CUMMINS ENGINE CO INC	IN				X				X	07/19/90	
DIAGNOSTIC PRODUCTS CORP	CA				X					07/01/90	
EMPIRE DISTRICT ELECTRIC CO	KS				X				X	07/26/90	
FIREMANS FUND MORTGAGE CORP	DE				X				X	07/25/90	
FIRST BANK SYSTEM INC	DE				X				X	07/18/90	
FIRST CONNECTICUT SMALL BUSINESS INVESTM					X					07/20/90	
FIRST HARRISBURG BANCOR INC	PA				X				X	07/25/90	
FLORAFAX INTERNATIONAL INC	DE				X				X	07/20/90	
FLORIDA EMPLOYERS INSURANCE CO					X				X	04/03/90	
FULTON VENTURES INC	NV								X	07/19/90	
GALACTIC RESOURCES LTD					X				X	07/26/90	
GATEWAY SPORTING GOODS CO	DE							X		07/19/90	
GREAT AMERICAN CORP	LA				X				X	07/25/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
GREAT WESTERN BANK MORTGAGE PASS THROUGH	DE				NO ITEMS					07/01/90	
HUBCO INC	NJ				X					07/17/90	
INTERFERON SCIENCES INC	DE				X				X	07/27/90	
INTERFUND CORP	DE				X					07/12/90	
INTERPHARM LABORATORIES LTD					X					07/17/90	
JP INDUSTRIES INC	MI				X				X	07/26/90	
LANGER BIOMECHANICS GROUP INC	NY				X					07/19/90	
LDOS COMMUNICATIONS INC /TN/	TN	X							X	06/08/90	AMEND
LINCOLN FINANCIAL CORP	IN				X					07/25/90	
LIVE ENTERTAINMENT INC	DE				X				X	08/01/90	
MA COM INC	MA	X							X	07/12/90	