

# sec news digest

Issue 94-242

December 21, 1994

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## COMMISSION ANNOUNCEMENTS

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### SEC NAMES DEPUTY DIRECTOR OF THE DIVISION OF CORPORATION FINANCE

Securities and Exchange Commission Chairman Arthur Levitt announced that he has appointed Meredith B. Cross as Deputy Director in the Division of Corporation Finance.

Ms. Cross, who joined the Commission as an Attorney Fellow in 1990, has served as Chief Counsel of the Division of Corporation Finance, and most recently as the Division's Associate Director for International and Small Business. Before joining the Commission, Ms. Cross practiced law with the law firm of King Spalding from 1983 to 1990 and served as a law clerk to The Honorable Albert J. Henderson of the United States Court of Appeals for the Eleventh Circuit. She received her B.A. from Duke University in 1979 and her J.D. from Vanderbilt University in 1982.

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## RULES AND RELATED MATTERS

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### AMENDMENTS TO RULE 19b-4 and FORM 19b-4

### AMENDMENTS TO RULES 6a-1, 15Aj-1, 17a-21, and FORM X-15AJ-2

The Commission authorized the publication of a release that adopts amendments to Rule 19b-4 and Form 19b-4 under the Securities Exchange Act to expand the scope of proposed rule changes filed by self-regulatory organizations (SROs) that may become effective immediately. The release also adopts amendments to Rules 6a-2, 15Aj-1, 17a-21, and Form X-15AJ-2 under the Act to streamline and conform requirements for SROs and the Municipal Securities Rulemaking Board to file certain information annually.

FOR FURTHER INFORMATION, please contact Andrew S. Margolin, Senior Counsel, at (202) 942-0073.

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## ENFORCEMENT PROCEEDINGS

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### COMPLAINT FILED AGAINST STEVEN JAKUBOWSKI

The Commission announced that on July 26, 1994 it filed a lawsuit in the United States District Court of the Northern District of Illinois, Eastern Division, against Steven R. Jakubowski (Jakubowski), a lawyer residing in LaGrange, Illinois.

The complaint alleges that from at least April 1991 to at least March 1992, Jakubowski violated the federal securities laws in connection with the conversion of four savings and loan associations from mutual to stock ownership. Specifically, Jakubowski located savings and loan accountholders who held non-transferable rights to purchase newly-issued stock in the savings and loans and then arranged to obtain the stock to which the accountholders were entitled for his benefit and the benefit of Generation Capital Associates, an investment company, and Frank E. Hart, its president. Despite these arrangements, Jakubowski caused the accountholders to misrepresent to the savings and loans that the accountholders were purchasing the stock for themselves. [SEC v. Steven R. Jakubowski, C.A. No. 94C4539, N.D.Ill.] (LR-14361)

### COMPLAINT FILED AGAINST CAPITAL HOLDINGS CORPORATION

The Commission announced the filing of a complaint for permanent injunction as to First Capital Holdings Corp., Inc. (First Capital Holdings). The complaint, filed on December 19, 1994, charges violations of the antifraud, periodic reporting, and books and records provisions of the federal securities laws by First Capital Holdings. These violations occurred in connection with First Capital Holdings' periodic reports filed with the Commission for the period 1988 through 1990. These periodic reports omitted to state certain material information, and were otherwise false and misleading, concerning the financial condition of one of First Capital Holdings' principal subsidiaries, First Capital Life Insurance Company (FCL).

From 1988 through 1990, FCL entered into financial reinsurance agreements. Pursuant to these agreements, FCL sought to increase its statutory capital and surplus by as much as approximately \$74 million in 1989 and \$65 million in 1990 by improperly claiming reserve credits. Therefore, First Capital Holdings materially overstated in Commission filings amounts of statutory capital and surplus for its subsidiaries and failed to adequately disclose the nature and significance of FCL's reinsurance agreements.

By the time First Capital Holdings filed its 1990 Form 10-K, moreover, First Capital Holdings' executives had sufficient knowledge that FCL's reinsurance agreements did not support the recognition of reserve credits that First Capital Holdings' disclosure failures and inflation

of its subsidiaries' consolidated capital and surplus constituted violations of the antifraud provisions.

First Capital Holdings, without admitting or denying the allegations of the complaint, has consented to the entry of the Final Judgement of Permanent Injunction, enjoining it from further violations of the Exchange Act provisions. See related actions, Admin. Proc. File Nos. 3-8526 and 3-8527. [SEC v. First Capital Holdings Corp., Inc., Civ. Action No. 94-8469, HLH, Kx, C.D. Cal.] (LR-14366)

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## **INVESTMENT COMPANY ACT RELEASES**

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### **PAINWEBBER INCORPORATED**

PaineWebber Incorporated (PaineWebber) has been granted a conditional temporary order, and a notice has been issued of its request for a permanent conditional order, under Section 9(c) of the Investment Company Act exempting PaineWebber from Section 9(a) of the Act to the extent necessary to permit PaineWebber to employ an individual who is subject to a securities related injunction. The temporary order will expire on the earlier of ninety days from the entry of the temporary order, the date on which the SEC sets PaineWebber's application for permanent relief for a hearing, or the date on which the SEC takes final action on the application. The notice gives interested persons until January 12, 1995 to request a hearing on PaineWebber's request for a permanent order. (Rel. IC-20785 - December 19)

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## **HOLDING COMPANY ACT RELEASE**

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### **EASTERN UTILITIES ASSOCIATES**

A supplemental order has been issued authorizing Eastern Utilities Associates (EUA), a registered holding company, to extend the authorization to issue and sell through December 31, 1997 the remaining 540,607 shares of common stock under EUA's Dividend Reinvestment and Common Share Purchase Plan (Plan). In addition, EUA requests authority to issue and sell through December 31, 1997 an additional one million shares of common stock under the Plan. (Rel. 35-26193)

### **WEST TEXAS UTILITIES COMPANY**

An order has been issued authorizing West Texas Utilities Company, a wholly owned electric public-utility subsidiary company of Central and South West Corporation, a registered holding company, to extend the authorization to issue and sell first mortgage bonds from December 31, 1994 to December 31, 1996. (Rel. 35-26194)

## NEW ENGLAND ELECTRIC SYSTEM

A supplemental order has been issued authorizing New England Electric System (NEES), a registered holding company, to extend the authorization to issue and sell up to 922,816 shares of its common stock, pursuant to the New England Electric System Companies Incentive Thrift Plan II, from December 31, 1994 to December 31, 1997. (Rel. 35-26195)

## NATIONAL FUEL GAS COMPANY

An order has been issued releasing jurisdiction over the issuance and sale of short-term debt by Utility Constructors, Inc. (UCI), a non-utility subsidiary of National Fuel Gas Company, a registered holding company, in an aggregate amount of up to \$15 million through December 31, 1995. (Rel. 35-26196)

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## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGES APPROVED

The Commission approved a proposed rule change submitted under Rule 19b-4 by the Boston Stock Exchange (SR-BSE-94-01) to establish a northbound trading linkage with the Montreal Stock Exchange for securities registered under Section 12 of the Securities Exchange Act. (Rel. 34-35116)

The Commission approved proposed rule changes filed by the Philadelphia Depository Trust Company (PHILADEP) and the Stock Clearing Corporation of Philadelphia (SCCP) (SR-PHILADEP-94-01 and SR-SCCP-94-03) under Section 19(b) of the Securities Exchange Act. The proposals amend the by-laws regarding the composition of the board of directors and nominating committees of PHILADEP and SCCP. (Rel. 34-35118)

The Commission approved a proposed rule change submitted under Rule 19b-4 by the Pacific Stock Exchange, Inc. (SR-PSE-94-22) to adopt a rule to facilitate the execution of clean agency crosses on the equities floor of the Exchange. (Rel. 34-35120)

The Commission approved a proposed rule change submitted under Rule 19b-4 by the American Stock Exchange, Inc., National Association of Securities Dealers, Inc., and New York Stock Exchange, Inc. (SR-AMEX-94-29; SR-NASD-94-45; SR-NYSE-94-20) to adopt minimum shareholder voting rights listing standards. (Rel. 34-35121)

### NOTICE OF FILING OF PROPOSED RULE CHANGE

On November 23, 1994, the National Association of Securities Dealers, Inc. filed a proposed rule change under Rule 19b-4 of the Securities Exchange Act (SR-NASD-94-62). The NASD is proposing an interpretation

to its Rules of Fair Practice to expand customer limit order protection in the Nasdaq market to those orders that are routed to another firm for execution (so-called member-to-member trades). Publication of the notice is expected in the Federal Register during the week of December 23. (Rel. 34-35122)

#### NOTICE OF FILING AND ORDER GRANTING ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change (SR-MSTC-94-15) filed by the Midwest Securities Trust Company under Section 19(b) of the Securities Exchange Act. The rule change allows MSTC to not hold its 1994 annual meeting because of restricting of its board of directors and the fact that MSTC's regularly scheduled 1995 meeting is in April 1995. Publication of the proposed rule change and approval order is expected to be made in the Federal Register during the week of December 23. (Rel. 34-35117)

#### NOTICE OF FILING AND IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The National Securities Clearing Corporation (NSCC) filed a proposed rule change (SR-NSCC-94-20) under Section 19(b)(3)(A) of the Securities Exchange Act. The proposed rule change makes technical modifications to NSCC's Procedures relating to the Consolidated Trade Summary. The rule change became effective upon filing. Publication of the proposal is expected in the Federal Register during the week of December 19. (Rel. 34-35119)

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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-8 UNIVERSAL HEALTH REALTY INCOME TRUST, UNIVERSAL CORPORATE CTR,  
367 S GULPH RD, KING OF PRUSSIA, PA 19406 (610) -26-5-06 - 40,000  
(\$635,200) COMMON SHARES OF BENEFICIAL INTEREST. (FILE 33-56843 - DEC. 14)  
(BR. 6)

S-8 HOUSTON INDUSTRIES INC, 4400 POST OAK PKWY, 5 POST OAK PK, HOUSTON, TX  
77027 (713) 629-3000 - 250,000 (\$8,625,000) COMMON STOCK. (FILE 33-56855 -  
DEC. 14) (BR. 8)

S-8 LTV CORP, 25 WEST PROSPECT AVENUE, P O BOX 655003, CLEVELAND, OH 44115  
(216) 622-5000 - 250,000 (\$4,000,000) COMMON STOCK. (FILE 33-56857 -  
DEC. 14) (BR. 6)

S-3 CORNING INC /NY, ONE RIVERFRONT PLAZA, CORNING, NY 14831 (607) 974-9000  
- 6,188,151 (\$186,804,808) COMMON STOCK. (FILE 33-56859 - DEC. 14)  
(BR. 9)

REGISTRATIONS CONT.

- S-8 LTV CORP, 25 WEST PROSPECT AVENUE, P O BOX 655003, CLEVELAND, OH 44115  
(216) 622-5000 - 1,700,000 (\$27,200,000) COMMON STOCK. (FILE 33-56861 -  
DEC. 14) (BR. 6)
- S-8 BANK OF NEW YORK CO INC, 48 WALL ST 15TH FL, NEW YORK, NY 10296  
(212) 495-1784 - 9,000,000 (\$244,683,000) COMMON STOCK. (FILE 33-56863 -  
DEC. 14) (BR. 2)
- S-1 PDT INC /DE/, 7408 HOLLISTER AVE, SANTA BARBARA, CA 93117 (805) 685-9880  
- 2,176,159 (\$36,994,703) COMMON STOCK. (FILE 33-87138 - DEC. 12) (BR. 4  
- NEW ISSUE)
- S-6 EUOTRUST TRUST, STE 220-523 W SIXTH ST, C/O SUPERSHARE SERVICES CORP,  
LOS ANGELES, CA 90014 - INDEFINITE SHARES. (FILE 33-87236 - DEC. 09)  
(BR. 20 - NEW ISSUE)
- S-4 SYNOVUS FINANCIAL CORP, ONE ARSENAL PLACE STE 301, 901 FRONT AVE,  
COLUMBUS, GA 31902 (706) 649-2197 - 8,328,805 (\$143,961,858) COMMON STOCK.  
(FILE 33-87260 - DEC. 12) (BR. 1)
- S-1 TOY BIZ INC, 333 EAST 38TH ST, NEW YORK, NY 10016 (212) 682-4700 -  
3,450,000 (\$62,100,000) COMMON STOCK. (FILE 33-87268 - DEC. 12) (BR. 12  
- NEW ISSUE)
- S-6 PENN MUTUAL VARIABLE LIFE ACCOUNT 1, PENN MUTUALS INDEPENDENCE PL,  
600 DRESHER RD, HORSHAM, PA 19044 (215) 956-8138 - INDEFINITE SHARES.  
(FILE 33-87276 - DEC. 12) (BR. 20)
- S-8 CHASE BRASS INDUSTRIES INC, STATE ROUTE 15, MONTPELIER, OH 43543  
(419) 485-3193 - 1,000,000 (\$8,810,000) COMMON STOCK. (FILE 33-87278 -  
DEC. 12) (BR. 6)
- S-4 RENAISSANCE COSMETICS INC /DE/, 675 MASSACHUSETTS AVE, CAMBRIDGE, MA  
02139 (617) 497-5584 - 80,000,000 (\$80,000,000) STRAIGHT BONDS. (FILE  
33-87280 - DEC. 12) (NEW ISSUE)
- S-1 AT COMM INC, 30 DOAKS LANE, AMERICAS CUP BLDG LITTLE HARBOR, MARBLEHEAD,  
MA 01945 - 2,213,750 (\$21,030,625) COMMON STOCK. (FILE 33-87294 - DEC. 13)  
(BR. 7)
- S-8 YORK FINANCIAL CORP, 101 S GEORGE ST, P O BOX M-68, YORK, PA 17401  
(717) 846-8777 - 948,594 (\$10,968,180.34) COMMON STOCK. (FILE 33-87300 -  
DEC. 13) (BR. 2)
- S-3 INCOMNET INC, 21031 VENTURA BLVD STE 1100, WOODLAND HILLS, CA 91364  
(818) 887-3400 - 500,000 (\$5,000,000) COMMON STOCK. (FILE 33-87302 -  
DEC. 12) (BR. 8)
- S-8 FIRST DATA CORPORATION, 401 HACKENSACK AVE 7TH FLR, HACKENSACK, NJ 07601  
(201) 525-4701 - 750,000 (\$38,182,500) COMMON STOCK. (FILE 33-87338 -  
DEC. 12) (BR. 10)
- S-8 TAT TECHNOLOGIES LTD, P.O. BOX 80, GEDERA 70750 ISRAEL, L3 - 300,000  
(\$675,000) COMMON STOCK. (FILE 33-87340 - DEC. 12) (BR. 12)
- S-8 WINSLOEW FURNITURE INC, STE 700 INDEPENDENCE PLAZA, BIRMINGHAM, AL 35209  
(205) 870-0897 - 1,500,000 (\$11,317,830) COMMON STOCK. (FILE 33-87352 -  
DEC. 13) (BR. 6)
- S-8 MMI COMPANIES INC, 540 LAKE COOK RD, DEERFIELD, IL 60015 (708) 940-7550  
- 250,000 (\$3,656,250) COMMON STOCK. (FILE 33-87356 - DEC. 13) (BR. 10)
- S-8 PRIMESOURCE CORP, 4350 HADDONFIELD RD, SUITE 222, PENNSAUKEN, NJ 08109  
(609) 488-4888 - 226,520 (\$2,378,460) COMMON STOCK. (FILE 33-87360 -  
DEC. 13) (BR. 12)

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			
AAMES CAPITAL CORP	CA					X		X			12/14/94	
AFC CABLE SYSTEMS INC	DE							X			12/13/94	AMEND
AIRTOUCH COMMUNICATIONS	CA					X		X			12/15/94	
AMERICAN EXPRESS MASTER TRUST SERIES 199	DE					X		X			11/08/94	
APACHE CORP	DE					X		X			12/06/94	
ARIS INDUSTRIES INC	NY					X		X			12/12/94	
AVIATION EDUCATION SYSTEMS INC	DE							X	X		11/21/94	
BEACON PROPERTIES CORP	MD		X						X		12/01/94	
BENEFICIAL CORP	DE		X								12/19/94	
BIOCONTROL TECHNOLOGY INC	PA					X		X			12/07/94	
BRAUVIN NET LEASE V INC	MD		X						X		11/21/94	AMEND
CACI INTERNATIONAL INC /DE/	DE					X		X			12/19/94	
CARLYLE REAL ESTATE LTD PARTNERSHIP XV	IL					X		X			12/15/94	
CARLYLE REAL ESTATE LTD PARTNERSHIP XVI	IL					X		X			12/15/94	
CASTLE GROUP INC	UT								X		09/15/94	AMEND
CATALINA LIGHTING INC	FL		X						X		08/05/94	AMEND
CENTER INCOME PROPERTIES 1	MN		X						X		08/16/94	
CENTRAL HUDSON GAS & ELECTRIC CORP	NY		X								12/19/94	
CFX CORP	NH							X			12/16/94	
CHASE MORT FINANCE CORP MULT CL MORT PA								X			11/22/94	
CHASE MORTGAGE FINANCE CORP	DE		X						X		11/29/94	
CHEMICAL BK NJ NAT ASSOC ORIGINATOR CBN						X		X			10/31/94	
CHEMICAL MORTGAGE SEC INC MULTI CL MOR P						X					11/14/94	
CHOICE DRUG SYSTEMS INC	NY					X					12/16/94	
CINCINNATI MICROWAVE INC	OH					X		X			12/14/94	
CIS CAPITAL EQUIPMENT FUND LTD 2	FL		X						X		12/01/94	
COMMUNITY BANK SYSTEM INC	DE		X								12/06/94	

## 8K FILINGS CONT.

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT
		1	2	3	4	5	6	7	8		
CONCORD FABRICS INC	DE				X	X				11/30/94	
CONE MILLS CORP	NC	X								12/19/94	
CONTIMORTGAGE HOME EQUITY LOAN TRUST 199						X				12/01/94	
CONTISECURITIES ASSET FD CORP CTS ADJUST	NY				X	X				10/25/94	
CWMBBS INC MORTGAGE PASS THROUGH CERTIFIC	DE				X	X				10/01/94	
DAIWA MOR ACCE CORP MOR OBLG STRU TR MOR	DE				X	X				11/25/94	
DEERE JOHN OWNER TRUST 1994-A					X					10/19/94	
DEERE JOHN OWNER TRUST 1994-A					X	X				11/15/94	
DERAND REAL ESTATE INVESTMENT TRUST	MA				X					12/12/94	
DLJ MORT ACCEPT CORP MORT PAS THRO CERTI		X				X				10/27/94	
DLJ MORTGAGE ACCEPTANCE CORP	DE					X				10/26/94	
EMERSON RADIO CORP	DE				X					12/16/94	
ENVIRO GREEN TECH INC	NY					X				11/28/94	
EQUICON MORTGAGE LOAN TRUST 1994-2		X				X				10/31/94	
FALLS FINANCIAL INC	DE				X	X				12/12/94	
FEDERAL PAPER BOARD CO INC	NY				X					12/19/94	
FINET HOLDINGS CORP	DE	X				X				11/23/94	
FIRST ALLIANCE MORTGAGE CO /CA/	CA				X	X				12/12/94	
FIRST AMERICAN FINANCIAL CORP	CA				X	X				11/28/94	
FIRST BOSTON MOR SEC CORP MULTIF MOR PAS					X	X				11/25/94	
FIRST MARYLAND BANCORP	MD				X					12/13/94	
FIRST NATIONAL CORP /CA/	CA				X					12/08/94	
FIRST UNION CORP	NC				X					12/20/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				09/15/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				10/17/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				10/17/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				11/15/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				11/15/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				11/15/94	
FIRST USA BANK FIRST USA CREDIT CARD MAS					X	X				11/15/94	
FIRSTMERIT CORP	OH				X	X				12/15/94	
FULL HOUSE RESORTS INC	DE				X	X				11/30/94	
FUND AMERICA INVESTORS CORP II MOR PAS T					X	X				09/27/94	
GE CAPITAL MORT SERV INC REMIC MUL CL PA					X	X				11/19/94	
GE CAPITAL MORT SERV INC REMIC MUL CL PA					X	X				11/19/94	
GE CAPITAL MORT SERV INC REMIC MUL CL PA		X								11/23/94	
GE CAPITAL MORT SERV INC REMIC MULT CL P		X								10/28/94	
GOULDS PUMPS INC	DE	X								12/05/94	
GOVERNMENT TRUST M 1	NY				X					12/01/94	
GREAT SOUTHERN BANCORP INC	DE				X	X				12/13/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
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GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
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GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREEN TREE FINANCIAL CORP	MN				X	X				12/15/94	
GREENSTONE INDUSTRIES INC	DE					X				10/03/94AMEND	