

# sec news digest

LIBRARY

Issue 92-61

MAR 31 1992

March 30, 1992

U.S. SECURITIES  
EXCHANGE COMMISSION

---

## ADMINISTRATIVE PROCEEDINGS

---

### CEASE AND DESIST ORDER AND CENSURE ENTERED AGAINST THOMAS CUMMINGS

The Commission instituted public administrative proceedings under Sections 9(b) and (f) of the Investment Company Act and Sections 203(f) and (k) of the Investment Advisers Act against Thomas G. Cummings, former president and director of Prime Financial Funds, Inc., a mutual fund, and Prime Financial Planning Services, Inc., the Fund's former investment adviser. Simultaneously, the Commission accepted Cummings' Offer of Settlement wherein, without admitting or denying the findings, he consented to a Commission Order censuring him and requiring him to cease and desist from violating various provisions of the Investment Advisers Act and Investment Company Act. Further, Cummings undertook to return \$50,000, plus prejudgment interest, to the Fund's shareholders and cause the Fund to deregister.

The Order finds that Cummings caused the Fund and the Adviser to file registration statements which contained untrue statements of material fact and omitted material facts in violation of the antifraud provisions and that Cummings aided and abetted certain violations of the Investment Company Act relating to the Fund's operation. These violations concerned the Fund's failure to file timely reports, transmit reports to shareholders, provide and maintain a fidelity bond, adopt a written code of ethics, approve auditors and ensure proper composition of its board. (Rel. IC-18624; IA-1304)

---

## CRIMINAL PROCEEDINGS

---

### VEE LYNN BALLARD SENTENCED

The Commission and the U.S. Attorney for the District of Utah announced the sentencing on March 3 of Vee Lynn Ballard (Ballard) of Logan, Utah. Judge David K. Winder ordered Ballard to serve three years on probation and to pay a fine of \$3,000.00.

Ballard pled guilty on December 17, 1991 to a one-count felony information charging him with aiding and assisting in and causing the preparation of a false I.R.S. Form 1099. The said Form 1099 falsely represented that a nominee shareholder had sold Ophir International, Inc. (Ophir) stock for \$9,120.00 through a Salt Lake City, Utah

securities brokerage firm when in fact, as Ballard knew, the stock sale was not by the nominee shareholder. At the time of his guilty plea, Ballard admitted that the nominee account was his and that the nominee knew nothing of the account at the time that Ophir stock transactions were run through it. [U.S. v. Vee Lynn Ballard, USDC for the Central District of Utah, Central Division, Criminal Action File No. 91-CR-0250-W] (LR-13200)

#### MICHAEL VETERE SENTENCED

The Commission and the U.S. Attorney for the District of Utah announced the sentencing on March 5 of Michael Vetere (Vetere) of Salt Lake City, Utah. Judge David Sam ordered Vetere to serve three years on probation and to pay a fine of \$3,000.00.

Vetere pled guilty on January 9, 1992 to a one-count felony information charging him with aiding and assisting in and causing the preparation of a false I.R.S. Form 1099. The said Form 1099 falsely represented that a nominee shareholder had sold Ophir International, Inc. (Ophir) stock for \$9,650.00 through a Salt Lake City, Utah securities brokerage firm when in fact, as Vetere knew, the stock sale was not by the nominee shareholder. At the time of his guilty plea, Vetere admitted the allegations of information and that the nominee account was his. [U.S. v. Michael Vetere, USDC for the Central District of Utah, Central Division, Criminal Action File No. 92-CR-0008-S] (LR-13201)

#### ROBERT VALERIUS SENTENCED

Michael J. Norton, U.S. Attorney for the District of Colorado, and the Securities and Exchange Commission announced that on February 26 U.S. District Court Judge Zita Weinshienk sentenced Robert Valerius to one year plus one day imprisonment for conspiracy to commit securities fraud.

Previously, on December 13, 1991, Valerius pleaded guilty to knowingly and willfully conspiring to commit securities fraud by manipulating the price of Oxford Financial, Inc. through a series of trades in controlled accounts. The manipulation was also to be furthered through a pre-arranged merger with 21 Entertainment Group, Inc., a Delaware Corporation.

At the time of the conspiracy, Valerius was associated with First Eagle, Inc., a now defunct brokerage firm, whose owner and president, Barry R. Fortner was sentenced to a three-year prison term in connection with the same conspiracy.

The case was investigated by the Colorado U.S. Attorney's Securities and Commodities Fraud Task Force, which was organized to prosecute abuses in the penny stock market. [U.S. v. Robert Valerius, 91-CR-271, USDC, Colo.] (LR-13202)

#### PENNYCON DEFENDANTS ACQUITTED

The Commission and the U.S. Attorney for the District of Colorado announced that on February 21 eleven individuals and three brokerage firms were acquitted of all charges after a six week jury trial.

The case resulted from a nearly two-year undercover investigation by the Colorado U.S. Attorney's Securities and Commodities Task Force. The undercover operation, code-named "Pennycon," investigated alleged manipulation of the price of Terminal Acquisitions, Inc. (Terminal Acquisitions) stock. The defendants and three other individuals and another broker-dealer had been indicted on April 3, 1991 for conspiracy, securities fraud, wire fraud and mail fraud. Two of the defendants had also been charged with false broker-dealer books and records. Earlier, one individual and a broker dealer pleaded guilty to one count each of securities fraud in connection with actions regarding Terminal Acquisitions. The broker-dealer was fined \$44,800. The individual is awaiting sentencing. Charges were dismissed against two individuals when they pleaded guilty to securities fraud in connection with a separate indictment, also resulting from operation Pennycon, concerning the alleged manipulation of the stock of Monarch Acquisitions, Inc. Each was sentenced to probation, community service and a fine. [U.S. v. Moshe Rimson, et al., Criminal Action No. 91-CR-123, USDC, Colo.] (LR-13203)

---

### INVESTMENT COMPANY ACT RELEASES

---

#### PROVIDENTMUTUAL CONVERTIBLE SECURITIES FUND, INC.

A notice has been issued giving interested persons until April 21 to request a hearing on an application filed by ProvidentMutual Convertible Securities Fund, Inc. for an order under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-18633 - March 27)

#### CYPRESS FUND, INC.

A notice has been issued giving interested persons until April 21 to request a hearing on an application filed by Cypress Fund, Inc. for an order under Section 8(f) of the Investment Company Act declaring that it has ceased to be an investment company. (Rel. IC-18634 - March 27)

---

### 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-3 PHILADELPHIA ELECTRIC CO, 2301 MARKET ST, P O BOX 8699, PHILADELPHIA, PA 19101  
(215) 841-4000 - 1,000,000,000 (\$1,020,000,000) MORTGAGE BONDS. (FILE 33-46437 -  
MAR. 23) (BR. 7)

S-3 ARISTAR INC, 8001 CENTERVIEW PKWY, MEMPHIS, TN 38018 (901) 757-7500 - 600,000,000  
(\$600,000,000) STRAIGHT BONDS. (FILE 33-46439 - MAR. 23) (BR. 11)

REGISTRATIONS CONTINUED

- S-18 AAK LTD, 115 E 57TH ST, NEW YORK, NY 10022 (212) 838-2036 - 400,000,000 (\$4,000,000) COMMON STOCK. 100,000,000 (\$2,000,000) COMMON STOCK. 40,000,000 (\$1,200,000) COMMON STOCK. (FILE 33-46493-NY - MAR. 17) (BR. 14 - NEW ISSUE)
- S-1 PYXIS CORPORATION /DE/, 11425 SORRENTO VALLEY RD, SAN DIEGO, CA 92121 (619) 792-0966 - 4,255,000 (\$63,825,000) COMMON STOCK. UNDERWRITER: BROWN ALEX & SONS INC, DONALDSON LUFKIN & JENRETTE SECURITIES I. (FILE 33-46502 - MAR. 18) (BR. 5 - NEW ISSUE)
- S-1 MEDIFIT OF AMERICA INC /DE/, 400 FRANK W BURR BLVD, NJ (201) 836-1773 - 500,000 (\$4,500,000) COMMON STOCK. 2,375,000 (\$21,375,000) COMMON STOCK. UNDERWRITER: JANNEY MONTGOMERY SCOTT INC, VOLPE WELTY & CO. (FILE 33-46535 - MAR. 19) (BR. 6 - NEW ISSUE)
- S-1 ANCHOR BANCORP WISCONSIN INC, 25 WEST MAIN ST, MADISON, WI 53703 (608) 252-8700 - 5,290,000 (\$52,900,000) COMMON STOCK. UNDERWRITER: ADAMS COHEN SECURITIES INC. (FILE 33-46536 - MAR. 19) (BR. 2 - NEW ISSUE)
- S-1 FIRST INDIANA CORP, 135 N PENNSYLVANIA ST, 2800 FIRST INDIANA PL, INDIANAPOLIS, IN 46204 (317) 269-1200 - 456,335 (\$10,381,621.25) COMMON STOCK. (FILE 33-46547 - MAR. 20) (BR. 2)
- S-3 UNION TANK CAR CO, 225 W WASHINGTON ST, CHICAGO, IL 60606 (312) 372-9500 - 102,000,000 (\$102,000,000) EQUIPMENT TRUST CERTIFICATES. UNDERWRITER: SALOMON BROTHERS INC. (FILE 33-46549 - MAR. 20) (BR. 5)
- S-1 ADELPHIA COMMUNICATIONS CORP, 5 W THIRD ST, P O BOX 472, COLDESPORT, PA 16915 (814) 274-9830 - 1,635,000 (\$28,408,125) COMMON STOCK. UNDERWRITER: DONALDSON LUFKIN & JENRETTE SECURITIES C, LAZARD FRERES & CO, SALOMON BROTHERS INC. (FILE 33-46550 - MAR. 20) (BR. 8)
- S-2 CLEVETRUST REALTY INVESTORS, 2001 CROCKER RD STE 400, WESTLAKE, OH 44145 (216) 899-0909 - 2,106,772 (\$6,320,316) COMMON SHARES OF BENEFICIAL INTEREST. (FILE 33-46552 - MAR. 20) (BR. 5)
- S-3 NUTRAMAX PRODUCTS INC /DE/, 9 BLACKBURN DR, GLOUCESTER, MA 01930 (508) 283-1800 - 1,500,000 (\$17,812,500) COMMON STOCK. (FILE 33-46553 - MAR. 20) (BR. 9)
- S-1 D R HORTON INC /DE/, 2221 E LAMAR BLVD SUITE 950, ARLINGTON, TX (817) 640-8200 - 1,045,000 (\$15,675,000) COMMON STOCK. 4,429,000 (\$66,435,000) COMMON STOCK. (FILE 33-46554 - MAR. 20) (BR. 20 - NEW ISSUE)
- S-1 ORION NETWORK SYSTEMS INC/DE/, 1350 PICCARD DRIVE, ROCKVILLE, MD 20850 (301) 258-8101 - 3,750,000 (\$52,500,000) COMMON STOCK. UNDERWRITER: ROBINSON HUMPHREY CO INC, WHEAT FIRST BUTCHER & SINGER. (FILE 33-46555 - MAR. 20) (BR. 7 - NEW ISSUE)
- S-8 HEALTH CARE REIT INC /DE/, ONE SEAGATE STE 1950, P O BOX 1475, TOLEDO, OH 43604 (419) 247-2800 - 150,000 (\$3,065,625) COMMON STOCK. (FILE 33-46561 - MAR. 20) (BR. 6)
- S-8 CENTURY TELEPHONE ENTERPRISES INC, PREMIER BLDG -7TH FLR, 1900 NORTH 18TH ST, MONROE, LA 71201 (318) 388-9500 - 100,000 (\$3,406,250) COMMON STOCK. 100,000 PREFERRED STOCK. (FILE 33-46562 - MAR. 20) (BR. 7)
- S-8 NORTHGATE COMPUTER CORP, 7075 FLYING CLOUD DR, 1 NORTHGATE PKWY, EDEN PRAIRIE, MN 55344 (612) 943-8181 - 7,000,000 (\$2,406,250) COMMON STOCK. (FILE 33-46563 - MAR. 20) (BR. 9)

REGISTRATIONS CONTINUED

- F-6 WPP GROUP PLC /ADR/, 111 WALL ST, C/O CITIBANK NATIONAL ASSOCIATION, NEW YORK, NY 10043 (212) 657-7321 - 20,000,000 (\$1,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-46564 - MAR. 20)
- S-1 CARETENDERS HEALTH CORP, 9200 SHELBYVILLE RD STE 810, LOUISVILLE, KY 40222 (502) 425-4707 - 4,388,121 (\$12,204,461.53) COMMON STOCK. (FILE 33-46565 - MAR. 20) (BR. 6)
- S-8 U S LONG DISTANCE CORP, 9311 SAN PEDRO STE 300, SAN ANTONIO, TX 78216 (512) 525-9009 - 32,800 (\$262,400) COMMON STOCK. (FILE 33-46567 - MAR. 20) (BR. 7)
- S-1 VENTURE STORES INC, 2001 E TERRA LANE, O FALLON, MO 63366 (314) 281-5500 - 805,000 (\$40,250,000) PREFERRED STOCK. 80,500 PREFERRED STOCK. UNDERWRITER: MORGAN STANLEY & CO. (FILE 33-46583 - MAR. 20) (BR. 1)
- S-3 TYCO TOYS INC, 6000 MIDLANTIC DR, MT LAUREL, NJ 08054 (609) 234-7400 - 940,635 (\$39,976,988) COMMON STOCK. UNDERWRITER: KIDDER PEABODY & CO INC. (FILE 33-46584 - MAR. 20) (BR. 12)
- S-3 MEDI MAIL INC /NV/, 3680 FIFTH AVE, SAN DIEGO, CA 92103 (619) 291-4900 - 1,622,472 (\$11,665,573) COMMON STOCK. 581,667 (\$4,182,186) COMMON STOCK. (FILE 33-46585 - MAR. 20) (BR. 1)
- S-1 BIOCIRCUITS CORP, 1450 ROLLINS RD, BURLINGAME, CA 94010 (415) 343-1961 - 2,300,000 (\$23,000,000) COMMON STOCK. UNDERWRITER: HAMBRECHT & QUIST INC, VECTOR SECURITIES INTERNATIONAL INC. (FILE 33-46587 - MAR. 20) (BR. 8 - NEW ISSUE)
- S-1 MEDIC COMPUTER SYSTEMS INC, 8601 SIX FORKS ROAD, RALEIGH, NC 27615 (919) 847-8102 - 600,000 (\$7,200,000) COMMON STOCK. 4,000,000 (\$48,000,000) COMMON STOCK. UNDERWRITER: BROWN ALEX & SONS INC, ROBERTSON STEPHENS & CO. (FILE 33-46588 - MAR. 20) (BR. 10 - NEW ISSUE)
- S-3 ADAPTEC INC, 691 S MILPITAS BLVD, MILPITAS, CA 95035 (408) 945-8600 - 3,450,000 (\$57,248,437.50) COMMON STOCK. UNDERWRITER: BEAR STEARNS & CO INC, ROBERTSON STEPHENS & CO, UNTERBERG HARRIS. (FILE 33-46589 - MAR. 23) (BR. 3)
- S-8 BRITISH GAS PLC, RIVERMILL HOUSE, 152 GROSVENOR RD, LONDON SW1V 3JL ENGLAND, XO (212) 483-1000 - 3,000,000 (\$13,110,000) FOREIGN COMMON STOCK. (FILE 33-46591 - MAR. 23) (BR. 7)
- N-1A GLENMEDE PORTFOLIOS, 103 BELLEVUE PARKWAY, BELLEVUE PARK CORPORATE CENTER, WILMINGTON, DE 19809 - INDEFINITE SHARES. (FILE 33-46593 - MAR. 20) (BR. 18 - NEW ISSUE)
- S-8 AUTOTOTE CORP, 100 BELLEVUE RD, NEWARK, DE 19714 (302) 737-4300 - 262,500 (\$2,756,250) COMMON STOCK. (FILE 33-46594 - MAR. 23) (BR. 9)
- S-8 CENTRAL INDIANA BANCORP, 200 WEST MULLBERRY ST, P O BOX 730, KOKOMO, IN 46903 (317) 457-5552 - 109,250 (\$1,280,410) COMMON STOCK. (FILE 33-46595 - MAR. 23) (BR. 1)

## 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
ACTV INC WASHINGTON POST CO	COM 13D	2/17/92	720 15.1	00099710 0.0	NEW
ACQUISITION CAPABILITY INC WORTH CORP	COM NEW 13D	3/24/92	237 5.4	00492120 7.4	UPDATE
AMERICAN HERITAGE LIFE INVT DAVIS JAMES E ET AL	COM 13D	3/ 3/92	4,244 53.5	02652210 39.5	UPDATE
AMERN TELEV & COMM INC NEW GAMCO INVESTORS INC ET AL	CL A 13D	3/23/92	1,442 7.3	03018710 12.8	UPDATE
CCC FRANCHISING CORP BRENNAN ROBERT E	COM 13D	2/12/92	17,000 54.0	12487710 38.1	RVISION
CANAVERAL INTL CORP BRANCH BEN SHIRLEY	COM 13D	3/20/92	103 3.4	13730310 6.8	UPDATE
CAROLCO PICTURES INC NEW CAROLCO INVTMTS B V	COM 13D	3/25/92	10,637 35.6	14376310 79.6	UPDATE
CARVER CORP WASH FIDELITY INTL LTD ET AL	COM 13D	3/25/92	555 15.1	14688110 6.2	UPDATE
CELLULAR COMMUN INC PACTEL CORP	COM SER A 13D	3/25/92	786 45.3	15091710 41.3	UPDATE
E-Z SERVE CORP HARVARD COLLEGE ET AL	COM 13D	3/10/92	3,124 39.0	26932910 39.0	UPDATE
EMERSON RADIO CORP FIDENAS INVESTMENT LTD	COM 13D	3/16/92	7,758 20.5	29108710 14.5	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
FIRST NATL CORP CALIF KLINGEL MARTIN A	COM 13D	2/28/92	241 6.7	33590110 5.7	UPDATE
HARRIS & HARRIS GROUP INC PRENDERGAST PATRICK R	COM 13D	3/19/92	525 6.2	41383310 0.0	NEW
INTL CORONA CORP DUNDEE BANCORP INC	COM 13D	3/16/92	25,074 30.0	47599970 30.1	RVSION
LIFETIME CORP SKOPBANK LTD ET AL	COM NEW 13D	3/17/92	807 8.9	53191120 4.6	UPDATE
MEDALIST INDS INC KATZ MICHAEL DAVID ET AL	COM 13D	3/16/92	157 6.6	58402010 8.8	UPDATE
NATIONAL MICRONETICS INC TAE IL MEDIA CO ET AL	COM 13D	3/16/92	1,575 7.1	63690410 47.3	UPDATE
SC BANCORP CALIF ABBOTT NATHAN KEITH	COM 13D	3/23/92	2 0.0	78388010 0.0	UPDATE
SC BANCORP CALIF BALL JOHN LAUTRUP	COM 13D	3/23/92	24 0.7	78388010 0.7	UPDATE
SC BANCORP CALIF BEISSWENGER HAROLD ARTHUR	COM 13D	3/23/92	27 0.8	78388010 0.8	UPDATE
SC BANCORP CALIF COATES LE GRANDE JR	COM 13D	3/23/92	26 0.8	78388010 0.8	UPDATE
SC BANCORP CALIF GREENBECK WILLIAM CHRISITAN	COM 13D	3/23/92	58 1.7	78388010 1.7	UPDATE
SC BANCORP CALIF MCLEOD DAVID STUART	COM 13D	3/23/92	0 0.0	78388010 0.0	UPDATE
SC BANCORP CALIF PINSKY IRVING JIM	COM 13D	3/23/92	144 4.2	78388010 4.2	UPDATE
SC BANCORP CALIF SWAN PEER ALDEN	COM 13D	3/23/92	1 0.0	78388010 0.0	UPDATE
SC BANCORP CALIF WOOD DONALD EDGAR	COM 13D	3/23/92	68 2.0	78388010 2.0	UPDATE
SOUTH CAROLINA FED CORP ZUCKER JERRY ET AL	COM 13D	3/20/92	283 10.4	83701410 9.3	UPDATE
TEJAS PWR CORP HARVARD COLLEGE ET AL	COM 13D	3/10/92	3,124 33.3	87907910 33.3	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
VITESSE SEMICONDUCTOR CORP NORTON CO	COM 13D	3/17/92	1,328 9.9	92849710 0.0	NEW
WATSCO INC NAHMAD ALBERT H ET AL	CL B CV 13D	3/25/92	398 16.0	94262210 26.8	UPDATE
WATSCO INC NAHMAD ALBERT H ET AL	CL A 13D	3/14/92	322 20.7	94262220 30.6	UPDATE

**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.
- Item 8. Change in Fiscal Year.

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		
SEARS MORTGAGE SEC CORP MU CL MO PA TH C	DE				X	X				02/29/92	
SEARS MORTGAGE SECURITIES COR MU CL MO P	DE				X	X				02/29/92	
SEARS MORTGAGE SECURITIES CORP COFI MOR	DE				X	X				02/29/92	
SEARS MORTGAGE SECURITIES CORP LIB MO PA	DE				X	X				02/29/92	
SEARS MORTGAGE SECURITIES CORP MU CL MO	DE				X	X				02/29/92	
SEARS MORTGAGE SECURITIES CORP MU CL MO	DE				X	X				02/29/92	
SEARS MORTGAGE SECURITIES CORP MU CL MO	DE				X	X				02/29/92	
SILICON DISK CORP	NV	X	X				X			11/26/91	AMEND
SILICON DISK CORP	NV		X				X			01/13/92	AMEND
SILICON DISK CORP	NV			X			X			01/29/92	
ST PAUL BANCORP INC	DE					X				03/24/92	
ST PAUL COMPANIES INC /MN/	MN				X	X				03/20/92	
TECHNICLONE INTERNATIONAL CORP	CA				X					03/12/92	
TRANS FINANCIAL BANCORP INC	KY						X			11/11/91	AMEND