

# sec news digest

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**RULES AND RELATED MATTERS**

U.S. SECURITIES  
EXCHANGE COMMISSION

## PENNY STOCK DISCLOSURE RULES

The Commission is adopting seven rules (Rules) under the Securities Exchange Act of 1934 (Exchange Act) requiring broker-dealers engaging in transactions in low-priced, over-the-counter securities, often referred to as "penny stocks," with or for their customers to provide to those customers certain specified information. Unless one of various exemptions is available, the Rules require broker-dealers effecting customer transactions in penny stocks, as defined by the Rules, to provide the customers with a risk disclosure document, disclosure of market quotations, if any, disclosure of the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotation and compensation information must be provided prior to effecting the transaction and must be contained on the customer's confirmation. These Rules are being adopted pursuant to the requirements of the Securities Enforcement Remedies and Penny Stock Reform Act of 1990 (Penny Stock Act). (Rel. 34-30571)

## ADOPTION OF BLANK CHECK OFFERING RULES

The Commission has issued a release adopting new Rule 419 under the Securities Act of 1933, new Rule 15g-8 under the Securities Exchange Act of 1934 and an amendment to Rule 174 under the Securities Act. Rule 419 requires that the proceeds received and securities issued in a blank check offering be deposited into an escrow or trust account (Rule 419 Account) and be held for the sole benefit of purchasers in the offering until a business acquisition by the blank check company is consummated and purchasers have received information regarding the acquisition. Rule 15g-8 prohibits trading of securities held in a Rule 419 Account, and an amendment to Securities Act Rule 174 provides that the statutory prospectus delivery period for blank check offerings would not terminate until 90 days after the release of funds and securities from the Rule 419 Account. FOR FURTHER INFORMATION CONTACT: Richard P. Konrath at (202) 272-2589. (Rel. 33-6932; 34-30577; IC-18651)

## CIVIL PROCEEDINGS

### PERMANENT INJUNCTIONS ISSUED AGAINST OIL & GAS PROMOTERS

The Commission announced that on April 1 District Judge John McBryde ordered entry of final judgments against Walter H. Cushman, III, Rodney Holloman, Grant T. Ottesen, Michael Phillips, Glen E. Chambers and Robbie J. Overstreet. The final judgments permanently enjoined these defendants from future violations of the §§ 5(a), (c) and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. In addition, Phillips and Ottesen were enjoined from future violations of §15(a) of the Exchange Act. Each of the defendants consented to entry of the judgments without admitting or denying any of the allegations of the Commission's complaint.

The Commission's complaint alleged that the defendants had engaged in "cold call" solicitations from "boiler room" sales offices located in Texas, raising more than \$7 million from the sale of unregistered oil and gas interests to over 350 investors residing in 33 states. According to the complaint, the defendants used fraudulent sales practices that misled investors as to the risks and expected returns associated with oil and gas investments and did not disclose their securities law violation backgrounds.

The defendants had been subject to temporary restraining orders since this action was commenced December 19, 1991. Settlement is pending for five defendant corporations. [SEC v. Great Southwest Energy, Inc. et al., USDC/ND TX, Dallas Division, Civil Action No. 3-91-0862-A] (LR-13220)

### COMPLAINT FILED AGAINST STOCKBROKER AND CUSTOMER FOR STOCK MANIPULATION

The Commission announced the filing of a complaint against Edward A. Accomando (Accomando) and Charles C. Patsos (Patsos) in the U.S. District Court for the District of Massachusetts. The complaint alleges that Accomando, aided and abetted by Patsos, manipulated the stock of Central Co-Operative Bank (Central) by executing 64 wash sales and matched orders in his customers' accounts, over which he had de facto discretion or control, during the period from April 1988 through April 1989, for the purpose of creating a false or misleading appearance of active trading in order to maintain the price of Central stock. The complaint also alleges that Accomando converted \$129,500 from the margin account of one of his customers.

Simultaneously with the filing of the complaint, Patsos consented to the issuance of permanent injunctions enjoining him from further aiding and abetting violations of the antifraud provisions of the federal securities laws and from further violations of Section 7(f) of the Exchange Act and Regulation X thereunder. [SEC v. Edward A. Accomando and Charles C. Patsos, No. 92-10778, D.Mass.] (LR-13222)

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## CRIMINAL PROCEEDINGS

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### WESLEY ALLEN DOUGLAS CAMPBELL PLEADS GUILTY

The Commission announced that on April 6 Wesley Allen Douglas Campbell (Campbell) pled guilty in the Court of Common Pleas, Franklin County, Ohio to a 21-count indictment. The indictment had charged him with one count of theft and 10 counts each of forgery and false statements concerning the value of securities in violation of Ohio securities laws. The indictment charged that Campbell defrauded a client of \$582,000 by forging the client's signature on certain checks. The indictment also charged that Campbell forged the client's signature on mutual fund withdrawal requests and made false statements concerning the value of securities in the client's account.

On October 1, 1991, the Commission obtained an Order of Permanent Injunction against Campbell and his registered investment adviser, Arlington Financial Services (AFS) and Arlington Financial Services of Columbus (AFS of Columbus). The complaint in that case alleged many of the same activities for which Campbell was indicted. The complaint charged Campbell with violating certain of the antifraud and books and records provisions of the federal securities laws. [State of Ohio v. Wesley Allen Douglas Campbell, Criminal Action No. 91CR. 10-5717] (LR-13221)

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## INVESTMENT COMPANY ACT RELEASES

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### NUVEEN MUNICIPAL BOND FUND, INC., ET AL.

A notice has been issued giving interested persons until May 4 to request a hearing on an application filed by Nuveen Municipal Bond Fund, Inc., et al. for a conditional order pursuant to Sections 6(c) and 17(d) of the Investment Company Act and Rule 17d-1 thereunder. The conditional order would permit the operation of a joint trading account for the purpose of investing in tax-exempt daily variable rate demand notes. (Rel. IC-18649 - April 8)

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## HOLDING COMPANY ACT RELEASES

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### CONSOLIDATED NATURAL GAS COMPANY

An order has been issued authorizing Consolidated Natural Gas Company, a registered holding company, to issue and sell through December 2001 up to a maximum of ten million shares of its common stock to the trustees of its employee savings plans. (Rel. 35-25512)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### WITHDRAWALS SOUGHT

A notice has been issued giving interested persons until April 27 to comment on the application of Circuit Systems, Inc. to withdraw its Common Stock, No Par Value, from listing and registration on the Boston Stock Exchange. (Rel. 34-30558)

A notice has been issued giving interested persons until April 27 to comment on the application of Hubbell Incorporated to withdraw its Class A Common Stock, \$.01 Par Value and Class B Common Stock, \$.01 Par Value, from listing and registration on the American Stock Exchange. (Rel. 34-30559)

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## SELF-REGULATORY ORGANIZATIONS

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### APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-CBOE-91-41) filed by the Chicago Board Options Exchange which requires each CBOE member to establish, maintain and enforce written policies and procedures reasonably designed to prevent the misuse of material, nonpublic information by such member or persons associated with that member. Publication of the proposal is expected in the Federal Register during the week of April 13. (Rel. 34-30557)

The Commission approved a proposed rule change (SR-NASD-91-50) filed by the National Association of Securities Dealers amending Schedule D to the NASD By-Laws to require real-time last sale trade reporting for NASDAQ securities. Publication of the proposal is expected in the Federal Register during the week of April 13. (Rel. 34-30569)

### AMENDMENTS TO PROPOSED RULE CHANGE

The Depository Trust Company filed amendments to a proposed rule change to make eligible for its book-entry delivery and other services all restricted securities eligible for transfer pursuant to Rule 144A under the Securities Act of 1933. Publication of the proposal is expected in the Federal Register during the week of April 13. (Rel. 34-30568)

### ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission has granted accelerated approval to a proposed rule change (SR-NYSE-92-09) filed by the New York Stock Exchange for the purposes of the April 16, 1992 expiration Friday only. The proposed rule change amends its procedures for handling market-on-close (MOC) orders on expiration Fridays to provide that no MOC order in any stock may be cancelled or reduced after 3:45 p.m. on expiration Fridays and to indicate that the NYSE will publish imbalances in the so-called pilot stocks as soon

as possible after 3:45 p.m. on those days. The proposed rule change also amends its procedures for handling MOC orders on expiration Fridays to provide that the 3:00 p.m. deadline for entry of MOC orders related to a strategy including any stock index futures will apply to all stock rather than only the pilot stocks. Publication of the proposal is expected in the Federal Register during the week of April 13. (Rel. 34-30570)

## 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.

- N-1A JACKSON NATIONAL CAPITAL MANAGEMENT FUNDS, 5901 EXECUTIVE DRIVE, LANSING, MI 48911 (517) 394-3400 - INDEFINITE SHARES. (FILE 33-46590 - MAR. 23) (BR. 17 - NEW ISSUE)
- S-18 CREWS STOCK INDEX FUND LP, 30100 CHARGIN BLVD SUITE 310, PEPPER PIKE, OH (216) 360-0686 - 200 (\$200,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 33-46848 - APR. 02) (BR. 11 - NEW ISSUE)
- S-3 OWENS CORNING FIBERGLASS CORP, FIBERGLASS TOWER, TOLEDO, OH 43659 (419) 248-8000 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE 33-46849 - APR. 06) (BR. 9)
- S-3 INDIANA MICHIGAN POWER CO, ONE SUMMIT SQ, P O BOX 60, FORT WAYNE, IN 46801 (219) 425-2111 - 100,000,000 (\$100,000,000) STRAIGHT BONDS. (FILE 33-46851 - APR. 06) (BR. 8)
- S-11 MID STATE TRUST III, RODNEY SQUARE NORTH, C/O WILMINGTON TRUST CO, WILMINGTON, DE 19899 (302) 651-1000 - 1,000,000 (\$1,000,000) STRAIGHT BONDS. UNDERWRITER: MERRILL LYNCH & CO. (FILE 33-46895 - APR. 01) (BR. 11 - NEW ISSUE)
- S-1 OPTICAL DATA SYSTEMS INC, 1101 E ARAPAHO ROAD, RICHARDSON, TX 75081 (214) 234-6400 - 500,000 (\$7,000,000) COMMON STOCK. 1,800,000 (\$25,200,000) COMMON STOCK. UNDERWRITER: PRUDENTIAL SECURITIES INC, VOLPE WELTY & CO. (FILE 33-46899 - APR. 01) (BR. 9 - NEW ISSUE)
- S-1 NUVEEN JOHN COMPANY, 333 W WACKER DR, CHICAGO, IL 60606 (312) 917-7700 - 9,200,000 (\$184,000,000) COMMON STOCK. UNDERWRITER: GOLDMAN SACHS & CO, NUVEEN JOHN & CO INC. (FILE 33-46922 - APR. 02) (BR. 12 - NEW ISSUE)
- S-8 FIRST WESTERN BANCORP INC, 101 E WASHINGTON ST, NEW CASTLE, PA 16103 (412) 652-8550 - 75,000 (\$1,546,875) COMMON STOCK. (FILE 33-46923 - APR. 02) (BR. 2)
- S-1 MENLO CARE INC, 1350 WILLOW ROAD, MENLO PARK, CA (415) 325-2500 - 2,530,000 (\$27,830,000) COMMON STOCK. UNDERWRITER: HAMBRECHT & QUIST INC, VOLPE WELTY & CO. (FILE 33-46931 - APR. 02) (BR. 8 - NEW ISSUE)
- S-2 ULTRA PAC INC, 21925 INDUSTRIAL BLVD, ROGERS, MN 55374 (612) 428-8340 - 550,000 (\$7,700,000) COMMON STOCK. 1 (\$50) WARRANTS, OPTIONS OR RIGHTS. 25,000 (\$448,000) COMMON STOCK. UNDERWRITER: CRAIG HALLUM INC. (FILE 33-46937 - APR. 03) (BR. 8)

REGISTRATIONS CONTINUED

- N-2 NUVEEN NEW YORK PREMIUM INCOME MUNICIPAL FUND INC, 333 W WACKER DR, CHICAGO, IL 60606 (312) 917-7810 - 100,000 (\$1,500,000) COMMON STOCK. UNDERWRITER: BROWN ALEX & SONS INC, NUVEEN JOHN & CO INC. (FILE 33-46938 - APR. 03) (BR. 18 - NEW ISSUE)
- N-2 NUVEEN CALIFORNIA PREMIUM INCOME MUNICIPAL FUND INC, 333 W WACKER DR, CHICAGO, IL 60606 (312) 917-7810 - 100,000 (\$1,500,000) COMMON STOCK. UNDERWRITER: BROWN ALEX & SONS INC, NUVEEN JOHN & CO INC. (FILE 33-46939 - APR. 03) (BR. 18 - NEW ISSUE)
- S-1 ALLIED BANK CAPITAL INC, 130 NORTH STEELE ST, SANFORD, NC 27330 (919) 775-7161 - 862,500 (\$9,918,750) COMMON STOCK. (FILE 33-46957 - APR. 02) (BR. 1 - NEW ISSUE)
- N-1A P&R INVESTMENT TRUST, 333 SOUTH GRAND AVENUE SUITE 3250, LOS ANGELES, CA 90071 - INDEFINITE SHARES. (FILE 33-46973 - APR. 02) (BR. 17 - NEW ISSUE)
- S-8 ALBANK FINANCIAL CORP, STATE & NORTH PEARL STS, ALBANY, NY 12207 (518) 445-2000 - 700,000 (\$8,050,000) COMMON STOCK. (FILE 33-46977 - APR. 03) (BR. 2)
- S-8 SURVIVAL TECHNOLOGY INC, 2275 RESEARCH BLVD, ROCKVILLE, MD 20850 (301) 926-1800 - 250,000 (\$5,250,000) COMMON STOCK. (FILE 33-46981 - APR. 03) (BR. 8)
- S-8 HOME SHOPPING NETWORK INC, 2501 118TH AVE NORTH, ST PETERSBURG, FL 33716 (813) 572-8585 - 1,000,000 (\$7,375,000) COMMON STOCK. (FILE 33-46982 - APR. 06) (BR. 2)

**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
AU BON PAIN INC	CL A		320	05010310	
DESAI CAPITAL MGMT INC ET AL	13D	3/30/92	3.0	3.8	UPDATE

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/ XOWNED	CUSIP/ PRIOR%	FILING STATUS
AUTOMOBILE PROTN CORP-APCO DAVIS J MORTON ET AL	COM 13D	3/ 9/92	490 8.7	05290510 25.6	UPDATE
CPC REXCEL INC EQUITY GROUP HOLDINGS ET AL	COM 13D	3/30/92	4,415 72.1	12615010 44.0	UPDATE
CAROLCO PICTURES INC NEW CAROLCO INVTMTS B V	COM 13D	3/25/92	10,637 35.6	14376310 36.1	RVISION
CAROLCO PICTURES INC PIONEER ELECTRONIC CORP ET AL	COM 13D	3/24/92	12,345 41.3	14376310 23.5	UPDATE
EMERSON RADIO CORP LANE STEPHEN L	COM 13D	4/ 1/92	181 0.5	29108710 6.0	UPDATE
GRAHAM CORP EHRMAN WILLIAM ET AL	COM 13D	3/31/92	109 10.5	38455610 7.6	UPDATE
HEXCEL CORP HEXAGON PARTNERS ET AL	COM 13D	4/ 7/92	424 5.9	42829010 9.7	UPDATE
JAKO INC PRIEST RICHARD J ET AL	COM 13D	3/31/92	1,514 43.2	47012220 43.2	UPDATE
LICON INTL INC FLEMING ALBERT ET AL	COM 13D	3/30/92	155 5.8	53169910 0.0	NEW
LICON INTL INC RETTIG GEORG ET AL	COM 13D	3/30/92	200 7.4	53169910 0.0	NEW
LIVE ENTERTAINMENT INC PIONEER ELECTRONIC CORP ET AL	COM 13D	3/24/92	6,393 52.9	53803210 0.0	NEW
LOMAS & NETTLETON MTG INVS WILLOWOOD PARTNERS ET AL	SHS BEN INT 13D	4/ 1/92	1,106 9.5	54153710 9.4	UPDATE
MEDICAL DYNAMICS INC ADAIR EDWIN L ET AL	COM PAR 0.001 13D	3/30/92	799 15.0	58490040 15.6	UPDATE
NEWBERRY BANCORP INC RANZINI JOSEPH L ET AL	CL A 13D	4/ 8/92	1,710 74.5	65066720 78.2	UPDATE
NICOLET INSTR CORP THERMO ELECTRON	COM 13D	3/30/92	563 7.5	65406110 0.0	NEW
OMNI CAPITAL GROUP INC TIGER ET AL	COM 13D	3/ 2/92	396 15.7	68299310 15.1	UPDATE
PUBLIC STORAGE PPTYS IV STORAGE EQUITIES	UTS LTD PRT INT 140-1	4/ 9/92	0 N/A	74599499 0.0	NEW

ACQUISITIONS CONT.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/%OWNED	CUSIP/PRIOR%	FILING STATUS
PUBLIC STORAGE PPTYS VIII STORAGE EQUITIES	UTS LTD PRT INT 14D-1	4/ 9/92	0 0.0	74599999 0.0	NEW
PUBLIC STORAGE PPTYS VII STORAGE EQUITIES	UTS LTD PRT INT 14D-1	4/ 9/92	0 0.0	77599599 0.0	NEW
SECURITY ENVIRONMNTL SYS INC CAMPBELL SANDERS H ET AL	COM NEW 13D	3/30/92	1,167 4.8	81499120 0.0	NEW
UNIVERSITY PATENTS INC INTER-PACIFIC LTD ET AL	COM 13D	3/25/92	799 15.5	91480210 18.1	RVISION
VIKING OFFICE PRODS INC DILLON REED & CO ET AL	COM 13D	3/25/92	4,165 21.6	92691310 23.4	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		
BELMAC CORP /FL/	FL	X								12/09/91	AMEND
BIOMEDICAL WASTE SYSTEMS INC	DE					X				01/24/92	AMEND
DIVERSIFIED COMMUNICATIONS INDUSTRIES LT	DE				X	X				03/11/92	
GENERAL MOTORS ACCEPTANCE CORP	NY				X					04/09/92	
RESIDENTIAL FUNDING MORTGAGE SECURITIES	DE				X					03/25/92	
SUNLITE INC	DE				X	X				03/24/92	AMEND
TELE COMMUNICATIONS INC	DE					X				01/21/92	AMEND