

sec news digest

Issue 96-105

June 5, 1996

ENFORCEMENT PROCEEDINGS

ADMINISTRATIVE PROCEEDINGS INSTITUTED AGAINST FORMER PARTNERS OF MOORE AND SCHLEY

The Commission has instituted public administrative proceedings pursuant to Sections 15(b) and 19(h) of the Securities Exchange Act of 1934 (Exchange Act) against Robert Sayegh (Sayegh), Thomas Core (Core), and John J. Cranley (Cranley), former partners at Moore & Schley, Cameron & Co., a now defunct broker-dealer firm whose offices were located at 45 Broadway, New York, New York.

The Order Instituting Public Proceedings (Order) alleges that, between September 1987 and February 1989, Sayegh, the over-the-counter trader at Moore & Schley, Core, the branch manager of the 45 Broadway office and Cranley, the firm's managing partner, participated in a fraudulent scheme to manipulate the price of American Depositary Receipts of the Institute of Clinical Pharmacology, an Irish corporation. The Order further alleges that Cranley and Core, between August and December 1988, participated in a course of conduct to manipulate the stock of Chase Medical Group, Inc.

On November 1, 1994, Cranley and CORE were each enjoined, by consent, in the United States District Court for the Southern District of New York from violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder (SEC v. Militano, JFK, SDNY).

On November 1, 1995, Judge John F. Keenan made findings, after a two week trial, that Sayegh violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder in connection with his conduct in manipulating the price of ICP ADRs between September 1987 and February 1989 and permanently enjoined Sayegh from future violations of these provisions.

A hearing will be scheduled to determine if the allegations against Cranley, Core and Sayegh are true and, if so, what remedial sanctions, if any, are appropriate against each of them in light of their conduct and the injunctions entered against them. (Rel. 34-37272)

PERMANENT INJUNCTION AGAINST MICHAEL FOUSSE

On February 22, the Honorable G. Ernest Tidwell, United States District Judge for the Northern District of Georgia, entered an order of permanent injunction, enjoining Michael J. Fousse (Fousse) from violating Section 5 and Section 17(a) of the Securities Act of 1933, and Section 15(a)(1) and Section 10(b) of the Securities Exchange Act of 1934 and Rules 10b-5 thereunder.

The defendant consented to the relief without admitting or denying the allegations set forth in a complaint filed by the Commission on September 23, 1994. The Court further ordered Fousse to pay disgorgement in the amount of \$37,200, including pre-judgment interest but waived payment of the disgorgement and declined to impose civil penalties based upon sworn representations by Fousse concerning his inability to pay said amounts.

The Commission alleged that the defendants violated the registration, antifraud and broker-dealer registration requirements of the federal securities laws in the offering of common stock. Rand Instrument Corporation was purportedly in the business of developing and selling night vision equipment for military applications to the United States government and to foreign governments. Fousse was employed at Rand Instrument Corporation as assistant vice president of investment from October 1992 until the middle of 1993. [SEC v. Rand Instrument Corporation, Alan E. Rand, Cathleen M. Kane, Gary L. Kane, Michael J. Fousse, Kevin Sakser, Alan Whiteside, and Joshua A. Alvarez, N.D. Ga., Civil Action No. 1:94-DV-2539-GET] (LR-14930)

INVESTMENT COMPANY ACT RELEASES

SIERRA ASSET MANAGEMENT TRUST, ET AL.

A notice has been issued giving interested persons until June 27 to request a hearing on an application filed by Sierra Asset Management Trust (Trust), et al. for an order under Section 6(c) of the Investment Company Act exempting applicants from Section 12(d)(1) of the Act and under Sections 6(c) and 17(b) of the Act exempting applicants from Section 17(a) of the Act. The requested order would permit the Trust to operate as a "fund of funds." (Rel. IC-22001 - June 3)

MINORCO S.A.

An order has been issued on an application filed by Minorco S.A. under Section 3(b)(2) of the Investment Company Act declaring applicant to be primarily engaged in a business other than that of investing, reinvesting, owning, holding, or trading in securities. (Rel. IC-22002; IS-991 - June 4)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

A proposed rule change (SR-CBOE-96-33) filed by the Chicago Board Options Exchange has become immediately effective. The proposed rule change adds Interpretation .06 to Rule 24.9, Terms of Index Option Contracts, concerning the addition of strike prices for options on the Mexican Indice de Precious y Cotizaciones. Publication of the notice is expected in the Federal Register during the week of June 10. (Rel. 34-37257; IS-989)

A proposed rule change (SR-CBOE-96-26) filed by the Chicago Board Options Exchange to set forth its interpretation of the meaning of an existing Exchange rule concerning the obligation of a floor broker to continuously represent certain orders at the trading station where the option class is traded, has become immediately effective. Publication of the notice is expected in the Federal Register during the week of June 10. (Rel. 34-37264)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission granted accelerated approval to a proposed rule change submitted by the Chicago Stock Exchange, (SR-CHX-96-13) to modify the hours of its Primary Trading Session and to adopt a Post Primary Trading Session. (Rel. 34-37265)

AMENDMENT TO APPLICATION FOR EXEMPTION FROM REGISTRATION

The Commission granted the Arizona Stock Exchange (AZX) an amendment to its application for exemption from registration as an exchange to permit AZX to operate a single auction during regular trading hours; and to make technical corrections to the original exemption order to conform to changes in the operation of the system since the original order was issued and clarify reporting requirements applicable to AZX under the original order. (Rel. 34-37271)

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 following companies 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		
ACE LTD						X	X			06/04/96	
ADDINGTON RESOURCES INC	DE					X	X			05/31/96	
ADELPHIA COMMUNICATIONS CORP	DE					X	X			04/12/96	
ADVANCED DEPOSITION TECHNOLOGIES INC	MA					X				05/31/96	
ADVANCED NMR SYSTEMS INC	DE					X	X			05/30/96	
ALLIED DIGITAL TECHNOLOGIES CORP	DE				X		X			05/28/96	
ALLIED WASTE INDUSTRIES INC	DE		X				X			05/17/96	
ANACOMP INC	IN			X			X			05/20/96	
ANTARES RESOURCES CORP	NY						X			01/01/95AMEND	
APACHE CORP	DE		X				X			05/20/96	
ARCH COMMUNICATIONS GROUP INC	DE		X				X			05/21/96	
ASHTON TECHNOLOGY GROUP INC	DE				X					06/03/96	
AVERT INC	CO	X								06/03/96	
BANC ONE AUTO GRANTOR TRUST 1996-A	NY					X	X			05/15/96	
BENEFICIAL MORTGAGE CORP	DE	X								05/28/96	
BURLINGTON NORTHERN SANTA FE CORP	DE					X				06/04/96	
BURLINGTON RESOURCES INC	DE					X	X			06/04/96	
CALPINE CORP	CA		X				X			05/01/96AMEND	
CAPSURE HOLDINGS CORP	DE		X			X	X			06/03/96	
CARACO PHARMACEUTICAL LABORATORIES LTD	MI	X								05/13/96	
CARSON PIRIE SCOTT & CO /IL/	IL					X				05/16/96	
CASINO AMERICA INC	DE						X			05/03/96AMEND	
CATERPILLAR INC	DE					X				06/03/96	
CHARTER COMMUNICATIONS INTERNATIONAL INC	CO						X			03/21/96AMEND	
CHINA INDUSTRIAL GROUP INC	CO		X				X			05/18/96	
CLINTON GAS SYSTEMS INC	OH					X	X			05/24/96	
CNL AMERICAN PROPERTIES FUND INC	MD	X								04/24/96	
CO COUNSEL INC						X	X			06/04/96	
COACH USA INC	DE		X				X			05/17/96	
COASTAL CARIBBEAN OILS & MINERALS LTD	DO					X	X			05/31/96	
COCA COLA ENTERPRISES INC	DE					X	X			06/04/96	
COLLINS & AIKMAN CORP	DE					X	X			06/01/96	
COMDIAL CORP	DE		X				X			03/20/96AMEND	
COMFORCE CORP	DE						X			05/23/96AMEND	
COMMUNITY BANKSHARES INC /NH/	NH		X				X			03/20/96AMEND	
CORPORATE PROPERTY ASSOCIATES 5	CA		X				X			04/09/96	
CORTEX PHARMACEUTICALS INC/DE/	DE					X	X			05/16/96	
COTY INC /DE/	DE					X	X			05/30/96	
CROWN PACIFIC PARTNERS L P	DE		X				X			05/15/96	
CYPRESS EQUIPMENT FUND LTD	FL		X							03/15/96	
D M MANAGEMENT CO	DE					X	X			05/20/96	
DATA NATIONAL CORP	CO					X				05/15/96	
DELTA & PINE LAND CO	DE		X							05/20/96	
DIRECT CONNECT INTERNATIONAL INC	DE		X							05/28/96	
DISC GRAPHICS INC /DE/	DE		X				X			05/18/96	
DLB OIL & GAS INC	OK					X	X			05/07/96	
ELECTRONIC SYSTEMS TECHNOLOGY INC	WA					X				05/14/96	
ELTRAX SYSTEMS INC	MN		X				X			03/17/96	
EQCC ASSET BACKED CORP	DE					X	X			05/15/96	
EQCC RECEIVABLES CORP	DE					X	X			05/15/96	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
EQUICON MORTGAGE LOAN TRUST 1995-2	NY	X								05/20/96	
EQUIVANTAGE ACCEPTANCE CORP	DE				X					06/04/96	
FAMILY GOLF CENTERS INC	DE				X					05/20/96	
FEMALE HEALTH CO	WI			X						05/30/96	
FIRST COLONY CORP	VA				X	X				06/04/96	
FIRST MISSISSIPPI CORP	MS				X					05/21/96	
FLUKE CORP	WA	X								05/29/96	
FRUEHAUF TRAILER CORP	DE				X					06/04/96	
GANDER MOUNTAIN INC	DE		X				X			05/17/96	
GEORGIA BONDED FIBERS INC	NJ		X							06/02/96	
GLOBAL CASINOS INC	UT				X					05/29/96	
GLOBAL MARINE INC	DE				X					06/03/96	
GLOBAL VILLAGE COMMUNICATION INC	DE				X	X				05/22/96	
GREEN TREE FINANCIAL CORP	MN				X	X				03/15/96AMEND	
HAUPPAUGE DIGITAL INC	DE				X					06/03/96	
HEALTHSOURCE INC	NH				X					05/31/96	
HIGHLANDS INSURANCE GROUP INC	DE				X					05/14/96	
HIGHWOODS PROPERTIES INC	MD					X				07/12/95AMEND	
HIGHWOODS PROPERTIES INC	MD					X				04/01/96AMEND	
HIGHWOODS PROPERTIES INC	MD					X				04/29/96AMEND	
HOMELAND HOLDING CORP	DE	X								05/31/96	
HOUSEHOLD INTERNATIONAL INC	DE				X	X				06/03/96	
ICH CORP /DE/	DE				X	X				05/20/96	
IMAGE INDUSTRIES INC	DE				X	X				05/31/96	
IMAGE SOFTWARE INC	CO				X					05/31/96	
INTERNATIONAL PAPER CO /NEW/	NY				X	X				05/31/96	
IPC HOLDINGS LTD					X	X				06/03/96	
ISB FINANCIAL CORP/LA	LA				X	X				05/24/96	
JEFFERSON BANCORP INC /LA/	LA				X	X				05/24/96	
LYDALL INC /DE/	DE				X	X				06/04/96	
LYNCH CORP	IN					X				10/04/95AMEND	
MADISON BANCSHARES GROUP LTD	PA				X	X				05/21/96	
MANOR CARE INC/NEW	DE				X	X				06/04/96	
MARINE DRILLING COMPANIES INC	TX				X	X				06/03/96	
MATZEL & MUMFORD MORTGAGE FUNDING INC	NJ				X	X				06/03/96	
MAXIM GROUP INC /	DE				X	X				05/31/96	
MCDONNELL DOUGLAS CORP	MD				X	X				05/31/96	
MERIT SECURITIES CORP	VA	X	X	X	X	X	X	X	X	05/30/95	
MERIT STUDIOS INC	DE				X					05/20/96	
MICHIGAN FINANCIAL CORP	MI				X					05/29/96	
MID PENINSULA BANCORP	CA				X					05/22/96	
NASHUA CORP	DE		X				X			05/20/96	
NETWORK LONG DISTANCE INC	DE		X				X			05/31/96	
NEW WORLD COMMUNICATIONS GROUP INC	DE				X	X				05/22/96	
NEW WORLD POWER CORPORATION	DE				X	X				05/31/96	
NEW WORLD TELEVISION INC	DE				X	X				05/22/96	
NORTH BANCSHARES INC	DE	X								06/03/96	
NORTHROP GRUMMAN CORP	DE						X			03/01/96AMEND	
NWCG HOLDINGS CORP	DE				X	X				05/22/96	
OHSL FINANCIAL CORP	DE				X	X				05/29/96	
OKLAHOMA GAS & ELECTRIC CO	OK				X					06/03/96	
ORTEL CORP/DE/	DE						X			03/14/96AMEND	
PARAGON GROUP INC	MD				X	X				06/03/96	
PHYSICIAN SUPPORT SYSTEMS INC	DE		X				X			05/21/96	
POLISH TELEPHONES & MICROWAVE CORP	TX		X				X			05/17/96	
PRESIDENTIAL LIFE CORP	DE				X					06/03/96	

8K REPORTS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
PRIDE PETROLEUM SERVICES INC	LA		X							04/30/96	AMEND
PRIME MEDICAL SERVICES INC /TX/	DE							X		06/04/96	AMEND
PRONET INC /DE/	DE							X		04/07/96	
PSINET INC	NY				X	X				05/08/96	
REGIONS FINANCIAL CORP	DE				X	X				06/04/96	
RENT WAY INC	PA				X					05/31/96	
REYNOLDS & REYNOLDS CO	OH		X					X		05/17/96	
ROBERTS PHARMACEUTICAL CORP	NJ					X				05/31/96	
ROTECH MEDICAL CORP	FL							X		04/01/96	AMEND
SALTON MAXIM HOUSEWARES INC	DE					X				06/03/96	
SARGENT INC	DE	X	X							05/11/96	
SEARS CREDIT ACCOUNT MASTER TRUST II	NY				X	X				06/03/96	
SECURITY CAPITAL CORP/DE/	DE		X					X		05/17/96	
SECURITY CHICAGO CORP	DE					X				05/28/96	
SECURITY DYNAMICS TECHNOLOGIES INC /DE/	DE						X	X		05/21/96	AMEND
SOVEREIGN BANCORP INC	PA				X	X				05/31/96	
SPANLINK COMMUNICATIONS INC	MN				X					05/28/96	
SPARTA PHARMACEUTICALS INC	DE				X	X				05/15/96	
SPELLING ENTERTAINMENT GROUP INC	DE				X	X				05/21/96	
SPORT SUPPLY GROUP INC ET AL	DE	X			X	X				05/20/96	
ST LAWRENCE SEAWAY CORP	IN					X				03/31/96	
SUMMIT BANCORP /NJ/	NJ				X	X				06/04/96	
TELXON CORP	DE				X	X				05/21/96	
TOWER AUTOMOTIVE INC	DE							X		05/30/96	AMEND
TRINOVA CORP	OH				X	X				05/29/96	
TRUSTCO BANK CORP N Y	NY				X					05/21/96	
TRYON MORT FUND COMMERCIAL MORT PASS THR						X	X			05/21/96	
UNITED ASSET MANAGEMENT CORP	DE	X								05/31/96	
UNITED CITIES GAS CO	IL				X					05/31/96	
UNITED SECURITY BANCSHARES INC	AL		X					X		05/31/96	AMEND
UNITED STATES SURGICAL CORP	DE				X	X				06/04/96	
UNOCAL CORP	DE				X					06/03/96	
VARIETY CORP	DE				X	X				05/31/96	
VTEL CORP	DE							X		05/23/96	
WELLPOINT HEALTH NETWORKS INC /CA/	CA	X	X					X		05/20/96	
WEST COAST ENTERTAINMENT CORP	DE		X		X	X				05/17/96	
ZIEGLER COLLATERALIZED SECURITIES INC	WI	X								12/31/96	
ZILA INC	DE					X				06/03/96	