

# sec news digest

Issue 95-195

October 10, 1995

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## ENFORCEMENT PROCEEDINGS

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### COMPLAINT FILED IN PRIME BANK CASE

The Commission filed a complaint on August 24, 1995 in the United States District Court for the Eastern District of North Carolina seeking preliminary and permanent injunctions and other equitable relief against Jerome E. Pinckney of Wilmington, North Carolina, Richard L. Arnold of Raleigh, North Carolina, Donald E. Elder of Hilton Head, South Carolina, Fernando Cruz of Linden, New Jersey, Shaun K.R. Maxwell of Auburn, Washington, Anthony Bukovich, Jr. of Tampa, Florida, and Six Capital Corporation, a Florida corporation, for violations of the antifraud provisions of the federal securities laws.

The complaint alleges that the defendants defrauded investors by making numerous misrepresentations and omissions of material fact in connection with the offer of two investment contracts based on the purchase and sale of so-called "prime bank securities." The first offer promised a 9% weekly return, guaranteed by a top U.S. bank or trust, and required a \$10 million minimum investment which would remain 100% safe in the investors' bank account. Several defendants offered a second prime bank investment requiring an \$870,000 minimum investment, purportedly to be used to purchase and sell discounted guarantees issued by the top fifteen banks in western Europe. The second offer, which was interrupted by the staff's investigation, promised that a major U.S. brokerage firm would repurchase the bank guarantees after a mark up. Investors were asked to execute a Limited Power of Attorney providing access to their funds in both schemes. [SEC v. Jerome E. Pinckney, Richard L. Arnold, Donald E. Elder, Fernando Cruz, Shaun K.R. Maxwell, Anthony Bukovich, Fr., and Six Capital Corporation, Civil Action No. 7:95-CV-122-BR(1), E.D.N.C.] (LR-14660)

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## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGES

The Chicago Board Options Exchange filed a proposed rule change (SR-CBOE-95-49) relating to telephones on the floor of the Exchange. Publication of the notice is expected in the Federal Register during the week of October 9. (Rel. 34-36331)

The Chicago Board Options Exchange filed a proposed rule change (SR-CBOE-95-48) and, on October 3, filed Amendment No. 1 thereto, relating to the use of proprietary brokerage order routing terminals on the floor of the Exchange. Publication of the notice is expected in the Federal Register during the week of October 9. (Rel. 34-36332)

The Chicago Board Options Exchange filed a proposed rule change (SR-CBOE-95-33) relating to an amendment to the Exchange's crossing rule. Publication of the notice is expected in the Federal Register during the week of October 9. (Rel. 34-36343)

#### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

The International Securities Clearing Corporation filed a proposed rule change (SR-ISCC-95-04), which became effective upon filing, relating to adding an additional service provider to the Global Clearance Network Service. Publication of the proposed rule change is expected in the Federal Register during the week of October 9. (Rel. 34-36339)

The MBS Clearing Corporation filed a proposed rule change (SR-MBSCC-95-06), which became effective upon filing, to modify the Original Notification Message Processing Fees for the Electronic Pool Notification Service. Publication of the proposal is expected in the Federal Register during the week of October 9. (Rel. 34-36340)

#### APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change and issued notice of filing and granted accelerated approval to Amendment No. 1 to proposed rule change submitted by the Philadelphia Stock Exchange (SR-Phlx-95-51) to increase the requirements placed on the securities trading accounts of employees of member and participant organizations. (Rel. 34-36341)

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#### SECURITIES ACT REGISTRATIONS

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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 HILLS STORES CO /DE/, 15 DAN RD, CANTON, MA 02021 (617) 821-1000 - 198,272 (\$2,156,208) COMMON STOCK. (FILE 33-63137 - OCT. 02) (BR. 2)

S-3 TELE COMMUNICATIONS INC /CO/, 5619 DTC PARKWAY, ENGLEWOOD, CO 80111 (303) 267-5500 (FILE 33-63139 - OCT. 02) (BR. 7)

RECENT 8-K 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	8-K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
ADVO INC	DE					X		X		09/26/95	
AMERICAN NATIONAL BANKSHARES INC	VA	X								09/26/95	
APPLIED LASER SYSTEMS /CA	CA				X	X				10/02/95	
ATS MONEY SYSTEMS INC	NV			X		X				09/29/95	
AUTOCLAVE ENGINEERS INC	PA	X								09/22/95	
AVIVA PETROLEUM INC /TX/	TX			X	X					10/04/95	
BANK OF KENTUCKY FINANCIAL CORP	KY			X						09/30/95	
BANPONCE CORP	PR			X	X					10/06/95	
BANYAN SHORT TERM INCOME TRUST	MA	X								06/09/95	
BEAL FINANCIAL CORP	TX			X	X					09/26/95	
BULL & BEAR GROUP INC	DE	X								10/06/95	
BURLINGTON COAT FACTORY WAREHOUSE CORP	DE			X						09/29/95	
BURLINGTON NORTHERN INC/DE/	DE	X				X				09/22/95	
BURLINGTON NORTHERN RAILROAD CO	DE	X				X				09/22/95	
BURLINGTON NORTHERN SANTE FE CORP	DE	X				X				09/22/95	
CAMERON FINANCIAL CORP /DE/	DE			X	X					09/28/95	
CENTRAL COAST BANCORP	CA			X	X					10/04/95	
CENTURA BANKS INC	NC			X	X					10/04/95	
CENTURY SOUTH BANKS INC	GA			X						10/04/95	
CHAMPION INDUSTRIES INC	WV	X				X				10/04/95	
CONSOLIDATED PRODUCTS INC /IN/	IN			X	X					09/27/95	
CYGNUS INC /DE/	CA			X	X					09/11/95	
DIAMOND CABLE COMMUNICATIONS PLC			X			X				09/27/95	
DIAMOND MULTIMEDIA SYSTEMS INC	DE	X				X				09/20/95	
DISCOVER CARD MASTER TRUST I	DE			X	X					09/28/95	
DR STRUCT FIN COR DR SECURIT LEA TR PA T	DE					X				10/05/95	
DR STRUCTURED FIN CORP DR SEC LE TR PA T						X				10/05/95	
DR STRUCTURED FINANCE CORP	DE					X				10/05/95	
ENTOURAGE INTERNATIONAL INC	TX			X						09/29/95	
EVEREN CAPITAL CORP	DE			X						10/03/95	
FALCON DRILLING CO INC	DE	X				X				09/21/95	
FIRST MISSISSIPPI CORP	MS	X				X				09/24/95	
FP BANCORP INC	CA			X						09/13/95	
GALEY & LORD INC	DE			X						09/22/95	
GIBSON GREETINGS INC	DE		X							10/03/95	
GREENPOINT FINANCIAL CORP	DE	X				X				09/22/95	
GRIP TECHNOLOGIES INC						X				09/22/95AMEND	

RECENT BK REPORTS COM'T

NAME OF ISSUER	STATE CODE	BK ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
HARRYS FARMERS MARKET INC	GA			X	X					09/23/95	
HIBERNIA CORP	LA			X						09/07/95	
HOUGHTON MIFFLIN CO	MA			X						09/25/95	
HUNTCO INC	MO			X						10/06/95	
INSCI CORP	DE				X					09/29/95	
INSCI CORP	DE			X						09/29/95	
INTELLICHIP HOLDINGS CORP	DE			X						09/20/95	
INTERNATIONAL REMOTE IMAGING SYSTEMS INC	DE			X						09/29/95	
JERRYS INC	FL	X				X				02/02/95	
JOHNSTON INDUSTRIES INC	DE						X			09/22/95	
JOHNSTOWN AMERICA INDUSTRIES INC	DE			X	X					10/04/95	
KEYCORP /NEW/	OH			X	X					09/27/95	
KULICKE & SOFFA INDUSTRIES INC	PA	X			X					10/02/95	
LCI INTERNATIONAL INC /VA/	DE	X			X					08/22/95	AMEND
MANAGEMENT TECHNOLOGIES INC	NY			X	X					08/31/95	
MANAGEMENT TECHNOLOGIES INC	NY				X	X				10/06/95	
MARGATE INDUSTRIES INC	DE			X		X				10/03/95	
MAXXAM INC	DE			X						09/08/95	
MERIT SECURITIES CORP SERIES 3				X	X					09/28/95	
MERIT SECURITIES CORP SERIES 4				X	X					09/28/95	
MIDISOFT CORPORATION	WA			X						09/21/95	
MINNESOTA POWER & LIGHT CO	MN			X						09/26/95	
NATIONAL AUTO CREDIT INC	DE			X	X					10/02/95	
NORTH AMERICAN TRUST INC	MD	X		X	X					09/20/95	
NORTH AMERICAN VACCINE INC				X						09/16/95	
PACIFIC REHABILITATION & SPORTS MEDICINE	DE	X		X	X					07/21/95	AMEND
PACIFIC REHABILITATION & SPORTS MEDICINE	DE			X						10/01/95	
PAGES INC /OH/	DE			X						10/06/95	
PENNSYLVANIA POWER & LIGHT CO /PA	PA	X								10/06/95	
PENRIL DATACOMM NETWORKS INC	DE	X				X				09/22/95	
PNC MORTGAGE SECURITIES CORP	DE			X						09/29/95	
PONDER INDUSTRIES INC	DE			X						10/04/95	
PORTLAND GENERAL CORP /OR	OR			X						10/05/95	
PORTLAND GENERAL ELECTRIC CO /OR/	OR			X						10/05/95	
PP&L RESOURCES INC	PA	X								10/06/95	
RANCON REALTY FUND II	CA	X								08/08/95	
REALTY INCOME CORP	DE			X	X					09/29/95	
REPTON ELECTRONICS INC	FL			X		X				07/26/95	AMEND
REXON INC	DE		X			X				09/13/95	
ROSES STORES INC	DE	X								09/02/95	
RPM INC/OH/	OH	X				X				07/24/95	AMEND
SANTA FE PACIFIC CORP	DE	X				X				09/22/95	
SECURITIZED ASSET SALES INC MOR CERT BAC				X	X					09/25/95	
SECURITIZED ASSET SALES INC MORT CERT BA	NY			X	X					09/25/95	
SECURITIZED ASSET SALES INC MORT PAS THR				X	X					09/25/95	
SINCLARE GROUP INC	DE	X				X				08/16/95	
SOUTHEASTERN PUBLIC SERVICE CO	DE	X								09/22/95	
SPECIALIZED HEALTH PRODUCTS INTERNATIONAL	DE			X	X					09/01/95	
STANDISH CARE CO	DE			X						09/18/95	
SUN SPORTSWEAR INC	WA			X						09/26/95	
SUNAMERICA CAPITAL TRUST II	MD			X	X					10/05/95	
SUNAMERICA INC	MD			X	X					10/05/95	
SUNGARD DATA SYSTEMS INC	DE			X	X					09/29/95	
SUNPORT MEDICAL CORP				X	X					09/29/95	
SWEETWATER INC	DE			X	X					10/02/95	
TEXAS BIOTECHNOLOGY CORP /DE/	DE			X	X					09/05/95	