

sec news digest

Issue 89-97

May 23, 1989

COMMISSION ANNOUNCEMENTS

CHAIRMAN RUDER'S SPEECH RELEASED

Today, the Commission released a speech delivered by David S. Ruder, Chairman of the Commission, on May 22, 1989 at the American Banker/Bond Buyer Conference on Strategic Corporate Restructuring and Financing in New York City. In the speech, Chairman Ruder discussed the definition of leveraged buyouts, economic concerns, shareholder protection, and the prospects for preemption vis a vis state and federal law.

ADMINISTRATIVE PROCEEDINGS

NYSE DIRECTED TO BAR JOSEPH FRYMER

The Commission issued an order directing the New York Stock Exchange to bar Joseph Frymer, a person subject to a statutory disqualification as a result of his criminal convictions for one count of attempted grand larceny in the first degree by extortion and four counts of bribe receiving in the second degree, from becoming associated with an NYSE member firm that had proposed to employ him. The NYSE had given the Commission notice that it proposed to permit Frymer to become associated with a member firm unless directed otherwise by the Commission. (Rel. 34-26829)

TRADING SUSPENSIONS

TRADING SUSPENDED IN THE SECURITIES OF PEACOCK INVESTMENTS CO. AND PORTSMOUTH LIMITED

The Commission announced the single ten-day suspension of over-the-counter trading in the securities of Peacock Investments Co. and Portsmouth Limited for the period beginning at 9:30 a.m. (EDT) on May 23 and terminating at 11:59 p.m. (EDT) on June 1. The Commission suspended trading in their securities because of questions regarding the adequacy and accuracy of publicly disseminated information concerning, among other things, failure to amend the prospectus of each issuer to disclose the plan of distribution, the identity of a statutory underwriter and control person, and an agreement regarding aftermarket trading price. (Rel. 34-26862)

CIVIL PROCEEDINGS

COMPLAINT NAMES DANIEL O. CHERIF

The Commission filed a Complaint on May 21 in the U.S. District Court for the Northern District of Illinois against Daniel O. Cherif, a registered representative employed by Shearson Lehman Hutton in its Oakbrook Terrace, Illinois office who was formerly employed by the First National Bank of Chicago (FNBC). The Complaint alleges that Cherif misappropriated material, non-public information from FNBC concerning at least four extraordinary corporate transactions in which FNBC was involved, and traded and caused others to trade securities in violation of the insider trading antifraud provisions of the Securities Exchange Act of 1934 and Rules 10b-5 and 14e-3.

The Complaint alleges that from at least May 1988 Cherif, who was employed by FNBC from October 1979 until January 1988, obtained material, non-public information from FNBC by entering the bank during non-business hours using a "key card" which he retained. In possession of this misappropriated information, Cherif purchased the securities of and caused others to purchase the securities of at least Consolidated Bathurst, Inc., Coleman Industries, Payless Cashways, Inc., and CIGNA, thereby realizing at least \$250,000 in unlawful profits. (SEC v. Daniel O. Cherif, USDC NDIL, Civil Action No. 89C-4204). (LR-12103)

INVESTMENT COMPANY ACT RELEASES

BOSTON MUTUAL FUND, INC.

An order has been issued declaring that Boston Mutual Fund, Inc. has ceased to be an investment company. (Rel. IC-16962 - May 18)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES

An order has been issued authorizing Northeast Utilities (NU), a registered holding company, and two of its proposed subsidiaries, Charter Oak Energy, Inc. (Charter Oak) and Charter Oak Paris, Inc. (Charter Oak Paris), to engage in the investment and participation in qualifying cogeneration facilities and in qualifying small power production facilities. NU and Charter Oak propose for Charter Oak to issue and NU to acquire 100 shares of Charter Oak common stock for \$10,000. NU proposes to invest up to an aggregate amount of \$7.5 million in Charter Oak for each of the four years in the period ending December 31, 1992. Charter Oak and Charter Oak Paris propose for Charter Oak Paris to issue and Charter Oak to acquire 100 shares of Charter Oak Paris common stock for \$10,000. Charter Oak Paris is being formed in order to acquire approximately 10% equity interest in a 213 megawatt gas-fired qualifying cogeneration facility in Paris, Texas, at a cost not to exceed \$4 million. (Rel. 35-24893 - May 17)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The Midwest Clearing Corporation filed a proposed rule change which became effective upon filing under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. The proposal (SR-MCC-89-4) revises the fee schedule for Legal Deposit Services. (Rel. 34-26828)

NOTICE OF PROPOSED RULE CHANGE

The National Association of Securities Dealers filed a proposed rule change under Rule 19b-4 (SR-NASD-89-22) that would amend Part VI, Section 1(d) of Schedule D to its By-Laws to provide that market makers may become registered in a NASDAQ issue on the day after a registration request is entered. Publication of the proposal is expected to be made in the Federal Register during the week of May 15. (Rel. 34-26826)

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-18 ZEPHYR INC, 9028 SUNSET BLVD PENTHOUSE STE, LOS ANGELES, CA 90069 (213) 278-4635 - 1,127,100 (\$10,000,000) COMMON STOCK. 887,600 (\$710,080) COMMON STOCK. 887,600 (\$1,331,400) COMMON STOCK. (FILE 33-28468-LA - MAY. 09) (BR. 11 - NEW ISSUE)
- S-8 LEGG MASON INC, 111 S CALVERT ST, BALTIMORE, MD 21203 (301) 539-3400 - 100,000 (\$1,282,000) COMMON STOCK. (FILE 33-28609 - MAY. 05) (BR. 11)
- S-3 BANKAMERICA CORP, BANK AMERICA CTR, 555 CALIFORNIA ST, SAN FRANCISCO, CA 94104 (415) 622-2091 - 1,150,000 (\$28,390,625) COMMON STOCK. (FILE 33-28641 - MAY. 15) (BR. 1)
- S-4 ATHENS BANCORP INC, 200 N WEST ST, ATHENS, IL 62613 (217) 636-8214 - 30,000 (\$4,064,463) COMMON STOCK. (FILE 33-28670 - MAY. 12) (BR. 2 - NEW ISSUE)

- S-18 INFORMATION RESOURCE ENGINEERING INC, 5024 CAMPBELL BLVD, BALTIMORE, MD 21236
(301) 529-7500 - 250,000 (\$1,500,000) COMMON STOCK. 1,500,000 (\$1,125,000)
COMMON STOCK. 25,000 (\$125) WARRANTS, OPTIONS OR RIGHTS. 25,000 (\$180,000)
COMMON STOCK. 150,000 (\$112,500) COMMON STOCK. UNDERWRITER: LOWE J F & CO INC.
(FILE 33-28673 - MAY. 12) (BR. 8 - NEW ISSUE)
- S-1 FUTURES DIMENSION FUND II LP, MERRILL LYNCH WORLD HEADQUARTERS S TOWER,
WORLD FINANCIAL CTR 6TH FLR, NEW YORK, NY 10080 (212) 236-4166 - 50,000 (\$5,000,000)
LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-28677 - MAY. 15) (BR. 12)
- S-1 NELSON HOLDINGS INTERNATIONAL LTD, 200 GRANVILLE ST STE 100,
VANCOUVER BC CANADA V6C 1S4, A1 (604) 689-9356 - 22,607,510 (\$26,378,447) COMMON STOCK.
(FILE 33-28679 - MAY. 15) (BR. 11)
- S-6 MUNICIPAL INSURED NATIONAL TRUST SERIES 30, 330 COMMERCE STREET,
C/O J C BRADFORD & CO, NASHVILLE, TN 37201 - INDEFINITE SHARES. DEPOSITOR:
BRADFORD J C & CO, GLICKENHAUS & CO, JAMES RAYMOND & ASSOCIATES INC. (FILE 33-28680 -
MAY. 15) (BR. 16 - NEW ISSUE)
- S-6 AAL US GOVERNMENT ZERO COUPON TRUST, 222 W COLLEGE AVE, C/O AAL DISTRIBUTORS INC,
APPLETON, WI 54919 (414) 734-5721 - INDEFINITE SHARES. DEPOSITOR:
AAL DISTRIBUTORS INC. (FILE 33-28681 - MAY. 15) (BR. 16 - NEW ISSUE)
- S-1 ALLWASTE INC, 3040 POST OAK BLVD STE 1300, HOUSTON, TX 77056 (713) 623-8777 -
30,000,000 (\$30,000,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 33-28682 - MAY. 15)
(BR. 8)
- S-1 PAINE WEBBER GUARANTEED FUTURES FUND L P, 1285 AVENUE OF THE AMERICAS, NEW YORK, NY
10019 (212) 713-3559 - 150,000 (\$150,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE
33-28697 - MAY. 12) (BR. 12 - NEW ISSUE)
- S-1 SMITHS FOOD & DRUG CENTERS INC, 1550 S REDWOOD RD, SALT LAKE CITY, UT 84104
(801) 974-1400 - 1,500,000 (\$27,000,000) COMMON STOCK. 5,975,000 (\$107,550,000)
COMMON STOCK. UNDERWRITER: GOLDMAN SACHS & CO. (FILE 33-28698 - MAY. 12) (BR. 2
- NEW ISSUE)
- F-1 ANANGEL AMERICAN SHIPHOLDINGS LTD, 25 AKTI MIAOULI, P O BOX 80004,
PIRAEUS GR 185 10 GREECE, J3 (212) 962-2118 - 3,450,000 (\$59,081,250)
FOREIGN COMMON STOCK. (FILE 33-28700 - MAY. 15) (BR. 4)
- S-3 CARDINAL DISTRIBUTION INC, 655 METRO PLACE S, DUBLIN, OH 43017 (614) 761-8700 -
2,500,000 (\$54,687,500) COMMON STOCK. (FILE 33-28701 - MAY. 15) (BR. 3)
- S-6 INSURED MUNICIPAL SECURITIES TR 48TH DISCOUNT SERIES 21, 245 PARK AVENUE,
C/O BEAR STEARNS & CO INC, NEW YORK, NY 10167 - INDEFINITE SHARES. DEPOSITOR:
BEAR STEARNS & CO INC. (FILE 33-28702 - MAY. 15) (BR. 16 - NEW ISSUE)
- S-2 BINKS MANUFACTURING CO, 9201 W BELMONT AVE, FRANKLIN PARK, IL 60131 (312) 671-3000
- 200,000 (\$6,000,000) COMMON STOCK. (FILE 33-28703 - MAY. 15) (BR. 9)
- S-3 CLEVELAND ELECTRIC ILLUMINATING CO, 55 PUBLIC SQ, CLEVELAND, OH 44113 (216) 622-9800
(FILE 33-28704 - MAY. 15) (BR. 8)
- S-3 WORLDCORP INC, 13873 PARK CTR RD STE 490, HERNDON, VA 22071 (703) 834-9200 -
316,031 (\$1,564,353) COMMON STOCK. (FILE 33-28705 - MAY. 15) (BR. 3)
- S-1 COUNTY BANCORPORATION INC, 101 W MAIN ST, P O BOX 310, JACKSON, MD 63755
(314) 243-8441 - 250,000 (\$4,375,000) COMMON STOCK. 250,000 (\$4,625,000) COMMON STOCK.
2,500 (\$8,500,000) CONVERTIBLE DEBENTURES AND NOTES. 25,000 (\$2,500,000)
PREFERRED STOCK. (FILE 33-28706 - MAY. 15) (BR. 1)
- S-8 MARTIN MARIETTA CORP, 6801 ROCKLEDGE DR, BETHESDA, MD 20817 (301) 897-6000 -
371,345,000 (\$371,345,000) OTHER SECURITIES INCLUDING VOTING TRUST. 8,500,000
COMMON STOCK. (FILE 33-28707 - MAY. 15) (BR. 12)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST SERIES 507, 333 W WACKER DR, C/O JOHN NUVEEN & CO INC,
CHICAGO, IL 60606 - INDEFINITE SHARES. (FILE 33-28709 - MAY. 16) (BR. 22 - NEW ISSUE)
- S-6 NUVEEN TAX EXEMPT UNIT TRUST INSURED SERIES 196, 333 W WACKER DR,
C/O JOHN NUVEEN & CO INC, CHICAGO, IL 60606 - INDEFINITE SHARES. (FILE 33-28710 -
MAY. 16) (BR. 22 - NEW ISSUE)

- N-2 ALL STATE MUNICIPAL PREMIUM INCOME TRUST, ONE WORLD TRADE CTR, NEW YORK, NY 10048
(212) 938-4500 - 1,250 (\$125,000,000) PREFERRED STOCK. (FILE 33-28735 - MAY. 15)
(BR. 16)
- S-8 AMERECO ENVIRONMENTAL SERVICES INC, RTE 1 BOX 159, KINGSVILLE, MO 64061
(816) 732-5591 - 8,000,000 (\$750,000) COMMON STOCK. (FILE 33-28736 - MAY. 15) (BR. 8)
- S-8 AMERICAN MIDLAND CORP, 270 SYLVAN AVE, ENGLEWOOD CLIFFS, NJ 07632 (201) 871-3800 -
500,000 (\$544,637) COMMON STOCK. (FILE 33-28737 - MAY. 15) (BR. 10)
- S-1 AVIATION EDUCATION SYSTEMS INC, 200 BROADHOLLOW RD, MELVILLE, NY 11747
(516) 293-5400 - 11,607,500 (\$2,901,875) COMMON STOCK. (FILE 33-28738 - MAY. 15)
(BR. 12)
- S-8 STRATUS COMPUTER INC, 55 FAIRBANKS BLVD, MARLBOROUGH, MA 01752 (508) 460-2000 -
4,000,000 (\$112,000,000) COMMON STOCK. (FILE 33-28742 - MAY. 15) (BR. 9)