

# sec news digest

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Issue 90-245

December 20, 1990

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## COMMISSION ANNOUNCEMENTS U.S. SECURITIES AND EXCHANGE COMMISSION

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### COMMISSION TO CLOSE EARLY

The Commission will close for the day at 1:30 p.m. on December 24, 1990 in accordance with an Executive Order issued by the President. As a result, filings to be made with the Commission in paper or on EDGAR must be received at the Commission before 1:30 p.m. The Public Reference Room will also be closed at 1:30 p.m. The SEC News Digest will be published.

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### ADMINISTRATIVE PROCEEDINGS

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#### PROCEEDINGS ORDERED AGAINST WAINWRIGHT, AUSTIN, STONE & COMPANY

The Commission instituted public administrative proceedings under Sections 15(b) and 19(h) of the Securities Exchange Act against Wainwright, Austin, Stone & Co. (Wainwright), a broker-dealer headquartered in Los Angeles, California. The Order for Proceedings found that Wainwright (while still headquartered in Colorado Springs, Colorado) willfully violated Section 15(c) of the Exchange Act and Rule 15c2-6 promulgated thereunder (Cold Call Rule) by selling designated securities of at least two different issuers on numerous occasions since January 1, 1990 without obtaining documentation required by the Cold Call Rule and without qualifying for an exemption. The Commission simultaneously accepted Wainwright's offer to settle the case through issuance of an order that censures Wainwright and requires Wainwright to comply with its undertaking to offer rescission of all trades made in violation of the Cold Call Rule. The rescission offer is to include disclosures regarding the likelihood that customers who accept Wainwright's rescission offer will or will not receive money from Wainwright and whether they may instead become general creditors.

The Commission adopted the Cold Call Rule, which went into effect January 1, 1990, as part of its broad program to reduce fraud and manipulation in the penny stock market. The Cold Call Rule requires that broker-dealers, prior to selling non-exchange listed, non-NASDAQ stocks, obtain a signed document from the customer authorizing the trade and provide a statement to the customer which, among other things, sets forth the basis on which the broker-dealer made the determination that the stocks involved are a suitable investment for the customer. (Rel. 34-28695)

## RICK MYERS BARRED AND ADVISER REGISTRATION REVOKED

Chief Administrative Law Judge Warren E. Blair issued an initial decision barring Rick Edward Myers of Ada, Michigan from association with any broker-dealer or investment adviser and revoking the registration as investment adviser of Rick Edward Myers d/b/a Rick Edward Myers, CFP.

Judge Blair found that Rick Edward Myers had been permanently enjoined on March 1, 1989 by the U.S. District Court for the Northern District of Illinois from further violations of the registration provisions of the Securities Act of 1933 and of the antifraud provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934. Judge Blair also determined that the U.S. District Court for the Western District of Michigan convicted Rick Edward Myers on May 11, 1990 on fourteen (14) counts of mail fraud committed in connection with his involvement in a fraudulent dairy cow leasing program. Additionally, Rick Edward Myers was found to have willfully violated Section 207 of the Investment Advisers Act by his failures to promptly or properly amend his Form ADV application for registration as an investment adviser to correct information that had become inaccurate. (Initial Decision Release No. 11)

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## CRIMINAL PROCEEDINGS

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### FORMER STOCKBROKER RESENTENCED

The Boston Regional Office and the U.S. Attorney for the District of Massachusetts announced that on December 17, 1990 Walter F. Curran of Wellesley, Massachusetts was sentenced to three years incarceration and five years probation and was ordered to make restitution in the amount of \$1.2 million. Curran pleaded guilty to mail fraud and currency charges relating to a scheme to defraud customers of his brokerage firm, Dean Witter Reynolds, Inc., of in excess of \$2.3 million. Curran was originally sentenced to five years incarceration and five years probation and was ordered to make restitution to the victims of the crime in the amount of \$2.3 million. However, on October 29, 1990, this sentence was vacated by the U.S. Court of Appeals for the First Circuit. In resentencing Curran, the Court refused to include in the restitution order two of Curran's victims, a lawyer and an accountant, saying that as professionals, they should have known better. The case was investigated by the Federal Bureau of Investigation, the United States Customs Service, and the Boston Regional Office of the Commission. [U.S. v. Curran, Cr. No. 89-65-H, D. Mass.] (LR-12741)

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## SIGNIFICANT NO-ACTION AND INTERPRETIVE LETTERS

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The following is a list of significant no-action and interpretive letters recently issued by the Division of Corporation Finance. These letters express the view of the Division respecting novel or important questions arising under the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. Copies of these letters may be obtained by writing to the Public Reference Room, Securities and





## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
BOONTON ELECTRS CORP SIDCO INVMNTS	COM 13D	12/11/90	110 N/A	09925710 N/A	UPDATE
CALIFORNIA ENGELS MINING CO LAMB NORMAN ARTHUR ET AL	COM 13D	12/10/90	135 17.7	13019910 16.5	UPDATE
CHOCK FULL O NUTS CORP STATE OF WISCONSIN INVEST	COM BD 13D	11/26/90	524 6.2	17026810 9.9	UPDATE
CIRCON CORP FIDELITY INTL LTD	COM 13D	11/27/90	266 5.0	17273610 0.0	NEW
CLEVELAND CLIFFS INC TIGER ET AL	COM 13D	12/ 4/90	1,189 10.2	18589610 8.8	UPDATE
CODA ENERGY INC MILLER DOUGLAS H	COM 13D	12/14/90	690 7.6	19188610 8.3	UPDATE
EAGLE FINL CORP WMG CO ET AL	COM 13D	11/21/90	200 7.4	26951310 9.1	UPDATE
ELECTRONIC ARTS FIDELITY INTL LTD	COM 13D	12/ 5/90	624 6.6	28551210 0.0	NEW
THE EXPLORATION CO LA INC FIDELITY INTL LTD	COM 13D	11/28/90	7,541 8.8	30213410 0.0	NEW
FEDERAL NATL MTG ASSN FIDELITY INTL LTD	COM 13D	11/30/90	23,630 9.9	31358610 11.1	UPDATE
FIRST FINL CORP WISC STATE OF WISCONSIN INVEST	COM BD 13D	12/ 3/90	N/A N/A	32022710 6.1	UPDATE
FISERV INC STATE OF WISCONSIN INVEST	COM BD 13D	11/29/90	700 8.2	33773810 9.0	UPDATE
GALACTIC RESOURCES LTD FRIEDLAND ROBERT M	COM 13D	12/ 2/90	2,599 5.8	36290310 8.4	UPDATE
GLEASON CORP FIELD POINT CAPITAL MGMT ET AL	COM 13D	12/13/90	571 9.9	37733910 7.5	UPDATE
GRACO INC STATE OF WISCONSIN INVEST	COM BD 13D	12/ 4/90	448 6.2	38410910 5.0	UPDATE
HARVEY GROUP INC SAMPSON HARVEY E	COM 13D	11/27/90	224 9.6	41766810 0.0	NEW
HAUSER CHEM RESH INC INTL NETWORK FD LP ET AL	COM NEW 13D	12/ 7/90	2,160 34.7	41914130 0.0	NEW
HOMETOWN BANCORPORATION INC PFEFFER JOHN R	COM 13D	12/11/90	152 9.5	43785910 7.6	UPDATE
IMCO RECYCLING INC HEDINGER HOWARD H	COM 13D	12/ 3/90	545 5.3	44968110 0.0	NEW

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS	
INRAD INC	COM		95	45765610		
NICKLIN WILLIAM FRED	13D	12/ 6/90	6.9	5.9	UPDATE	
INTL BANCSHARES CORP	COM		409	45904410		
SANCHEZ A R SR	13D	11/ 7/90	16.7	18.6	UPDATE	
INTERNATIONAL TELECHARGE INC	COM		1,818	46047510		
BOMARKO INC ET AL	13D	12/11/90	11.3	9.5	UPDATE	
LVI GROUP INC	PFD CV	\$2.0625	310	50243930		
GAMCO INVESTORS INC ET AL	13D	12/13/90	46.6	50.8	UPDATE	
LAKE SHORE BANCORP ILL	COM		438	51070210		
GROSSINGER IRWIN ET AL	13D	12/ 5/90	5.4	5.7	UPDATE	
LAMSON & SESSIONS CO	COM		1,965	51369610		
INDUSTRIAL EQUITY	13D	12/13/90	14.9	13.9	UPDATE	
LITTLEFIELD ADAMS & CO	COM		110	53758110		
POWER JOHN C ET AL	13D	12/ 4/90	10.2	0.0	NEW	
MATTEL INC	COM		3,917	57708110		
STATE OF WISCONSIN INVEST	BD	13D	11/29/90	8.0	9.1	UPDATE
MICHAEL FOODS INC	COM		761	59407410		
STATE OF WISCONSIN INVEST	BD	13D	12/ 5/90	6.8	8.0	UPDATE
MILLICOM INC	COM		1,256	60081310		
STATE OF WISCONSIN INVEST	BD	13D	11/27/90	8.0	6.9	UPDATE
NECO ENTERPRISES INC	COM		1,877	62905710		
LAROCHE DAVID F ET AL	13D	11/27/90	57.5	56.7	UPDATE	
NETWORKED PICTURE SYS INC	COM		9,526	64090710		
GLOBAL FINANCIAL RES ET AL	13D	11/20/90	56.3	44.7	UPDATE	
NEW GENERATION FOODS INC	COM		9,383	64446310		
FLUM PARTNERS ET AL	13D	11/12/90	47.9	31.3	UPDATE	
NEWMONT MNG CORP	COM		4,826	65163910		
HOLDGOLD INC ET AL	13D	12/ 7/90	7.1	0.0	NEW	
NEWMONT MNG CORP	COM		33,224	65163910		
SPECIAL PURPOSE ET AL	13D	12/ 7/90	49.1	0.0	NEW	
POLLUTION RESH & CTL CORP CA	COM		643	73154710		
SION LEE	13D	12/ 4/90	14.2	0.0	NEW	
POLESTAR EXPL INC	COM		560	73199310		
MAINE CRAIGEN L T	13D	3/29/90	8.9	0.0	NEW	
RCM TECHNOLOGIES INC	COM		730	74936010		
STATE OF WISCONSIN INVEST	BD	13D	11/28/90	5.1	5.7	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
RENT A WRECK AMER INC HAIGH J RICHARD	COM	13D 11/15/90	328 13.9	76009810 0.0	NEW
SOMERSET BANKSHARES INC KELLY RICHARD J	COM	13D 11/13/90	460 9.9	83461710 0.0	NEW
SOMERSET GROUP INC SCHWARTZ MARVIN C	COM	13D 12/ 5/90	96 5.3	83470610 0.0	NEW
SPECTRUM INFORMATION TECHNOL MORGAN SPECTRUM INC ET AL	COM	13D 12/ 5/90	4,348 13.6	84762310 45.4	UPDATE
STEPHAN CO WALSH CHARLES J	COM	13D 12/10/90	32 6.0	85860310 13.7	UPDATE
SUNWARD TECHNOLOGIES SHEA J F CO INC ET AL	COM	13D 12/11/90	1,653 6.4	86792710 3.4	UPDATE
SWISS SUN INTL INC OSSER LEONARD	COM	13D 10/ 1/90	1,455 11.0	87088910 0.0	NEW
TERRANO CORP OKABENA PARTNERSHIP V-6	COM	13D 12/ 7/90	411 8.9	88090310 7.6	UPDATE
TRANSCO REALTY TR GRAY LEE	SH BEN INT	13D 11/30/90	244 43.0	89353510 42.9	UPDATE
WTD INDS INC STATE OF WISCONSIN INVEST	COM BD	13D 11/27/90	365 5.9	92934410 7.2	UPDATE
WHEELABRATOR TECH INC NEW WASTE MANAGEMENT ET AL	COM PAR \$0.01	13D 12/10/90	22,900 56.4	96290130 55.3	UPDATE
WYNNS INTL INC WYNN FOUNDATION	COM	13D 12/ 7/90	402 10.5	98319510 13.9	UPDATE

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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.

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