

sec news digest

Issue 96-92

May 16, 1996

ENFORCEMENT PROCEEDINGS

NASD ACTION AGAINST JOHN PEARCE SUSTAINED

The Commission has sustained the disciplinary action taken by the NASD against John G. Pearce of West Palm Beach, Florida. At the time of these events, Pearce was a registered principal associated with J. Pearce Securities, Inc., then an NASD member firm. The NASD found that Pearce failed to honor an arbitration award. The NASD censured Pearce, fined him \$10,000, and suspended him in all capacities for ninety days and thereafter until he fully satisfies the award.

In sustaining the sanctions assessed by the NASD, the Commission observed that the NASD had found substantial sanctions warranted since Pearce "engaged in egregious misconduct in abusing the arbitration process". The Commission noted that Pearce's testimony that he did not pay the award because he did not have (and could not borrow) the funds was not credible and that he had failed to honor a negotiated settlement for less than half the amount of the award. (Rel. 34-37217)

COMMISSION SUSTAINS NASD ACTION AGAINST PETER BUCCHIERI

The Commission has sustained NASD disciplinary action against Peter C. Bucchieri of Las Vegas. Bucchieri was a principal of Bucchieri Asset Management, Inc., a former NASD member firm. The NASD censured Bucchieri, suspended him for 60 days, barred him in all principal capacities, and fined him \$25,000. It also required Bucchieri to pay restitution totaling \$50,979 to three customers and an arbitration award in favor of another account within 60 days or cease further association in any capacity with an NASD member.

The Commission found that Bucchieri excessively traded five customer accounts over which he exercised discretionary authority pursuant to written agreements. The annual turnover rate for these accounts ranged from 7.2 to 13.6, and the costs engendered by Bucchieri's trading made it necessary for the accounts to appreciate from 20% to 30% annually just to break even.

In sustaining the sanctions assessed by the NASD, the Commission noted that Bucchieri "placed his own interests above those of his customers and breached the trust that had been placed in him as a securities professional." (Rel. 34-37218)

INVESTMENT COMPANY ACT RELEASES

EQUITABLE LIFE INSURANCE COMPANY OF IOWA, ET AL.

An order has been issued pursuant to Section 26(b) of the Investment Company Act. The order approves the proposed substitution of shares of the Advantage Portfolio of the Equi-Select Series Trust (Trust) for shares of the Government Securities Portfolio (GS Portfolio) and the Short-Term Bond Portfolio (STB Portfolio) (collectively, with the Advantage Portfolio and the GS Portfolio, the "Portfolios") of the Trust. The order also exempts Applicants from Section 17(a) of the Act to the extent necessary to permit Applicants to carry out the above-referenced substitution by redeeming shares of the GS Portfolio and of the STB Portfolio in kind or partly in kind and using the redemption' proceeds to purchase shares of the Advantage Portfolio. (Rel. IC-21958 - May 14)

THE CHASE MANHATTAN BANK, N.A. AND CHEMICAL BANK

A notice has been issued giving interested persons until June 10 to request a hearing on an application filed by The Chase Manhattan Bank, N.A. (Chase) and Chemical Bank for an order under Section 6(c) of the Investment Company Act exempting applicants from Section 17(f) of the Act. The order would amend three prior orders granted to Chase that permit Chase subsidiaries in Malaysia, Mexico, and Russia to maintain in those countries certain assets of U.S. registered investment companies. The requested order would substitute Chemical Bank (which anticipates changing its name to The Chase Manhattan Bank) as the party to which relief is granted following Chemical Bank's anticipated merger with Chase. (Rel. IC-21959; IS-980 - May 14)

SELF-REGULATORY ORGANIZATIONS

WITHDRAWAL SOUGHT

A notice has been issued giving interested persons until June 6 to comment on the application of Santa Fe Pacific Gold Corporation to withdraw from listing and registration on the Chicago Stock Exchange its Common Stock, \$.01 Par Value. (Rel. 34-37219)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-CBOE-96-11) filed by the Chicago Board Options Exchange relating to the listing and trading of index options on the CBOE PC Index, a narrow-based, equal-weighted index comprised of eight large personal computer manufacturing companies. Publication of the order is expected in the Federal Register during the week of May 20. (Rel. 34-37198)

The Commission approved a proposed rule change submitted by the New York Stock Exchange (SR-NYSE-96-05) relating to listing standards. (Rel. 34-37211)

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.

S-3 EXSORBET INDUSTRIES INC, 6007 S 29TH STREET, FORT SMITH, AR 72903
(501) 649-8401 - 1,508,100 (\$6,126,250) COMMON STOCK. (FILE 333-3369 -
MAY. 08) (BR. 8)

S-8 CENFED FINANCIAL CORP, 199 N LAKE AVE, PASSADENA, CA 91109
(818) 585-2400 - 100,000 (\$2,300,000) COMMON STOCK. (FILE 333-4564 -
MAY. 03) (BR. 2)

S-8 REDFED BANCORP INC, 300 E STATE ST, REDLANDS, CA 92373 (909) 335-3551 -
213,000 (\$1,959,600) COMMON STOCK. (FILE 333-4580 - MAY. 03) (BR. 2)

SB-2 LARK TECHNOLOGIES INC, 9545 KATY FREEWAY, STE 465, HOUSTON, TX 77024
(713) 464-7488 - 1,059,181 (\$1,059,181) COMMON STOCK. (FILE 333-4688 -
MAY. 07) (BR. 5)

REGISTRATIONS CONT.

- F-6 OZEMAIL LTD \ADR\, 48 WALL ST, C/O BANK OF NEW YORK, NEW YORK, NY 10286
(212) 815-1727 - 10,000,000 (\$500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-4690 - MAY. 07) (BR. 99
- NEW ISSUE)
- S-8 BARTEL FINANCIAL GROUP INC, 5160 S VALLEY VIEW STE 106, LAS VEGAS, NV
89118 (702) 739-6552 - 400,000 (\$4,000) COMMON STOCK. (FILE 333-4698 -
MAY. 08) (BR. 8)
- F-1 OZEMAIL LTD, MDIS HOUSE, 39 HERBERT ST, ST LEONARDS 2065 SYDNEY, C3
(612) 391-0400 - 3,105,000 (\$37,260,000) FOREIGN COMMON STOCK. (FILE
333-4794 - MAY. 06) (BR. 9)
- S-8 IMAGING DIAGNOSTIC SYSTEMS INC /NJ/, 10281 NW 46TH ST, SUNRISE, FL 33351
(305) 746-0500 - 10,000 (\$69,400) COMMON STOCK. (FILE 333-4796 - MAY. 07)
(BR. 8)
- F-6 SAWAKO CORP \ADR\, 48 WALL ST, C/O BANK OF NEW YORK, NEW YORK, NY 10286
(212) 815-2009 - 50,000,000 (\$2,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-4798 - MAY. 07) (BR. 99
- NEW ISSUE)
- S-8 GENELABS TECHNOLOGIES INC /CA, 505 PENOBSCOT DR, REDWOOD CITY, CA 94063
(415) 369-9500 - 320,000 (\$2,480,000) COMMON STOCK. (FILE 333-4806 -
MAY. 07) (BR. 4)