

# sec news digest

LIBRARY

JUL 28 1992

Issue 92-143

July 24, 1992

U S SECURITIES  
EXCHANGE COMMISSION

---

## RULES AND RELATED MATTERS

---

### RULES IMPLEMENTING EDGAR PROPOSED

The Commission today issued for public comment four releases proposing amendments and additions to its rules, forms, schedules and procedures to implement the Electronic Data Gathering, Analysis and Retrieval (EDGAR) system, in which most filings and related correspondence processed by the Divisions of Corporation Finance and Investment Management will be submitted electronically. The releases also contain proposed phase-in schedules to bring filers into the EDGAR system.

The first release (Release Nos. 33-6944, 34-30951, 35-25587, 39-2285 and IC-18862) explains the EDGAR system and sets forth proposed rules and procedures that would apply to electronic submissions generally, to those processed by the Division of Corporation Finance, and in some cases, to those processed by the Division of Investment Management. The second (Release Nos. 33-6945, 34-30952, and IC-18863) requests public comment regarding rules specific to electronic submissions made by investment companies under the Investment Company Act of 1940 and institutional investment managers under Section 13(f) of the Securities Exchange Act of 1934. The third (Release No. 33-6946, 34-30953, and 35-25588) requests public comment regarding rules specific to electronic submissions made by public utility holding companies and their subsidiaries under the Public Utility Holding Company Act of 1935. The fourth (Release Nos. 33-6947, 34-30954, 35-25589, 39-2286 and IC-18864) relates to the payment of filing fees, by both paper and electronic filers, to the Commission's lockbox depository at Mellon Bank in Pittsburgh, Pennsylvania pursuant to Rule 3a of the Rules Relating to Informal and Other Procedures. FOR FURTHER INFORMATION CONTACT: in the Office of EDGAR Management, John Penhollow (202) 272-3900 ext. 3001, for general information regarding the EDGAR system; in the Division of Corporation Finance, Barbara Smith Jacobs or James R. Budge at (202) 272-2589; in the Division of Investment Management, for investment companies and institutional investment managers, Anthony A. Vertuno at (202) 272-7710 or Ruth Armfield Sanders at (202) 272-7714, and for public utility holding companies, Richard T. Miller at (202) 272-2268; in the Office of the Executive Director, Jessica L. Kole (202) 272-2706, for questions concerning the lockbox proposals.

---

## COMMISSION ANNOUNCEMENTS

---

### SEC TO HOLD EDGAR CONFERENCE

On Wednesday, August 5, at 9:00 a.m., the Commission will hold the Sixth EDGAR Review. The meeting will be held in Room 1C30 of the SEC Headquarters Building at 450 5th Street, N.W., Washington, D.C. Filers, filing agents, disseminators, the press and members of the public are invited to attend. Please note that the date was changed from July 29, 1992. For further information contact the Office of EDGAR Management at (202) 272-3900, extension 3001.

---

## ADMINISTRATIVE PROCEEDINGS

---

### ERNEST MICHAUD BARRED

Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203 of the Investment Advisers Act of 1940, Administrative Law Judge Brenda P. Murray barred Ernest E. Michaud from association with any broker, dealer, or investment adviser and revoked the broker-dealer and investment adviser registrations of Mr. Michaud's company, Brandon Securities & Investments, Inc. of North Providence, Rhode Island. Mr. Michaud had been convicted of one count of securities fraud and sentenced in 1991 to 37 months in prison, three years supervised release, and ordered to pay some 44 investors restitution of \$1,496,427 (U.S. v. Ernest E. Michaud, No. CR-90-110T, D.R.I. February 15, 1991). (Initial Decision Rel. 28)

### JOHN MARK HANCOCK BARRED

The Commission instituted public proceedings under Sections 15(b) and 19(h) of the Securities Exchange Act of 1934 against John Mark Hancock (Hancock), the chief executive officer and chairman of the board of directors of The Riverview Corporation, a registered broker-dealer formerly operating in Knoxville, Tennessee. The Commission simultaneously accepted Hancock's Offer of Settlement in which he consented to the entry of an order barring him from association with any broker or dealer, municipal securities dealer, investment adviser or investment company. Hancock did not admit or deny the Commission's findings, except for the finding that on June 23, 1992, he was permanently enjoined, without admitting or denying the allegations of the Commission's complaint, from violating the antifraud provisions of the federal securities laws (SEC v. The Riverview Corporation, et al., Civil Action No. 3-92-0063, E.D. Tenn.). (Rel. 34-30937)

### ANDREW CAFFERKY, JR. BARRED

The Commission instituted public proceedings under Sections 15(b) and 19(h) of the Securities Exchange Act of 1934 against Andrew E. Cafferky, Jr. (Cafferky), the general securities and financial and operations principal of The Riverview Corporation, a registered broker-dealer formerly operating in Knoxville, Tennessee.

The Commission simultaneously accepted Cafferky's Offer of Settlement in which he consented to the entry of an order barring him from association with any broker or dealer, municipal securities dealer, investment adviser or investment company. Cafferky did not admit or deny the Commission's findings, except for the finding that on June 23, 1992, he was permanently enjoined, without admitting or denying the allegations of the Commission's complaint, from violating the antifraud provisions of the federal securities laws (SEC v. The Riverview Corporation, et al., Civil Action No. 3-92-0063, E.D. Tenn.). (Rel. 34-30938)

---

## CIVIL PROCEEDINGS

---

### COMPLAINT FILED AGAINST MICHAEL GRAHAM, JAMES KIMBALL AND BOYD TANGREN

The Commission on July 23 filed a complaint in the U.S. District Court for the District of Utah seeking injunctive and other relief against Michael N. Graham, James N. Kimball and Boyd Tangren. The complaint alleges that the defendants violated Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 thereunder by trading in the securities of Aristech Chemical Corporation while in possession of material, nonpublic information.

Simultaneously with the filing of the complaint, each defendant settled the charges against them by consenting, without admitting or denying the allegations in the complaint, to the entry of a final judgment of permanent injunction. Graham has also agreed to disgorge his trading profits of \$89,918 plus prejudgment interest, and pay a one-time penalty under Section 21A of the Exchange Act. Kimball has agreed to pay penalties of \$6,965, equal to the amount of his "profit gained" as defined in Section 21A, and \$89,918, equal to the amount of Graham's profits, with a partial waiver due to his financial condition. Tangren has agreed to pay a penalty of \$6,965, the amount of his "profit gained" under Section 21A.

The Commission's complaint charged that Kimball, in the course of his employment as Director of Media Relations for Huntsman Chemical Corporation of Salt Lake City, obtained nonpublic information about a likely attempt by Huntsman Holdings Corporation to acquire Aristech in October 1989. The complaint alleges that Kimball tipped his friend Graham, who then traded in Aristech options, and that Kimball and Tangren also traded Aristech options together in an account maintained by Tangren. [SEC v. Michael N. Graham, et al., Civil Action No. 92-C-645G, USDC, Dist. of Utah] (LR-13321)

### PROCEEDINGS AGAINST THE RIVERVIEW CORPORATION, ANDREW CAFFERKY, JR. AND JOHN HANCOCK

The Commission announced that on June 23, 1992 the Honorable James H. Jarvis, United States District Judge for the Eastern District of Tennessee, entered final judgments of permanent injunction against The Riverview Corporation (Riverview), a registered broker-dealer with its principal office located in Knoxville, Tennessee, and its principals, Andrew E. Cafferky, Jr. (Cafferky), and John Mark Hancock (Hancock). The

final judgments, which were entered pursuant to the defendants' consents, without admitting or denying the allegations in the complaint, enjoined Riverview from violating Sections 15(c) and 17(a)(1) of the Securities Exchange Act of 1934 (Exchange Act) and Rules 15c3-1, 15c3-3, 17a-3, and 17a-4 thereunder and enjoined Cafferky and Hancock from violating the antifraud provisions of the federal securities laws set forth in Section 17(a) of the Securities Act of 1933 (Securities Act) and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. The Court also ordered Cafferky and Hancock to disgorge ill-gotten gains, plus prejudgment interest and noted the appropriateness of civil penalties. However, based upon Cafferky and Hancock's demonstrated inability to pay, the payment of disgorgement and prejudgment interest was waived and civil penalties were not imposed. [SEC v. The Riverview Corporation, Andrew E. Cafferky, Jr. and John Mark Hancock, Civil Action No. 3-92-0063, USDC, E.D.TENN.] (LR-13323)

---

## INVESTMENT COMPANY ACT RELEASES

---

THE LATIN AMERICAN INVESTMENT FUND, INC., ET AL.

A notice has been issued giving interested persons until August 17, 1992 to request a hearing on an application filed by the Latin American Investment Fund, Inc., et al. for a conditional order under Sections 6(c) and 17(d) of the Investment Company Act and Rule 17d-1 thereunder. The order would permit applicants to co-invest, with one another and certain offshore funds advised by the same investment adviser, in Latin American securities acquired through privately negotiated transactions. (Rel. IC-18857; International Series Rel. 426 - July 21)

---

## 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.

The following list is 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.

ACQUISITIONS

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/%OWNED	CUSIP/PRIOR%	FILING STATUS
LIFECO INVESTMENT GRP TRI ATLANTIC HLDGS LTD	COM 13D	7/ 6/92	0 0.0	53218399 N/A	UPDATE
MATRITECH INC BURTON CHARLES A ET AL	COM 13D	7/ 9/92	699 16.7	57681810 0.0	NEW
MATRITECH INC FIRST STAGE CAP L P ET AL	COM 13D	7/ 9/92	330 7.8	57681810 0.0	NEW
MITEL CORP BRITISH TELECOMMUNICATIONS PLC	COM 13D	6/15/92	0 0.0	60671110 19.9	RVISION
NASHUA CORP GAMCO INVESTORS INC ET AL	COM 13D	7/17/92	628 10.0	63122610 9.0	UPDATE
NUCORP INC ARLINGTON LEASING CO	COM 13D	6/30/92	1,050 9.6	67035110 8.3	UPDATE
NUCORP INC EQUITY HOLDINGS	COM 13D	6/30/92	3,665 33.6	67035110 28.7	UPDATE
PINELANDS INC GAMCO INVESTORS INC ET AL	COM 13D	7/17/92	808 4.7	72308910 6.6	UPDATE
PUBLICKER INDS INC DBL LIQUIDATING TR	COM 13D	4/30/92	1,200 8.3	74463510 0.0	NEW
TERRITORIAL RES INC LINGARD BRIAN A ET AL	COM 13D	7/ 8/92	2,500 22.3	88146910 0.0	NEW
TERRITORIAL RES INC STORY EDWARD T JR	COM 13D	7/ 8/92	2,500 22.3	88146910 0.0	NEW
UNITED COAST CORP ACMAT CORP ET AL	COM 13D	7/13/92	8,520 81.0	90991010 95.1	UPDATE
UNIVERSAL MATCHBOX GROUP LTD YEH DAVID C W	COM 13D	7/13/92	7,750 79.5	91373010 73.0	UPDATE
VERIT INDS WILKES JOHN	COM NO PAR 13D	7/ 9/92	2,740 16.7	92343420 0.0	NEW
WESTMORELAND COAL CO PENN VA EQUITIES CORP E I N	COM 13D	7/17/92	1,974 23.9	96087810 26.0	UPDATE

## ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ %OWNED	CUSIP/ PRIOR%	FILING STATUS
ANDROS INC	COM		0	03452810	
WOODWARD JOHN E III	13D	5/ 5/92	0.0	6.4	UPDATE
CONARD PHARMACEUTICAL INC	COM		2,712	09751610	
FIDELITY INTL LTD	13D	7/13/92	12.3	11.3	UPDATE
BOLAR PHARMACEUTICAL INC	COM		2,712	09751610	
FMR CORP	13D	7/13/92	12.3	11.3	UPDATE
CHAMPION PARTS INC	COM		269	15860910	
GENERAL REFRACTORIES ET AL	13D	7/17/92	7.4	7.4	UPDATE
CLIFFS DRILLING CO	COM		662	18699010	
AUSTIN EDWARD H JR ET AL	13D	7/ 6/92	22.1	0.0	NEW
CLIFFS DRILLING CO	PFD		198	18699020	
AUSTIN EDWARD H JR ET AL	13D	7/ 6/92	17.2	11.7	UPDATE
ELECTROMAGNETIC SCIENCES INC	COM		1,043	28539710	
ROCKER DAVID A	13D	7/ 7/92	14.5	15.4	UPDATE
ENERGY RESEARCH CORP	COM		594	30099810	
BAGATELLE WARREN ET AL	13D	7/ 2/92	16.2	0.0	NEW
INTERNATIONAL MOBILE MACHS	COM		1,509	46002610	
GENERAL MOTORS CORP ET AL	13D	7/15/92	7.5	8.7	UPDATE
KIWI III LTD	COM		20,095	49834610	
A-Z PROFESSIONAL CONSULTANTS	13D	4/28/92	20.0	0.0	NEW
KOREA FD INC	COM		1,093	50063410	
HENDERSON ADMIN GRP PLC ET AL	13D	7/ 9/92	4.9	5.3	UPDATE
MANAGEMENT TECHNOLOGIES INC	COM		726	56170410	
MANAGEMENT TECHS STOCK TR	13D	7/21/92	7.0	9.4	UPDATE
MANAGEMENT TECHNOLOGIES INC	COM		726	56170410	
MANAGEMENT TECHS STOCK TR	13D	7/21/92	7.0	9.4	UPDATE
MESA MEDICAL INC	COM		550	59064910	
SCHMIEDER LUKE RICHARD	13D	7/ 1/92	12.7	22.6	UPDATE
MIDWEST GRAIN PRODUCTS INC	COM		244	59899210	
ROCKER DAVID A	13D	7/ 8/92	3.7	5.0	UPDATE

ACQUISITIONS CONT.

<u>NAME AND CLASS OF STOCK/OWNER</u>	<u>FORM</u>	<u>EVENT DATE</u>	<u>SHRS(000)/ %OWNED</u>	<u>CUSIP/ PRIORX</u>	<u>FILING STATUS</u>
ROBERN APPAREL INC	COM		435	77029310	
AGA INVMNTS INC	130	7/ 8/92	7.9	6.5	UPDATE
SCIOS INC	COM		1,579	80890510	
AMERICAN HOME PROD CORP	130	7/20/92	8.6	0.0	NEW

---

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.

---