

# sec news digest

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June 18, 1991

U.S. SECURITIES  
EXCHANGE COMMISSION

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## COMMISSION ANNOUNCEMENTS

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### CHAIRMAN BREEDEN TO TESTIFY

Chairman Breeden will testify before the Subcommittee on Telecommunications and Finance of the House Energy and Commerce Committee on Thursday, June 20 at 9:30 a.m. the hearing is functional regulation. Room will be announced.

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## CIVIL PROCEEDINGS

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### PENNY STOCK PROMOTERS SUED

The Fort Worth Regional Office announced that on June 12 the Commission filed a civil action in the Northern District of Texas against L. George Reynolds, Ivan Funk and Martin G. Browne of Dallas, Texas; Gary Pflug and Michael Kroiter of Florida; Richard L. Fisher and James Dougan of Pennsylvania; and Michael Briggs of Fort Worth, Texas. In its complaint the Commission charges these defendants with violating or aiding and abetting violations of the registration and antifraud provisions of the Securities Act of 1933, the antifraud, registration and reporting and broker-dealer registration provisions of the Securities Exchange Act of 1934, and the rules promulgated thereunder. Other related parties not charged in the complaint are Cortez International, Ltd., RAM Industries, Inc., and J. Bruce Hackfield, Reynolds' stepson.

The complaint alleges that the defendants offered and sold unregistered shares of RAM, and made false and misleading statements of material facts concerning the financial condition and business prospects of RAM and Cortez and ownership of assets. The complaint further alleges that Dougan and Briggs both provided false, unqualified audit opinions and that Browne provided a false and misleading "engineering report," all of which were used in connection with offers and sales in RAM and Cortez shares. [SEC v. L. George Reynolds, et al., Civil Action No. 3-91-1115-G, USDC/ND/TX, Dallas Division] (LR-12887)

### COMPLAINT FOR PERMANENT INJUNCTION AND OTHER RELIEF AGAINST CAPITALBANC AND OTHERS

On June 18, the Commission announced the filing of a Complaint for Permanent Injunction and Other Relief in the U.S. District Court for the District of Columbia against CapitalBanc Corporation, Carlos A. Cordova, Renan R. Mazorra, Renan A. Mazorra, Nasrallah Misk, Ramon Martinez, III and Luis Alfaro. The complaint alleges

violations of the antifraud, reporting, proxy, books and records, internal controls, and beneficial ownership provisions of the federal securities laws, involving, in part, fraudulent loan schemes undertaken with management's involvement and improper revenue recognition related to a sham transaction. In addition to injunctive relief, the complaint seeks an order permanently prohibiting Cordova from acting as an officer or director of a public company.

Simultaneously with the filing of the complaint, and without admitting or denying the allegations therein, R.R. Mazorra, R.A. Mazorra, Misk, Martinez and Alfaro consented to the relief sought in the complaint. [SEC v. CapitalBanc Corporation, Carlos A. Cordova, Renan R. Mazorra, Renan A. Mazorra, Nasrallah Misk, Ramon Martinez, III and Luis Alfaro, USDC for the District of Columbia, Civil Action No. 91-1493, GHR] (LR-12888)

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## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGE

The New York Stock Exchange filed a proposed rule change (SR-NYSE-91-21) under Rule 19b-4. The proposed change seeks permanent approval of the provisions of NYSE Rule 80A. Rule 80A provides for the activation of conditions on the execution of index arbitrage orders involving component stocks of the S&P 500 Stock Price Index and Exchange Stock Portfolio trades when the DJIA advances or declines by 50 points from its previous day's closing value. Publication of the proposal is expected in the Federal Register during the week of June 17. (Rel. 34-29308)

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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 ORBITAL SCIENCES CORP /DE/, 12500 FAIR LAKES CIRCLE, FAIRFAX, VA 22033  
(703) 631-3600 - 10,000 (\$180,000) COMMON STOCK. (FILE 33-41011 - JUN. 10) (BR. 12)
- S-8 ATLANTIS GROUP INC /DE/, 2665 S BAYSHORE DR, 8TH FLOOR, MIAMI, FL 33133  
(305) 858-2200 - 1,411,062 (\$2,116,593) COMMON STOCK. (FILE 33-41012 - JUN. 07)  
(BR. 1)
- F-6 TELECOM CORP OF NEW ZEALAND LTD /ADR, 48 WALL ST, NEW YORK, NY 10286 - 200,000,000  
(\$10,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 33-41013 - JUN. 10) (BR. 99  
- NEW ISSUE)
- S-8 BANKERS TRUST NEW YORK CORP, 280 PARK AVE, NEW YORK, NY 10017 (212) 250-2500 -  
9,000,000 (\$486,562,500) COMMON STOCK. (FILE 33-41014 - JUN. 10) (BR. 2)
- F-1 TELECOM CORP OF NEW ZEALAND LTD, TELECOM HOUSE 13-27 MANNERS ST, WELLINGTON, Q2 -  
483,000,000 (\$565,110,000) FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 33-41015 -  
JUN. 10) (BR. 7 - NEW ISSUE)

REGISTRATIONS CONTINUED

- S-8 URS CORP /NEW/, 100 CALIFORNIA ST STE 500, SAN FRANCISCO, CA 94111 (415) 774-2700 - 1,065,200 (\$8,188,192.40) COMMON STOCK. (FILE 33-41047 - JUN. 07) (BR. 9)
- S-8 ALTA HEALTH STRATEGIES INC, 6975 UNION PARK CTR, SALT LAKE CITY, UT 84047 (801) 568-5500 - 832,000 (\$6,439,680) COMMON STOCK. (FILE 33-41049 - JUN. 07) (BR. 6)
- S-1 GMIS INC /DE, 5 COUNTRY VIEW RD, MALVERN, PA 19355 (215) 296-3838 - 350,000 (\$4,375,000) COMMON STOCK. 1,087,500 (\$13,593,750) COMMON STOCK. (FILE 33-41098 - JUN. 07) (BR. 10 - NEW ISSUE)
- F-1 SINGER CO N V, 60 GLOUCESTER RD 16TH FL, CHEKIANG FIRST BANK BUILDING, WANCHAIHONG KONG, K3 - 17,940,000 (\$340,860,000) FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 33-41100 - JUN. 07) (BR. 3 - NEW ISSUE)
- S-1 SFI CORP /CA, 524 CHAPALA ST, SANTA BARBARA, CA 93101 (805) 564-6700 - 5,350,000 (\$90,950,000) COMMON STOCK. (FILE 33-41103 - JUN. 10) (BR. 3 - NEW ISSUE)
- S-6 INSURED MUN SEC TR SER 27 NY NAV INS SER 8 NJ NAV INS SER 5, 245 PARK AVE, BEAR STEARNS & CO INC, NEW YORK, NY 10167 - INDEFINITE SHARES. (FILE 33-41110 - JUN. 10) (BR. 16 - NEW ISSUE)
- S-3 FORD MOTOR CREDIT CO, THE AMERICAN RD, DEARBORN, MI 48121 (313) 322-3000 - 2,000,000,000 (\$2,000,000,000) STRAIGHT BONDS. (FILE 33-41112 - JUN. 11) (BR. 12)
- S-2 CONSUMERS WATER CO, THREE CANAL PLZ, PORTLAND, ME 04112 (207) 773-6438 - 690,000 (\$10,953,750) STRAIGHT BONDS. UNDERWRITER: TUCKER ANTHONY INC. (FILE 33-41113 - JUN. 11) (BR. 8)
- S-3 BIOGEN INC, 14 CAMBRIDGE CTR, CAMBRIDGE, MA 02142 (617) 252-9200 - 4,520,703 (\$127,981,101.93) COMMON STOCK. (FILE 33-41114 - JUN. 11) (BR. 11)
- S-3 LONG ISLAND LIGHTING CO, 175 E OLD COUNTRY RD, HICKSVILLE, NY 11801 (516) 933-4590 - 375,000,000 (\$375,000,000) STRAIGHT BONDS. UNDERWRITER: BEAR STEARNS & CO INC, KIDDER PEABODY & CO, LEHMAN BROTHERS, MERRILL LYNCH & CO, PAINWEBBER INC. (FILE 33-41115 - JUN. 11) (BR. 7)
- S-8 CLOROX CO /DE/, 1221 BROADWAY, OAKLAND, CA 94612 (415) 271-7000 - 450,000 (\$18,281,250) COMMON STOCK. (FILE 33-41131 - JUN. 10) (BR. 2)
- S-8 PROFESSIONAL CARE INC, 125 E BETHPAGE RD, PLAINVIEW, NY 11803 (516) 694-8700 - 284,250 (\$2,860,625) COMMON STOCK. (FILE 33-41132 - JUN. 10) (BR. 6)
- S-8 CHEMEX PHARMACEUTICALS INC, 7400 E ORCHARD RD STE 190, ENGLEWOOD, CO 80111 (303) 770-7744 - 2,359,300 (\$2,642,416) COMMON STOCK. (FILE 33-41134 - JUN. 10) (BR. 4)
- S-3 METROBANCORP, 10333 N MERIDIAN ST, SUITE 111, INDIANAPOLIS, IN 46290 (317) 573-2400 - 253,500 (\$1,711,125) COMMON STOCK. (FILE 33-41135 - JUN. 10) (BR. 2)
- S-8 GRIST MILL CO, 21340 HAYES AVE, LAKEVILLE, MN 55044 (612) 469-4981 - 200,000 (\$1,525,000) COMMON STOCK. (FILE 33-41137 - JUN. 11) (BR. 3)
- S-8 HARMON INDUSTRIES INC, 1300 JEFFERSON CT, BLUE SPRINGS, MO 64015 (816) 229-3345 - 349,475 (\$1,355,963) COMMON STOCK. 150,525 (\$620,916) COMMON STOCK. (FILE 33-41138 - JUN. 11) (BR. 7)
- S-8 BISCAYNE HOLDINGS INC, 2665 S BAYSHORE DR 8TH FL, MIAMI, FL 33133 (305) 858-2200 - 650,000 (\$572,000) COMMON STOCK. (FILE 33-41139 - JUN. 11) (BR. 8)
- S-8 CONTINUUM CO INC, 9500 ARBORETUM BLVD, AUSTIN, TX 78759 (512) 345-5700 - 700,000 (\$12,950,000) COMMON STOCK. (FILE 33-41140 - JUN. 11) (BR. 9)

REGISTRATIONS CONTINUED

- S-8 DENNING MOBILE ROBOTICS INC, 21 CONCORD ST, WILMINGTON, MA 01887 (508) 658-7800 - 1,700,000 (\$680,000) COMMON STOCK. (FILE 33-41141 - JUN. 10) (BR. 7)
- S-6 DEFINED ASSET FUNDS MUNICIPAL INVT TRUST FD INSURED SER 169, NEW YORK, NY 10005 (FILE 33-41157 - JUN. 11) (BR. 22 - NEW ISSUE)
- S-6 DEFINED ASSET FUNDS MUNICIPAL INVT TR FUND MULTISTATE SER 8Y, NY (FILE 33-41158 - JUN. 11) (BR. 22 - NEW ISSUE)

ACQUISITION OF SECURITIES

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the percent owned; and Column 7 - the status of the filing, i.e. new, update or revision.

NAME AND CLASS OF STOCK/OWNER	FORM	EVENT DATE	SHRS(000)/%OWNED	CUSIP/PRIOR%	FILING STATUS
ARCO CHEM CO	COM		4,815	00192010	
ARCHER DANIELS MIDLAND	13D	6/ 5/91	5.0	0.0	NEW
AMERICAN HEALTH SERVICES CORP	COM		5,971	02691310	
KOVENS CAL ET AL	13D	5/13/91	43.9	37.6	UPDATE
EMERSON RADIO CORP	COM		3,564	29108710	
LANE WILLIAM W	13D	6/ 4/91	9.4	9.4	UPDATE
INTL MOVIE GROUP CANADA INC	COM		850	45992110	
STERLING GRACE CAP MGMT ET AL	13D	5/24/91	6.0	0.0	NEW
JOHNSON PRODS INC DEL	COM NEW		647	47916920	
JOHNSON JOAN B	13D	5/28/91	54.1	54.1	UPDATE
MIDSOUTH CORP	COM		1,845	59804110	
ARCHER DANIELS MIDLAND	13D	6/ 7/91	21.9	20.2	UPDATE
RALLY VENTURES LTD	COM		1,500	75120010	
BROWSING FRANCES M	13D	6/ 3/91	50.8	0.0	NEW