

# SEC NEWS DIGEST

Issue 96-229

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## ENFORCEMENT PROCEEDINGS

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### ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AGAINST STUART, COLEMAN & CO., INC.

The Commission announced that it entered an Order Making Findings and Imposing Remedial Sanctions (Order) in connection with previously instituted public administrative proceedings against Stuart, Coleman & Co., Inc. (Stuart Coleman), a registered broker-dealer. Stuart Coleman is headquartered in New York, New York, and had a branch office in West Palm Beach, Florida. The Order makes findings that Stuart Coleman failed to supervise the operations manager of its West Palm Beach branch office, with a view toward detecting and preventing violations of Section 15(a) of the Securities Exchange Act of 1934. The Commission censured Stuart Coleman; ordered Stuart Coleman to pay a civil penalty of \$25,000.00; and ordered Stuart Coleman to comply with certain undertakings, including hiring an Outside Consultant to review and where appropriate establish or improve internal procedures, policies and practices to prevent and detect violations of the federal securities laws. Stuart Coleman consented to the Order without admitting or denying any violations of the federal securities laws. (Rel. 34-38001)

### CEASE-AND-DESIST ORDER ENTERED AGAINST DAVID ANDERSON

The Commission announced that on December 2 it entered an Order Making Findings and Imposing Remedial Sanctions against David Anderson (Order). Anderson had submitted an Offer of Settlement consenting to the entry of the Order. Previously, on May 13, 1996, the Commission had instituted administrative and cease-and-desist proceedings against Anderson, a registered representative of a broker-dealer registered with the Commission. The Order imposes a cease-and-desist order against Anderson from violating the antifraud provisions of the securities laws (Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder). Further, the Order imposes disgorgement and prejudgment interest in the amount of \$14,797,520.

The Order finds that, between December 1990 and June 1991, Anderson provided assistance in the manipulation of the stock of Angeion Corporation by executing in customer accounts three matched orders

involving 95,000 shares of Angeion valued at approximately \$820,000 and two wash trades involving 110,000 shares of Angeion valued at approximately \$963,000. As a result of executing the wash and matched trades, Anderson earned \$9,375 in commissions. For more information on the Angeion fraudulent scheme, see SEC v. Steve McMichael et al., D. Minn., 3-96-Civil-405, May 2, 1996. (Rel. 34-38002)

#### JAMES ADAMS BARRED

The Commission has instituted and simultaneously settled administrative proceedings against James W. Adams of Las Vegas, Nevada. Adams is a former registered representative of Adams Securities, Inc., a now defunct broker-dealer. Adams consented to the entry of an Order which found that on October 4, 1993, Adams pled guilty to one count of violating Section 17(a)(1) of the Securities Exchange Act of 1934 and Rules 17a-3(a)(1) and 17a-4(b)(4) thereunder in that he omitted to enter the name of the purchaser of certain securities from the blotter and other records of original entry of Adams Securities and failed to maintain an original memorandum of communication relating to the business of Adams Securities for the requisite period (U.S. v. James Adams, CRS-93-268-PMP, LRL, USDC, Nevada 1993). The Commission also found that on October 2, 1996, Adams was permanently enjoined by consent from violating Section 17(a)(1) of the Exchange Act and Rules 17a-3(a)(1) and 17a-4(b)(4) thereunder (SEC v. James W. Adams, Civ. Action No. CV-S-96-910-PMP, USDC, Nevada).

The Order bars Adams from association in any capacity with any broker, dealer, investment adviser, investment company or municipal securities dealer. (Rel. 34-38003)

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#### INVESTMENT COMPANY ACT RELEASES

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##### FIRST VARIABLE LIFE INSURANCE COMPANY, ET AL.

An order has been issued pursuant to Section 26(b) of the Investment Company Act to First Variable Life Insurance Company (First Variable), First Variable Annuity Fund A (Fund A), and First Variable Annuity Fund E (Fund E) approving the substitution of shares of the Prime Money Fund of the Insurance Management Series for certain securities issued by the Cash Management Portfolio of the Variable Investors Series Trust which currently are held by Fund A and Fund E to fund certain variable annuity contracts issued by First Variable. (Rel. IC-22359 - November 29)

##### THE LIPPER FUNDS, INC., ET AL.

A notice has been issued giving interested persons until December 27 to request a hearing on an application filed by The Lipper Funds, Inc., et al. for an order under Section 6(c) of the Investment

Company Act exempting applicants from Section 15(a) of the Act. Assicurazioni Generali S.p.A. has agreed to acquire a controlling interest in Prime S.p.A., the parent of Prime U.S.A. Inc. (Prime U.S.A.), which owns 50% of Prime Lipper Asset Management (PLAM), the investment adviser to applicant investment company (Fund). The indirect change of control in Prime U.S.A. will result in the assignment, and thus the termination, of the existing advisory contract between the Fund and PLAM. The order would permit the implementation, without shareholder approval, of a new advisory contract for a period of up to 120 days following the date of the change in control of Prime S.p.A. (but in no event later than May 31, 1997). The order also would permit PLAM to receive from the Fund fees earned under the new advisory contract following approval by the Fund's shareholders. (Rel. IC-22360; IS-1034 - December 2)

#### THE COMPASS CAPITAL GROUP

A notice has been issued giving interested persons until December 27 to request a hearing on an application filed by The Compass Capital Group for an order under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-22361 - December 2)

#### FEDERATED INVESTORS, ET AL.

An order has been issued on an application filed by Federated Investors, et al. under Section 6(c) of the Investment Company Act for an exemption from Sections 12(d)(1)(A)(ii) and (iii) of the Act, under Sections 6(c) and 17(b) granting an exemption from Section 17(a), and under Rule 17d-1 permitting certain transactions in accordance with Section 17(d) and Rule 17d-1. The order permits certain investment companies to purchase shares of affiliated investment companies that are money market funds for cash management purposes. (Rel. IC-22362 - December 2)

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#### SELF-REGULATORY ORGANIZATIONS

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#### APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change filed by the Government Securities Clearing Corporation (SR-GSCC-96-07) under Section 19(b)(2) of the Securities Exchange Act. The rule change modifies the rights and responsibilities of Interdealer Broker Netting Members. (Rel. 34-37995)

The Commission approved a proposed rule change filed by the Municipal Securities Rulemaking Board (SR-MSRB-96-10) amending Board Rule G-14 concerning reports of sales and purchases and Rule G-14 Transaction Reporting Procedures. The Order is expected to be published in the Federal Register during the week of December 2. (Rel. 34-37998)

The Commission approved a proposed rule change filed by the National Securities Clearing Corporation (SR-NSCC-96-18) to modify procedures relating to the reconfirmation and pricing service. (Rel. 34-37999)

#### ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission granted accelerated approval of a proposed rule change (SR-GSCC-96-11) filed by the Government Securities Clearing Corporation under Section 19(b) of the Exchange Act. The proposal will revise GSCC's rules to allow next-day and forward-settling repurchase and reverse agreements with terms between 196 and 360 calendar days to be eligible for GSCC's netting service. Publication of the proposal is expected in the Federal Register during the week of December 2. (Rel. 34-37996)

#### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The Municipal Securities Rulemaking Board filed a notice of filing and immediate effectiveness of a proposed rule change (SR-MSRB-96-11) publishing a second set of questions and answers concerning the interpretation of Rule G-38 on consultants. Publication of the notice in the Federal Register is expected during the week of December 2. (Rel. 34-37997)

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#### SECURITIES ACT REGISTRATIONS

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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-4 NATIONAL PATENT DEVELOPMENT CORP, 9 W 57TH ST, SUITE 4170, NEW YORK, NY 10019 (212) 826-8500 - 2,671,137 (\$20,159,700) COMMON STOCK. (FILE 333-16777 - NOV. 26) (BR. 1)
- S-4 CADENCE DESIGN SYSTEMS INC, 555 RIVER OAKS PKWY, SAN JOSE, CA 95134 (408) 943-1234 - 13,077,784 (\$463,492,358) COMMON STOCK. (FILE 333-16779 - NOV. 26) (BR. 3)
- S-3 TAUBMAN CENTERS INC, 200 E LONG LAKE RD, BLOOMFIELD HILLS, MI 48304 (810) 258-7453 - \$250,000,000 COMMON STOCK. (FILE 333-16781 - NOV. 26) (BR. 8)
- S-8 PEAK TECHNOLOGIES GROUP INC, 9200 BERGER RD, COLUMBIA, MD 21046 (410) 312-6033 - 500,000 (\$5,437,500) COMMON STOCK. (FILE 333-16783 - NOV. 26) (BR. 3)
- S-3 CARLISLE COMPANIES INC, 250 S CLINTON ST, STE 201, SYRACUSE, NY 13202 (315) 474-2500 (FILE 333-16785 - NOV. 26) (BR. 6)
- S-3 PRICE REIT INC, 7979 IVANHOE AVE SUITE 524, LA JOLLA, CA 92037 (213) 937-8200 (FILE 333-16787 - NOV. 26) (BR. 8)

- S-8 EXPLORATION CO, 500 N LOOP 1604 E STE 250, SAN ANTONIO, TX 78232  
(210) 496-5300 - 400,000 (\$952,000) COMMON STOCK. (FILE 333-16789 -  
NOV. 26) (BR. 5)
- S-8 GEOGRAPHICS INC, 1555 ODELL RD, BLAINE, WA 98230 (360) 332-6711 -  
1,000,000 (\$3,250,000) COMMON STOCK. (FILE 333-16791 - NOV. 26) (BR. 9)
- S-3 CMS ENERGY CORP, FAIRLANE PLZ SOUTH STE 1100, 330 TOWN CENTER DR,  
DEARBORN, MI 48126 (313) -43-6-92 - 150,000,000 (\$150,000,000)  
STRAIGHT BONDS. (FILE 333-16793 - NOV. 26) (BR. 4)
- S-6 EQUITY FOCUS TRUSTS S T A R T 1997 SERIES, C/O BATTLE FOWLER LLP,  
75 EAST 55TH STREET, NEW YORK, NY 10022 (212) 856-7000 - INDEFINITE SHARES.  
(FILE 333-16795 - NOV. 26) (NEW ISSUE)
- S-8 DIGIMEDIA USA INC, 2454 NE 13 AVENUE, 600, FT LAUDERDALE, FL 33305  
(305) 938-1181 - 680,000 (\$255,000) COMMON STOCK. (FILE 333-16797 -  
NOV. 26) (BR. 3)
- S-3 THORNBURG MORTGAGE ASSET CORP, 119 E MARCY ST STE 201, SANTA FE, NM  
87501 (505) 989-1900 (FILE 333-16799 - NOV. 26) (BR. 8)
- S-3 CONTINUCARE CORP, 7641 BURENT AVE, VAN NUYS, CA 91405 (818) 904-9797 -  
8,500,000 (\$87,125,000) COMMON STOCK. (FILE 333-16801 - NOV. 26) (BR. 9)
- SB-2 ELECTRONIC PROCESSING INC, 501 KANSAS AVENUE, KANSAS CITY, KS 66105  
(913) 321-6392 - 1,840,000 (\$6,900,000) COMMON STOCK. 160,000 (\$50)  
WARRANTS, OPTIONS OR RIGHTS. (FILE 333-16805 - NOV. 26) (NEW ISSUE)
- S-8 CANNONDALE CORP /, 9 BROOKSIDE PL, GEORGETOWN, CT 06829 (203) 544-9800  
- 750,000 (\$13,968,750) COMMON STOCK. (FILE 333-16807 - NOV. 26) (BR. 5)
- S-8 BAY APARTMENT COMMUNITIES INC, 4340 STEVENS CREEK BLVD, STE 275,  
SAN JOSE, CA 95129 (408) 983-1500 - 857,000 (\$26,982,048) COMMON STOCK.  
(FILE 333-16809 - NOV. 26) (BR. 8)
- S-8 AMERICAN PAGING INC, 1300 GODWARD ST NE STE 3100, MINNEAPOLIS, MN 55413  
(612) 623-3100 - 100,000 (\$587,500) COMMON STOCK. (FILE 333-16811 -  
NOV. 26) (BR. 3)
- S-3 BISYS GROUP INC, 150 CLOVE ROAD, LITTLE FALLS, NJ 07424 (201) 812-8600  
- 1,156,250 (\$27,094,870) COMMON STOCK. (FILE 333-16813 - NOV. 26)  
(BR. 3)
- S-8 AGOURON PHARMACEUTICALS INC, 10350 NORTH TORREY PINES ROAD, SUITE 100,  
LA JOLLA, CA 92037 (619) 622-3000 - 2,000,000 (\$98,750,000) COMMON STOCK.  
(FILE 333-16815 - NOV. 26) (BR. 1)
- S-8 LASERSIGHT INC /DE, 12161 LACKLAND RD, ST LOUIS, MO 63146 (314) 469-3220  
- 200,000 (\$1,156,250) COMMON STOCK. (FILE 333-16817 - NOV. 26) (BR. 1)
- S-8 MOBIL CORP, 3225 GALLOWES RD, FAIRFAX, VA 22037 (703) 846-3000 -  
14,000,000 (\$1,675,625,000) COMMON STOCK. (FILE 333-16819 - NOV. 26)  
(BR. 4)
- S-8 FAIRCHILD CORP, 300 W SERVICE RD, PO BOX 10803, CHANTILLY, VA 22021  
(703) 478-5800 - 1,879,797 (\$31,261,024) COMMON STOCK. (FILE 333-16821 -  
NOV. 26) (BR. 6)
- S-8 LASERSIGHT INC /DE, 12161 LACKLAND RD, ST LOUIS, MO 63146 (314) 469-3220  
- 750,000 (\$4,335,938) COMMON STOCK. (FILE 333-16823 - NOV. 26) (BR. 1)
- S-1 JWH GLOBAL PORTFOLIO TRUST, C/O CIS INVESTMENTS INC,  
233 S WACKER DR SUITE 2300, CHICAGO, IL 60606 (312) 460-4000 - 500,000  
(\$50,000,000) COMMON SHARES OF BENEFICIAL INTEREST. (FILE 333-16825 -  
NOV. 26) (NEW ISSUE)
- S-8 INTUIT INC, 2525 GARCIA AVE, MOUNTAIN VIEW, CA 94043 (415) 322-0573 -  
3,000,000 (\$106,500,000) COMMON STOCK. (FILE 333-16827 - NOV. 26) (BR. 3)
- S-8 INTUIT INC, 2525 GARCIA AVE, MOUNTAIN VIEW, CA 94043 (415) 322-0573 -  
840,000 (\$29,820,000) COMMON STOCK. (FILE 333-16829 - NOV. 26) (BR. 3)

- S-8 TELCO COMMUNICATIONS GROUP INC, 4219 LAFAYETTE CENTER DRIVE, CHANTILLY, VA 20151 (703) 802-5373 - 7,500,000 (\$122,812,500) COMMON STOCK. (FILE 333-16831 - NOV. 26) (BR. 3)
- S-8 CONSOLIDATED FREIGHTWAYS CORP, 175 LINFIELD DRIVE, MENLO PARK, CA 94025 (415) 326-1700 - 3,303,798 (\$24,976,712.88) COMMON STOCK. (FILE 333-16835 - NOV. 26) (BR. 5)
- S-8 BAY APARTMENT COMMUNITIES INC, 4340 STEVENS CREEK BLVD, STE 275, SAN JOSE, CA 95129 (408) 983-1500 - 1,000,000 (\$31,937,500) COMMON STOCK. (FILE 333-16837 - NOV. 26) (BR. 8)
- S-8 CARBIDE GRAPHITE GROUP INC /DE/, ONE GATEWAY CTR, 19TH FL, PITTSBURGH, PA 15222 (412) 562-3700 - 100,000 (\$1,962,500) COMMON STOCK. (FILE 333-16843 - NOV. 26) (BR. 4)
- S-8 SIMS COMMUNICATIONS INC, 3333 S CONGRESS AVE STE 401, DELRAY BEACH, FL 33445 (407) 265-3601 - 1,500,000 (\$1,410,000) COMMON STOCK. (FILE 333-16845 - NOV. 26) (BR. 9)
- S-3 COMVERSE TECHNOLOGY INC/NY/, 170 CROSSWAYS PARK DR, WOODBURY, NY 11797 (516) 677-7200 - 5,500 (\$184,937.50) COMMON STOCK. (FILE 333-16847 - NOV. 26) (BR. 3)
- S-3 COMVERSE TECHNOLOGY INC/NY/, 170 CROSSWAYS PARK DR, WOODBURY, NY 11797 (516) 677-7200 - 382,277 (\$12,854,064.13) COMMON STOCK. (FILE 333-16849 - NOV. 26) (BR. 3)
- S-8 CONSOLIDATED FREIGHTWAYS CORP, 175 LINFIELD DRIVE, MENLO PARK, CA 94025 (415) 326-1700 - 2,500,000 (\$18,843,750) COMMON STOCK. (FILE 333-16851 - NOV. 26) (BR. 5)
- S-8 GAYLORD COMPANIES INC, 4006 VENTURE COURT, COLUMBUS, OH 43228 (614) 771-2777 - 100,000 (\$125,000) COMMON STOCK. (FILE 333-16853 - NOV. 26) (BR. 2)
- S-8 DATA TRANSLATION II INC, 100 LOCKE DR, MARLBORO, MA 01752 (508) 481-3700 - 275,000 (\$2,963,283.72) COMMON STOCK. (FILE 333-16855 - NOV. 26) (BR. 3)
- S-8 DATA TRANSLATION II INC, 100 LOCKE DR, MARLBORO, MA 01752 (508) 481-3700 - 150,000 (\$1,098,000) COMMON STOCK. (FILE 333-16857 - NOV. 26) (BR. 3)
- S-8 DATA TRANSLATION II INC, 100 LOCKE DR, MARLBORO, MA 01752 (508) 481-3700 - 500,000 (\$3,660,000) COMMON STOCK. (FILE 333-16859 - NOV. 26) (BR. 3)
- S-3 SAVILLE SYSTEMS PLC, SAVILLE SYSTEMS, 25 BURLINGTON MALL RD 6TH FLOOR, BURLINGTON, MA 01803 - 2,782,000 (\$116,677,080) FOREIGN COMMON STOCK. (FILE 333-16861 - NOV. 26) (BR. 3)
- S-8 MEDPARTNERS INC, 3000 GALLERIA TOWER, STE 1000, BIRMINGHAM, AL 35244 (205) 733-8996 - 5,000,000 (\$108,150,000) COMMON STOCK. (FILE 333-16863 - NOV. 26)
- S-3 SWIFT TRANSPORTATION CO INC, 5601 W MOHAVE, PHOENIX, AZ 85043 (602) 269-9700 - 4,025,000 (\$94,587,500) COMMON STOCK. (FILE 333-16865 - NOV. 26) (BR. 5)
- S-4 OUTSOURCING SOLUTIONS INC, 300 GALLERIA PARKWAY SUITE 690, ATLANTA, GA 30339 (770) 988-2900 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 333-16867 - NOV. 26) (NEW ISSUE)
- S-3 CROWN CORK & SEAL CO INC, 9300 ASHTON RD, PHILADELPHIA, PA 19136 (215) 698-5100 - \$1,300,000,000 STRAIGHT BONDS. (FILE 333-16869 - NOV. 26) (BR. 6)
- S-3 DEUTSCHE FLOORPLAN RECEIVABLES L P, 655 MARYVILLE CENTER DR, ST LOUIS, MO 63141 (314) 523-3000 - 1,000,000 (\$1,000,000) FLOATING RATE NOTES. (FILE 333-16871 - NOV. 26) (BR. 8)

- S-8 ASARCO INC, 180 MAIDEN LN, NEW YORK, NY 10038 (212) 510-2000 -  
2,500,000 (\$2,500,000) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE  
333-16875 - NOV. 26) (BR. 6)
  
- S-3 SPORTS AUTHORITY INC /DE/, 3383 N STATE RD 7, FORT LAUDERDALE, FL 33319  
(305) 735-1701 - 149,500,000 (\$149,500,000)  
CONVERTIBLE DEBENTURES AND NOTES. (FILE 333-16877 - NOV. 26) (BR. 2)
  
- S-3 INTELLICORP INC, 1975 EL CAMINO REAL WEST, SUITE 101, MOUNTAIN VIEW, CA  
94040 (415) 965-5500 - 3,480,010 (\$6,742,519.38) COMMON STOCK. (FILE  
333-16879 - NOV. 26) (BR. 3)
  
- S-1 SOURCE MEDIA INC, 8140 WALNUT HILL LANE STE 1000, DALLAS, TX 75231  
(914) 669-5811 - 1,428,955 (\$10,359,923) COMMON STOCK. (FILE 333-16883 -  
NOV. 27) (BR. 3)
  
- S-3 FIRST CHEROKEE BANCSHARES INC, 6395 E ALABAMA RD, P O BOX 1238,  
WOODSTOCK, GA 30188 (770) 591-9000 - 196,350 (\$3,141,600) COMMON STOCK.  
(FILE 333-16885 - NOV. 27) (BR. 7)
  
- S-3 SUNSTONE HOTEL INVESTORS INC, 115 CALLE DE INDUSTRIAS SUITE 201,  
SAN CLEMENTE, CA 92672 (714) 361-3900 (FILE 333-16887 - NOV. 27) (BR. 8)
  
- S-8 SPEEDFAM INTERNATIONAL INC, 7406 WEST DETROIT, CHANDLER, AZ 85226  
(602) 961-2175 - 330,000 (\$6,435,000) COMMON STOCK. (FILE 333-16891 -  
NOV. 27) (BR. 5)