

sec news digest

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February 21, 1996

ENFORCEMENT PROCEEDINGS

COMMISSION IMPOSES SANCTIONS AGAINST WILLIAM MCCARTY, JR.

The Commission has issued an Order Making Findings and Imposing Remedial Sanctions against William R. McCarty, Jr. (McCarty), a registered investment adviser doing business as McCarty & Co. of Nashville, Tennessee. The Commission accepted McCarty's Offer of Settlement in which, without admitting or denying the Commission's findings, except for findings that he was registered as an investment adviser, McCarty consented to the revocation of his registration as an investment adviser and consented to be barred from association with any investment adviser, investment company, broker, dealer, or municipal securities dealer. Pursuant to his consent, McCarty was also ordered by the Commission to cease and desist from committing or causing any violation or future violation of Sections 204, 206(4), and 207 of the Advisers Act, and Rules 204-1(b)(1), 204-2(a), 204-3(a), and 206(4)-4(a)(2) thereunder. McCarty, a sole proprietor, became registered with the Commission as an investment adviser in May, 1993.

The order instituting public proceedings alleged that McCarty made untrue statements in his filings with the Commission, failed to state other facts which were required to be disclosed in such filings, and violated books and records provisions of the federal securities laws. The order further alleged that McCarty failed to amend his filings with the Commission to disclose sanctions which had been imposed by the National Association of Securities Dealers, Inc. (NASD) barring him from association with any NASD member, that he failed to disclose this information to his clients on a timely basis, and that he failed to deliver to his clients the required disclosure brochure. (Rel. IA-1552)

CORRECTION

The following is a revised notice concerning administrative release number 34-36854 published yesterday:

ADMINISTRATIVE PROCEEDINGS ORDERED AGAINST FORMER H.D. VEST COMPLIANCE OFFICER PATRICIA BELLOWS

The Commission announced on February 16 public administrative proceedings were instituted pursuant to Sections 15(b) and 21B of the Securities Exchange Act of 1934 (Exchange Act) against Patricia Ann Bellows, formerly an executive committee member and compliance officer of H.D. Vest Investment Securities, Inc. (H.D. Vest), a registered broker-dealer headquartered in Irving, Texas.

The Order Instituting Proceedings alleges that from at least May 1992 through August 1993, Bellows failed reasonably to supervise a registered representative, who was a person subject to the her supervision, with a view toward preventing violations of the antifraud provisions of the securities laws which supervision is required by Section 15(b)(4)(E) of the Exchange Act. The Order further alleges that Bellows failed to establish and implement reasonable supervisory procedures for the broker-dealer and failed to respond to indications of possible wrongdoing by one representative of the firm. (Rel. 34-36854)

ORDER OF PERMANENT INJUNCTION AND \$10,000 CIVIL PENALTY ENTERED AGAINST JOHN ANDERSON IN CONNECTION WITH ACCOUNTING FRAUD AT PHAR-MOR

The Commission announced that an Agreed Order of Permanent Injunction was entered against John Anderson on January 10 by the Honorable Kathleen O'Malley, District Court Judge for the Northern District of Ohio. The Order enjoins Anderson from violating the antifraud provisions of the federal securities laws. Additionally, the Order imposes a \$10,000 civil penalty against Anderson. Previously, on May 2, 1995, the Commission filed a complaint against Anderson, as well as Jeffrey Walley, Patrick Finn and Michael Monus, alleging violations of the antifraud provisions of the securities laws. The complaint alleged that from at least 1987 through 1992, Monus, Finn and Anderson, and, beginning in July 1990, Walley, while employed at Phar-Mor, Inc., engaged in a fraudulent scheme in which they falsified Phar-Mor's books, records and financial statements in order to artificially increase corporate profits. As a result of the defendants' fraudulent activities, from fiscal year 1987 through 1991, Phar-Mor cumulatively overstated income by \$290 million. In fiscal year 1992, the year in which the fraud was detected, Phar-Mor overstated income by approximately \$238 million. [SEC v. Michael Monus, et al., N.D. OH., Case No. 4:95 CV 975] (LR-14819; AAE Rel. 761)

INVESTMENT COMPANY ACT RELEASES

SELECT MANAGED FUND, INC.

An order has been issued pursuant to Section 8(f) of the Investment Company Act declaring that Select Managed Fund, Inc. has ceased to be an investment company. (Rel. IC-21756 - February 20)

SELECT CAPITAL GROWTH FUND, INC.

An order has been issued pursuant to Section 8(f) of the Investment Company Act declaring that Select Capital Growth Fund, Inc. has ceased to be an investment company. (Rel. IC-21757 - February 20)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

A proposed rule change filed by the Chicago Stock Exchange to allow the CHX to act as agent for its members and member organizations in certain instances (SR-CHX-96-05) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of February 19. (Rel. 34-36851)

The Midwest Clearing Corporation and the Midwest Securities Trust Company filed proposed rule changes (SR-MCC-96-01 and SR-MSTC-96-01) under Section 19(b)(3)(A) of the Securities Exchange Act. The proposed rule changes, which became effective upon filing, relate to the termination dates for services provided by MCC and MSTC. Publication of the proposal is expected in the Federal Register during the week of February 19. (Rel. 34-36856)

APPROVAL OF PROPOSED RULE CHANGE

The Commission has approved a proposed rule change (SR-Amex-95-38) by the American Stock Exchange which provides that proprietary transactions in currency warrants shall be governed by, and effected in accordance with, Amex Rule 958 (Options Transactions of Registered Traders). Publication of the approval order is expected in the Federal Register during the week of January 20. (Rel. 34-36852)

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		
ABLE TELCOM HOLDING CORP	FL								X	12/08/95	AMEND
ADVANCED MAMMOGRAPHY SYSTEMS INC	DE	X							X	02/04/96	
ALTERNATE POSTAL DELIVERY INC	MI	X							X	01/24/96	
ALUMAX INC	DE	X							X	01/31/96	
AMERICAN ENTERTAINMENT GROUP INC	CO					X				02/08/96	
AMERICAN EXP REC FIN COR AME EXP MAS TR	DE	X		X	X					01/17/96	
AMERICAN EXP REC FIN COR AME EXP MAS TR	DE	X		X	X					01/17/96	
AMERICAN EXP REC FIN COR AME EXP MAS TR	DE	X		X	X					01/17/96	
AMERICAN EXP REC FIN CORP AME EXP MAS TR	DE	X		X	X					01/17/96	
AMERICAN EXP REC FIN CORP AME EXP MAS TR	DE	X		X	X					01/17/96	
AMERICAN EXPRESS RECEIVABLES FINANCING C	DE	X		X	X					01/17/96	
APAC TELESERVICES INC	IL				X	X				02/09/96	
AVIC GROUP INTERNATIONAL INC/	CO					X				02/05/96	
BPI PACKAGING TECHNOLOGIES INC	DE					X	X			01/26/96	
CAPITAL REALTY INVESTORS III LTD PARTNER	MD	X								02/02/96	
CARSON PIRIE SCOTT & CO /IL/	IL				X	X				02/05/96	
CASPEN OIL INC	NV	X								02/08/96	
CBL & ASSOCIATES PROPERTIES INC	DE					X				02/09/96	
CENTER BANCORP INC	NJ					X	X			02/14/96	
CENTER BANKS INC	DE	X					X			02/02/96	
CHAMPION INTERNATIONAL CORP	NY					X				02/07/96	
CHASE MANHATTAN BANK NA CHASE MAN GRAN T						X	X			01/16/96	
CHASE MANHATTAN BANK NA CHASE MAN GRAN T						X	X			01/16/96	
CHECKPOINT SYSTEMS INC	PA							X		11/30/95	AMEND
CHEMICAL BANK	NY					X	X			01/23/96	
CITIBANK CREDIT CARD MASTER TRUST I	DE					X				12/31/95	
CITIBANK SO DAKOT NA CITIB CR CA MA TR I						X				12/31/95	
CITIBANK SO DAKOT NA CITIB CR CA MA TR I						X				12/31/95	
CITIBANK SO DAKOTA NA CITBK CR CA MA TR						X				12/31/95	
CITIBANK SOUTH DAKOTA NA CITIBANK CREDIT	DE					X				12/31/95	
CITIBANK SOUTH DAKOTA NA CITIBK CR CA MA	DE					X				12/31/95	
CITIBANK SOUTH DAKOTA NA CITIBK CR CA MA	DE					X				12/31/95	

8&K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8&K ITEM NO.								DATE	COMMENT	
		1	2	3	4	5	6	7	8			
GEODYNE ENERGY INCOME LIMITED PARTNERSHI	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP I-	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP I-	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP I-	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP I-	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP I-	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GEODYNE ENERGY INCOME LTD PARTNERSHIP II	OK					X					01/16/96	
GOLF ENTERPRISES INC /DE/	KS					X		X			02/06/96	
GORAN CAPITAL INC						X					01/31/96	
GRAPHIX ZONE INC	CA					X		X			02/02/96	
H E R C PRODUCTS INC	DE							X			02/05/96	
HANNAFORD BROTHERS CO	ME		X								02/13/96	
HEALTH CARE PROPERTY INVESTORS INC	MD					X		X			02/21/96	
HMM FINANCIAL INC	DE					X		X			02/09/96	
HOME BANCORP/IN	IN					X					02/07/96	
HOUSEHOLD FINANCE CORP HOUSEHOLD CONSUME								X			11/14/95	
HUBCO INC	NJ					X		X			02/06/96	
IES INDUSTRIES INC	IA					X		X			02/09/96	
IES UTILITIES INC	IA					X		X			02/09/96	
IMPERIAL THRIFT & LOAN ASSOCIATION	CA					X		X			02/06/96	
INDUSTRIAL TECHNOLOGIES INC	DE					X					01/23/96	
INNOVO GROUP INC	DE					X			X		01/29/96	
INTERIM SERVICES INC	DE		X					X			12/15/96AMEND	
INTERNATIONAL CABLETEL INC	DE					X		X			02/06/96	
INTERNATIONAL MERCANTILE CORP	MO		X	X		X					12/22/95	
INTERNEURON PHARMACEUTICALS INC	DE		X					X			02/07/96AMEND	
KINARK CORP	DE		X			X		X			02/05/96	
LABORATORY CORP OF AMERICA HOLDINGS	DE					X		X			02/13/96	
LEHMAN ABS CORP	DE		X								12/31/99	
LIBERTY HOUSING PARTNERS LTD PARTNERSHIP	MA					X					12/23/95AMEND	
LIBERTY HOUSING PARTNERS LTD PARTNERSHIP	MA					X					02/01/96AMEND	
LIFE BANCORP INC	VA		X					X			01/31/96	
LOEWEN GROUP INC						X		X			02/06/96	
LUKENS INC /DE/	DE					X		X			01/25/96	
MACDERMID INC	CT							X			12/05/95AMEND	
MAPCO INC	DE					X		X			02/14/96	
MARBLEDGE GROUP INC	DE		X			X					02/01/96	
MAYBELLINE INC	DE					X					02/02/96	
MIDAMERICAN ENERGY CO	IA							X			02/20/96	
MONTEREY PASTA CO	CA					X		X			02/08/96	
MORELLIS NONA II INC	CO						X	X			01/22/96	
MORRISON KNUDSEN CORP	DE					X					02/19/96	
MSB BANCORP INC /DE	DE					X		X			01/31/96	
NATIONAL CAPITAL MANAGEMENT CORP	DE					X					02/12/96	
NORWEST CORP	DE					X		X			02/20/96	
OTTAWA FINANCIAL CORP						X		X			01/31/96	
PEDIATRIX MEDICAL GROUP INC	FL		X					X			01/29/96	
PIONEER RAILCORP	IA		X								02/20/96	