

sec news digest

Issue 82-195

LIBRARY
OCT 12 1982

October 8, 1982

CIVIL PROCEEDINGS

U.S. SECURITIES AND
EXCHANGE COMMISSION

CHARGES FILED AGAINST MIDDLE MANAGER OF REPORTING COMPANY

The Atlanta Regional Office announced that on September 24 a complaint was filed in the U.S. District Court for the Southern District of Mississippi, charging William E. Tate of Hattiesburg, Mississippi, with aiding and abetting violations of Sections 13(a) and 13(b)(2)(A), the periodic reporting provisions and books and records provisions, respectively, of the Securities Exchange Act of 1934, and Rules 12b-20, 13a-1 and 13a-13 promulgated thereunder.

The complaint alleges that Tate, who was plant manager and supervisor of a glass manufacturing plant then operated by a wholly-owned subsidiary of The Dorsey Corporation, headquartered in Chattanooga, Tennessee, falsified, during 1976 through 1978, the production reports and other corporate records concerning the plant's operation. This resulted in an inventory overstatement in excess of \$1 million, thereby causing Dorsey to overstate its publicly reported net income by more than \$500,000. The complaint further alleges that Tate, to conceal his falsification of these documents, surreptitiously altered the independent auditor's worksheets prepared during the plant's annual physical inventories. As a consequence, unknown to Dorsey and its management, the periodic reports that were filed by Dorsey with the Commission during fiscal years 1977 and 1978 (ending December 31) were materially incorrect, and Dorsey's books, records and accounts failed to accurately and fairly reflect its transactions and dispositions of its assets.

On September 28 the Honorable Dan M. Russell, Jr., U.S. District Judge for the Southern District of Mississippi, entered a Final Judgment of Permanent Injunction enjoining Tate from violating, directly or indirectly, Sections 13(a) and 13(b)(2)(A) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder, based upon Tate's consent in which he neither admitted nor denied the allegations of the Commission's complaint. (SEC v. William E. Tate, Civil Action No. H82-0175(R), S.D. Miss., 1982). (LR-9774)

COMPLAINT NAMES ENERDINE INTERNATIONAL CORP.

The Commission announced that on September 30 it filed a civil injunctive action in the U.S. District Court for the District of Columbia against Enerdine International Corp. of San Diego, California, which is primarily engaged in the purchase and sale of time-sharing vacation properties. The Commission's complaint alleges violations of the reporting provisions of the securities laws and seeks a Judgment of Permanent Injunction and Other Relief.

The complaint alleges that Enerdine, as part of a continuing course of violative conduct extending over several years, failed to file its Annual Report on Form 10-K for its fiscal year ended November 30, 1981, required to have been filed with the Commission by March 1, 1982, and its Quarterly Reports on Form 10-Q for its quarters ended May 31 and February 28, 1982, required to have been filed with the Commission by July 15 and April 14, 1982, respectively. The complaint also alleges that Enerdine failed to file five Notifications of Late Filing on Form 12b-25 with respect to its delinquent annual and quarterly reports in violation of Rule 12b-25 under the Securities Exchange Act of 1934.

The complaint requests that the Court order Enerdine to file forthwith, with the Commission, its annual and quarterly reports. In addition, the Commission requested that the Court enjoin Enerdine from further violations of the reporting provisions of the securities laws. (SEC v. Enerdine International Corp., U.S.D.C. D.C., Civil Action No. 82-2803). (LR-9775)

INVESTMENT COMPANY ACT RELEASES

TEXAS FUNDING CORP.

A notice has been issued giving interested persons until October 29 to request a hearing on an application filed by Texas Funding Corp. (Applicant), a Delaware corporation, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting Applicant from all provisions of the Act so that Applicant may make a public offering of commercial paper. (Rel. IC-12703 - Oct. 4)

NORTHWESTERN CASH FUND, INC.

A notice has been issued giving interested persons until October 29 to request a hearing on an application filed by Northwestern Cash Fund, Inc. (Applicant), registered under the Investment Company Act of 1940 as an open-end, diversified, management investment company, for an order, pursuant to Section 6(c) of the Act, exempting Applicant from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit it to use the amortized cost valuation method for the purpose of pricing its shares for sale, redemption and repurchase, subject to specific conditions. (Rel. IC-12704 - Oct. 4)

SCUDDER TAX FREE MONEY FUND

A notice has been issued giving interested persons until November 1 to request a hearing on an application by Scudder Tax Free Money Fund, a registered, open-end, diversified, management investment company, for an order, pursuant to Section 6(c) of the Investment Company Act of 1940, exempting it from the provisions of Section 12(d)(3) of the Act to the extent necessary to permit Applicant to acquire rights to sell its portfolio securities to brokers or dealers and from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit Applicant to value in the manner described in the application such rights acquired from banks, brokers or dealers. (Rel. IC-12705 - Oct. 5)

A notice has also been issued giving interested persons until November 1 to request a hearing on an application by Applicant exempting from the provisions of Section 2(a)(41) of the Act and Rules 2a-4 and 22c-1 thereunder to the extent necessary to permit it to use the amortized cost valuation method for the purpose of pricing its shares for sale, redemption and repurchase. (Rel. IC-12706 - Oct. 5)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The National Association of Securities Dealers, Inc. has filed a proposed rule change pursuant to Rule 19b-4 (SR-NASD-82-17) to amend Schedule C of its By-Laws to require foreign members to meet certain conditions for membership in order to enable the NASD to ensure their compliance with NASD rules and the securities laws. Publication of the proposal is expected to be made in the Federal Register during the week of October 11. (Rel. 34-19105)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form, Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a rights offering; File number and date filed; Assigned Branch; if the registration statement is a New Issue; and [S] denoting SHELF REGISTRATION pursuant to Rule 415.

- (S-18) PALMETTO HORTICULTURAL, INC., 102 Mountain Ridge Industrial Dr., Taylors, SC 29687 (803) 292-2807 - 500,000 shares of common stock. Underwriter: Patten Securities Corp., 210 Washington Ave., Nutley, NJ 07110 (201) 379-4800. The company was organized to manufacture and distribute horticultural materials. (File 2-79513-A - Sept. 24) (Br. 3 - New Issue)

- (S-18) SYNCOM INCORPORATED, 16305 N.W. 48th Ave., Miami Lakes, FL 33014 (305) 625-8800 - 750,000 shares of common stock. Underwriter: Bunker Securities Corp., 98 Cutter Mill Rd., Great Neck, NY 10021 (516) 466-3840. The company is engaged in importing and distributing naturally dried and silk and/or synthetic fiber flower and plants and divers gift and homeware items. (File 2-79589-A - Sept. 30) (Br. 6 - New Issue)
- (S-1) UNION RESOURCES, INC., 600 Carillon Tower West, 13601 Preston Rd., Dallas, TX 75240 (214) 233-0444 - 771,000 shares of common stock. (File 2-79567 - Sept. 29) (Br. 10 - New Issue) [S]
- (S-3) BELL CANADA ENTERPRISES INC., 1050 Beaver Hall Hill, Montreal, Quebec, Canada H2Z 1S4 (514) 870-1511 - 4,000,000 common shares. (File 2-79570 - Sept. 29) (Br. 7) [S]
- (N-1) HUDSON MONEY MARKET FUND, INC., West Bay St., P.O. Box N-7788, Nassau, Bahamas - an indefinite number of shares. (File 2-79570 - Sept. 29) (Br. 7) [S]
- (S-14) PRUDENTIAL SERVICE CORPORATION, 105 East 3300 South, Salt Lake City, UT 84115 (801) 974-2504 - 2,551,521 shares of common stock. (File 2-79680 - Oct. 6) (Br. 6 - New Issue)
- (S-8) VENTREX LABORATORIES, INC., 217 Read St., Portland, ME 04103 (207) 773-7231 - 60,000 shares of common stock. (File 2-79682 - Oct. 6) (Br. 4)
- (S-2) ZENITH LABORATORIES, INC., 140 LeGrand Ave., Northvale, NJ 07647 (201) 767-1700 - 800,000 shares of common stock. Underwriters: Bear, Stearns & Co. and J.J.B. Hilliard, W.L. Lyons, Inc. The company is engaged in the manufacture and sale of generic drugs. (File 2-79684 - Oct. 7) (Br. 4)
- (S-14) STONGINTON BANC SHARES, INC., 108 East Third St., Stonginton, IL 62567 (217) 325-3228 - 25,000 shares of common stock. (File 2-79685 - Oct. 6) (Br. 1 - New Issue)
- (S-6) THE FIRST TRUST OF INSURED MUNICIPAL BONDS, SERIES 90, 300 West Washington St., Chicago, IL 60606 - an indefinite number of units. Depositor: Clayton Brown & Associates, Inc. (File 2-79686 - Oct. 7) (Br. 18 - New Issue)
- (S-1) CRIME CONTROL, INC., One Park Fletcher, 2601 Fortune Circle East, Indianapolis, IN 46241 (317) 247-7770 - \$15 million of % convertible subordinated debentures, due November 1977. Underwriter: Thomson McKinnon Securities Inc. The company designs, markets, installs, services and monitors electronic security systems. (File 2-79687 - Oct. 7) (Br. 5)

ACQUISITIONS 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 prior percent owned; and Column 7 - the status of the filing, i.e., new, update, or revision.

	FORM	EVENT DATE	SHRS (000) / % OWNED	CUSIP / PRIOR %	FILING STATUS
ADVANT CORP EDINBURGH INVESTMENT TR	COM 13D	12/16/81	165 5.9	00791510 0.0	NEW
AVONDALE MLS HP HOLDINGS INC ET AL	COM 13D	9/30/82	193 8.7	05439310 5.8	UPDATE

ACQUISITION REPORTS CONT.

AXIA INC PENNSYLVANIA ENGINEERING ET AL	COM	13D	9/30/82	849 12.8	05459510 12.0	UPDATE
BASIC COSMETICS LTD TIMONIER & CIE INC ET AL	COM	13D	9/21/82	2,200 43.0	06983810 39.1	UPDATE
DIAMOND INTL CORP CAVENHAM DEVELOPMENT HOLDINGS	COM	13D	9/30/82	3,475 25.3	25266910 25.3	UPDATE
DIAMOND INTL CORP CDI HOLDINGS INC ET AL	COM	13D	9/30/82	882 6.4	25266910 6.4	UPDATE
DIAMOND INTL CORP DIAMOND INC ET AL	COM	13D	9/30/82	1,227 8.9	25266910 9.0	UPDATE
FIRST COLUMBIA FINANCIAL M.D.C. CORP	COM	13D	9/28/82	236 9.8	31976910 8.0	UPDATE
INTERNATIONAL PROTEINS CORP FENIG ENRIQUE	COM	13D	10/ 4/82	110 4.8	46020010 9.7	UPDATE
JOHNSON CTLS INC SHARON STEEL CORP ET AL	COM	13D	9/28/82	1,797 13.7	47836610 12.7	UPDATE
LAMA TONY INC LAMA LOUIS R	COM	13D	9/21/82	175 7.5	51281010 7.5	UPDATE
MARTIN MARIETTA CORP ALLIED CORP	COM	13D	9/24/82	6,455 39.1	57327510 0.0	NEW
NOVA REAL EST INV TR EASTOVER CORP ET AL	SH BEN INT	13D	9/29/82	181 11.7	66979210 10.4	UPDATE
NOVA REAL EST INV TR PARKWAY CD	SH BEN INT	13D	9/29/82	415 26.7	66979210 25.2	UPDATE
ODETICS INC SLUTZKY JOEL	COM	13D	9/27/82	156 8.6	67606510 0.0	NEW
POGO PRODUCING CO SEDCO INC	COM	13D	9/23/82	1,309 5.3	73044810 0.0	NEW
UNION COMM CORP HUNTINGTON BANCSHRS INCORP	COM	14D-1	10/ 4/82	1,481 38.9	90604210 38.9	UPDATE
UNION COMMERCE CORP HUNTINGTON BANCSHRS INCORP	CUM PFD	13D	10/ 4/82	0 N/A	90604220 N/A	UPDATE
UNITED COS FINL CORP LOUISIANA GEN SERV	COM	13D	9/30/82	0 0.0	90987010 5.7	UPDATE
UNITED PRESIDENTIAL CORP WASHINGTON NATL INSUR CO ET AL	COM	13D	9/15/82	677 26.6	91133310 26.5	RYSION
VACPJEC SYS INC AMERICAN MOIST & DERRICK CO	COM	13D	9/24/82	974 18.1	91851510 0.0	NEW
WIEBOLDT STORES INC MBT CORP ET AL	COM	13D	9/16/82	480 17.4	96761310 0.0	NEW
WIEBOLDT STORES INC OPD CORP ET AL	COM	13D	9/16/82	0 0.0	96761310 31.2	UPDATE
WIEBOLDT STORES INC SCHOTTENSTEIN JEROME ET AL	COM	13D	9/16/82	384 13.9	96761310 0.0	NEW
WINNERS CORP MASSEY COMPANY, TRUST	COM	13D	8/31/82	298 12.0	97477110 12.2	UPDATE
WRIGHT WM E CO WRIGHT WM E VOTING TRUST	COM	13D	8/10/82	0 0.0	98226310 0.0	RYSION