

# SEC NEWS DIGEST

Issue 97-36

February 24, 1997

---

## COMMISSION ANNOUNCEMENTS

---

### ADOPTION OF UPDATED EDGAR FILER MANUAL

The Commission is adopting an updated edition of the EDGAR Filer Manual and is providing for its incorporation by reference into the Code of Federal Regulations. (Rel. Nos. 33-7394; 34-38319; 35-26672; 39-2346; IC-22522)

---

## ENFORCEMENT PROCEEDINGS

---

### JONATHAN MENDE & ASSOCIATES, INC., JONATHAN MENDE, TODD HICKMAN, MITCHELL AGUIRRE, AND YEVGENY SHKILKO SANCTIONED

The Commission announced the acceptance of Offers of Settlement from Jonathan Mendel & Associates, Inc. (Mendel & Associates), Jonathan Aurielio Mendel (Mendel), Todd Levaughn Hickman (Hickman), Mitchell Aguirre (Aguirre), and Yevgeny G. Shkilko (Shkilko) (collectively, Settling Respondents). In their Offers of Settlement, Mendel & Associates, Mendel, Hickman, Aguirre, and Shkilko consented to the issuance of cease-and-desist orders against them; Mendel, Hickman, Aguirre, and Shkilko consented to be barred from participating in the offering of any penny stock; Mendel, Hickman, and Aguirre consented to be barred from association with any broker, dealer, investment company, investment adviser or municipal securities dealer; and Shkilko consented to be barred from association with any broker, dealer, investment company, investment adviser or municipal securities dealer, with a right to reapply for such association in two years. In addition, Mendel & Associates, Mendel, Hickman, Aguirre, and Shkilko were ordered to disgorge \$205,175, \$205,175, \$29,136, \$64,598.36, and \$2,000 in ill-gotten gains, respectively, plus pre-judgement interest. Payment of disgorgement was waived and the Settling Respondents were not ordered to pay civil money penalties based on their demonstrated financial inability to pay.

The Commission's Order makes findings that, from about March through October 1993, Mendel & Associates operated as an unregistered broker-dealer and violated the antifraud provisions of the Securities Act of 1933 and Securities Exchange Act of 1934 (Exchange Act), and the

penny stock rules of the Exchange Act. Mende & Associates was operated by Mende and Hickman. Mende and Hickman also engaged in fraudulent securities sales practices. For example, Mende and Hickman made baseless price predictions, material misrepresentations, and failed to disclose material facts concerning the imminent listing of speculative securities on the American Stock Exchange or on Nasdaq, the experience and expertise of Mende & Associates personnel, and the financial condition and history of issuers of, and the risks of investing in, speculative securities. The Order also makes findings that, from about May 1993 through February 1994, Aguirre, who was an unregistered salesman at M. Rimson & Co., Inc. (Rimson & Co.), engaged in fraudulent sales practices. For example, Aguirre made baseless price predictions, material misrepresentations, and failed to disclose material facts concerning the imminent listing of speculative securities on Nasdaq, the risks of investing in speculative securities, and his receipt of compensation from a promoter of certain speculative securities. Aguirre also effected unauthorized trades in his customers' accounts and misappropriated customer funds. Finally, the Order makes findings that, from about June through November 1994, Shkilko, who was a registered representative at Rimson & Co., willfully aided and abetted and caused certain other respondents' violations of the antifraud and books and records provisions. For example, Shkilko authorized David Feyjin and Roger Dantoni II to misrepresent themselves as "Gene Shkilko" while soliciting customers to engage in securities transactions. Shkilko received customer orders transmitted by Feyjin and Dantoni from outside the offices of Rimson & Co., opened the customer accounts at Rimson & Co., and had the orders executed at Rimson & Co. under Shkilko's registered representative number. The Settling Respondents neither admitted nor denied the findings contained in the Order. (Rel. Nos. 33-7395; 34-38320)

JUDGMENT OF PERMANENT INJUNCTION AGAINST ROLAN COLON

On January 15, the Honorable Lenore C. Nesbitt, United States District Judge for the Southern District of Florida, entered a final judgment of permanent injunction and other relief enjoining Rolan Colon (Colon) from violating Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

The Court further ordered Colon to pay disgorgement in the amount of \$17,559, plus prejudgment interest thereon, representing gains alleged to have been received by Colon following his purchase of 20,000 shares of Evro Corporation (Evro) common stock while in possession of material non-public information concerning Evro.

Colon consented to the relief without admitting or denying the allegations set forth in the complaint, filed by the Commission on September 30, 1996. The complaint alleged that Colon and his co-defendant, James S. Faller (Faller), while acting as consultants for Evro, caused the corporation to issue a false press statement stating that Evro had obtained a \$30 million loan commitment from a

European trust to finance the development and sale of Evro products, while knowing the purported loan commitment was fictitious. The press release caused an immediate and positive rise in the price of Evro common stock at which time Colon sold his shares of the corporation's stock. [SEC v. James S. Fallor and Rolan Colon, Civil Action No. 96-7125-CIV-Nesbitt, USDC for S.D. Fla.] (LR-15262)

## SELF-REGULATORY ORGANIZATIONS

### ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Stock Clearing Corporation of Philadelphia filed a proposed rule change (SR-SCCP-96-14) relating to the collection of Section 31 fees for the National Association of Securities Dealers. Publication of the proposal is expected in the Federal Register during the week of February 24. (Rel. 34-38318)

## 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
- Item 9 Regulation S Offerings

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	9		
ALDEN ELECTRONICS INC	MA		X						X		01/31/97	
AMBASSADOR APARTMENTS INC	MD		X						X		02/21/97	
AMERICAN GENERAL CORP /TX/	TX				X	X					02/21/97	
AMERICAN STORES CO /NEW/	DE			X	X						02/20/97	
AON CORP	DE							X			01/15/97	AMEND
ARI NETWORK SERVICES INC /WI	WI				X	X					02/19/97	
ASCENT ENTERTAINMENT GROUP INC	DE				X	X					02/19/97	
BA MASTER CREDIT CARD TRUST /									X		01/31/97	
BALCOR REALTY INVESTORS LTD 82	IL		X						X		02/21/97	
BARNES GROUP INC	DE				X	X					02/21/97	
BERRY PETROLEUM CO	DE	X									12/13/96	AMEND
BOSTONFED BANCORP INC	DE		X								02/07/97	
BRYLANE CAPITAL CORP	DE							X			12/09/96	AMEND
BRYLANE L P	DE							X			12/09/96	AMEND
BUFFTON CORP	DE				X	X					02/21/97	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
BURLINGTON NORTHERN INC /DE/	DE				X	X					02/21/97	
CARE GROUP INC	DE				X	X					02/12/97	
CATALYTICA INC	DE				X	X					02/21/97	
CB BANCSHARES INC/HI	HI	X									02/15/97	
CB BANCSHARES INC/HI	HI	X									02/15/97	AMEND
CCB FINANCIAL CORP	NC				X						01/31/97	
CCB FINANCIAL CORP	NC				X	X					02/17/97	
CFX CORP	NH				X						02/13/97	
CHANNEL I INC	NV							X			02/06/97	
CHARTER COMMUNICATIONS SOUTHEAST HOLDINGS LP	DE		X			X					02/07/97	
CHARTER COMMUNICATIONS SOUTHEAST LP	DE		X			X					02/07/97	
COLLINS & AIKMAN CORP	DE		X			X					02/20/97	
COLLINS & AIKMAN CORP	DE		X			X					02/20/97	
COMPARE GENERIKS INC	DE	X									12/09/96	
COMPUTER DATA SYSTEMS INC	MD				X						02/19/97	
CONTIMORTGAGE HOME EQUITY LOAN TRUST 1997-1								X			02/06/97	
CONTINENTAL AMERICAN TRANSPORTATION INC	CO				X						02/21/97	
DCC COMPACT CLASSICS INC	CA			X		X					02/17/97	AMEND
DIMON INC	VA				X						02/14/97	
DNAP HOLDING CORP	DE				X	X					01/21/97	
ENDOREX CORP	DE			X							01/31/97	AMEND
FHP INTERNATIONAL CORP	DE	X				X					02/14/97	
FIDELITY BANCORP INC /DE/	DE				X						02/21/97	
FIELDS AIRCRAFT SPARES INC	UT							X			02/11/97	
FIRST CENTRAL FINANCIAL CORP	NY				X	X					02/14/97	
FIRST COMMUNITY FINANCIAL GROUP INC	WA				X	X					02/06/97	
FIRST EMPIRE STATE CORP	NY				X	X					02/19/97	
FIRST ESSEX BANCORP INC	DE					X					12/30/96	AMEND
FLAG FINANCIAL CORP	GA	X									02/20/97	
FORCENERGY INC	DE	X									12/31/97	
FORTE COMPUTER EASY INC	UT				X						02/17/97	
FORTE COMPUTER EASY INC	UT				X						02/17/97	
FORTE COMPUTER EASY INC	UT				X						02/17/97	
FREQUENCY ELECTRONICS INC	DE				X						02/14/97	
GENCOR INDUSTRIES INC	DE						X				12/10/96	AMEND
GENERAL PARCEL SERVICE INC	FL	X									02/17/97	
GENSIA INC	DE				X						02/19/97	
GLENBOROUGH REALTY TRUST INC	MD					X					08/08/96	AMEND
GLENBOROUGH REALTY TRUST INC	MD					X					12/30/96	AMEND
GLENBOROUGH REALTY TRUST INC	MD					X					12/30/96	AMEND
GREAT WESTERN FINANCIAL CORP	DE				X	X					02/20/97	
GREEN TREE FINANCIAL CORP	MN					X					02/20/97	
GREENWICH AIR SERVICES INC	DE				X	X					02/13/97	
HALLIBURTON CO	DE				X	X					02/21/97	
HALLMARK CAPITAL CORP	WI				X	X					02/21/97	
HEALTH FITNESS PHYSICAL THERAPY INC	MN		X			X					02/07/97	
HEARTLAND WIRELESS COMMUNICATIONS INC	DE				X	X					01/22/97	
HELPMATE ROBOTICS INC	CT				X						02/07/97	
HUBCO INC	NJ				X						01/31/97	
INTERACTIVE GROUP INC	DE					X					03/12/96	AMEND
IPL SYSTEMS INC	MA				X	X					02/10/97	
JUMPIN JAX CORP	NV		X								02/07/97	
KANSAS CITY SOUTHERN INDUSTRIES INC	DE				X						02/21/97	
MERCANTILE CREDIT CARD MASTER TRUST	NY				X	X					02/12/97	
METHODE ELECTRONICS INC	DE				X						02/14/97	
MID AMERICA APARTMENT COMMUNITIES												

NAME OF ISSUER	STATE CODE	8K ITEM NO									DATE	COMMENT	
		1	2	3	4	5	6	7	8	9			
INC	TN				X							02/21/97	AMEND
MID AMERICA APARTMENT COMMUNITIES													
INC	TN				X							02/21/97	
MOLTEN METAL TECHNOLOGY INC /DE/	DE	X				X						12/10/96	AMEND
MORGAN J P COMMERCIAL MORTGAGE													
FINANCE CORP	DE				X	X						02/01/97	
N T HOLDINGS INC	DE	X				X						02/14/97	
NATIONSBANK NA	NC				X	X						02/15/97	
NATIONSBANK OF DELAWARE NA	DE				X	X						02/15/97	
NEWCARE HEALTH CORP	NV					X						02/06/96	AMEND
NOEL GROUP INC	DE	X				X						02/07/97	
NORTHSTAR HEALTH SERVICES INC	DE				X	X						01/16/97	
OMNICARE INC	DE				X							01/31/97	
OPTICAL SECURITY GROUP INC	CO						X					02/20/97	AMEND
ORYX TECHNOLOGY CORP			X									02/07/97	
OXFORD CAPITAL CORP /NV	NV				X	X						02/21/97	
PACIFICARE HEALTH SYSTEMS INC	DE	X				X						02/14/97	
PATRIOT AMERICAN HOSPITALITY INC	VA	X	X		X	X						01/16/97	AMEND
PCS 2000 LP	DE				X	X						01/22/97	
PECO ENERGY CO	PA	X										02/21/97	
PENNEY J C CO INC	DE					X						02/21/97	
PERMA FIX ENVIRONMENTAL SERVICES INC	DE				X	X						02/07/97	
PIXTECH INC /DE/	DE							X				02/07/97	
POLARIS INDUSTRIES INC/MN	MN				X	X						02/19/97	
PROCTER & GAMBLE CO	OH							X				02/21/97	
QUICKTURN DESIGN SYSTEMS INC	DE	X	X	X								02/07/97	
RC ARBYS CORP	FL				X	X						02/13/97	
RENAISSANCE SOLUTIONS INC	DE					X						02/03/97	AMEND
RENT WAY INC	PA	X				X						02/21/97	
RENTECH INC /CO/	CO				X							02/21/97	
RESIDENTIAL ACCREDIT LOANS INC	DE				X	X						02/20/97	
RESIDENTIAL ACCREDIT LOANS INC	DE				X	X						02/20/97	
RESIDENTIAL FUNDING MORTGAGE													
SECURITIES I INC	DE				X	X						02/20/97	
ROADWAY EXPRESS INC	DE				X	X						02/07/97	
SECURITY CAPITAL CORP/DE/	DE							X				02/13/97	
SINTER METALS INC	DE					X						01/03/97	AMEND
SINTER METALS INC	DE					X						01/03/97	AMEND
SMITH CHARLES E RESIDENTIAL REALTY													
INC	MD				X	X						02/12/97	
SOUTHERN PACIFIC SECURED ASSEST													
CORP SERIES 1996-4	NY	X										01/25/97	
SOUTHWESTERN ENERGY CO	AR					X						02/21/97	
SPX CORP	DE	X										02/21/97	
STAFFMARK INC					X	X						02/05/97	
STAFFMARK INC					X	X						02/07/97	
STARTECH ENVIRONMENTAL CORP	CO				X							10/31/96	AMEND
STATEFED FINANCIAL CORP	DE				X	X						01/28/97	
STILLWATER MINING CO /DE/	DE				X							02/21/97	
STRUCTURED ASSET SEC CORP MORT PASS													
THRU CERTS SERIES 1996-5	NY	X										01/25/97	
SUN HEALTHCARE GROUP INC	DE				X	X						02/17/97	
THERMAL INDUSTRIES INC	PA				X							01/07/97	
THERMAL INDUSTRIES INC	PA				X							01/07/97	
TRIARC COMPANIES INC	DE				X	X						02/13/97	
TRIARC COMPANIES INC	DE				X	X						02/13/97	
TRIDEX CORP	CT				X	X						02/12/97	
USLIFE CORP	NY	X			X	X						02/07/97	
WASATCH PHARMACEUTICAL INC	UT				X							02/06/97	
WEBSTER FINANCIAL CORP	DE				X	X						02/20/97	
WMX TECHNOLOGIES INC	DE				X	X						02/18/97	