

SEC NEWS DIGEST

Issue 96-236

December 12, 1996

COMMISSION ANNOUNCEMENTS

CHANGE IN THE MEETING: CANCELLATION

The closed meeting scheduled for Thursday, December 12, at 10:00 a.m. was cancelled.

RULES AND RELATED MATTERS

CUSTODY OF INVESTMENT COMPANY ASSETS WITH FUTURES COMMISSION MERCHANTS AND COMMODITY CLEARING ORGANIZATIONS

The Commission issued a release adopting Rule 17f-6 under the Investment Company Act. Rule 17f-6 permits registered investment companies to maintain their assets with futures commission merchants and commodity clearing organizations in connection with their commodity transactions effected on both domestic and foreign exchanges. Until now, an investment company engaging in commodity transactions was required to maintain assets relating to these transactions in special accounts with a custodian bank. The new rule will enable investment companies to effect their commodity trades in the same manner as other market participants under conditions designed to provide custodial protections for investment company assets. FOR FURTHER INFORMATION, CONTACT Robin S. Gross at (202) 942-0690. (Rel. IC-22389)

ENFORCEMENT PROCEEDINGS

DECISION BARRING ROBERT JUDGE FROM ASSOCIATION WITH A BROKER OR DEALER OR WITH A MEMBER OF A NATIONAL SECURITIES EXCHANGE OR REGISTERED SECURITIES ASSOCIATION

The decision of an administrative law judge concerning Robert J. Judge has become final. The order barred Judge from associating with any broker or dealer or with a member of a national securities exchange or registered securities association.

The law judge found that on January 23, 1996, the United States District Court for the Southern District of New York enjoined Judge from violating Section 17(a) of the Securities Act of 1933 as well as Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The court also ordered Judge to pay a \$25,000 penalty and to disgorge, jointly and severally with his co-defendant, \$382,475 plus prejudgment interest of \$72,554. The injunction was based upon Judge's sale of shares in a public offering by means of material misstatements and omissions relating to, among other things, the nature of the issuer's business and its intended use of the offering proceeds. The sales occurred while Judge was associated as a registered representative with various registered broker-dealers.

Following a hearing, the law judge concluded that Judge's conduct was egregious and that Judge had acted with scienter. Over the course of a year, Judge and his co-defendant diverted a sizeable share of the offering proceeds to their own use and benefit. The law judge observed that the district court had characterized the scheme as "theft, pure and simple." Accordingly, the law judge determined that Judge lacks the honesty required of a securities professional and that a severe sanction is warranted to deter others from similar activities. The law judge also concluded that appropriate preventative action was needed because Judge was legally free to work in the securities industry in the future. (Rel. 34-38040)

COMPLAINT FILED AGAINST GEORGIA HELLIWELL

The Commission today announced the filing of a complaint in the United States District Court for the Southern District of New York alleging that Georgia Pooley Helliwell received monies as part of a fraudulent scheme perpetrated by her husband, Dennis Lindsay Helliwell (Helliwell), who was previously enjoined from violations of the antifraud provisions of the federal securities laws. The Commission is seeking disgorgement of all of the unjust enrichment which Georgia Helliwell received as a result of the federal securities laws violations by Helliwell, plus prejudgment interest; an accounting; an asset freeze; the appointment of a receiver; and such other and further relief as the Court may deem just and equitable.

As detailed in today's complaint, on February 13, 1996, the Commission filed a complaint against Helliwell and The Helliwell Group Limited, a financial advisory services firm of which Helliwell and Georgia Helliwell are co-owners, president and vice-president, respectively, alleging violations of the antifraud provisions of the federal securities laws. The first complaint alleged that, from in or before February 1986 through February 1996, Helliwell and the Helliwell Group raised at least \$2.58 million from at least thirty investors for whom they were providing various financial services. However, Helliwell, Georgia Helliwell and the Helliwell Group misappropriated most of the investors' funds, utilizing the money for personal and business expenses, including the purchase of

automobiles and artwork. After a trial on the merits, Helliwell and the Helliwell Group were found by the Court to have violated Sections 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act of 1933 (Securities Act) and Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 promulgated thereunder on February 20, 1996. Permanent injunctions were entered against Helliwell and the Helliwell Group on February 20, 1996. For further information, see Lit. Rel. Nos. 14816 and 14859. [SEC v. Georgia Pooley Helliwell, 96 Civ. 9264, USDC, SDNY] (LR-15184)

ADDITIONAL INFORMATION REGARDING ENVIRONMENTAL CHEMICALS GROUP, INC. AND ITS FORMER OFFICER AND DIRECTORS (LR-15183) -- CURTIS YOUNTS, JR. CONSENTS TO ENTRY OF ORDER IN CIVIL INJUNCTIVE ACTION

The Commission announced on December 11 that Curtis A. Younts, Jr., former president, chairman and CEO of Littlefield, Adams & Company, has consented to the entry of an Order entering final judgment against him in SEC v. Younts, et al., SA 95 CA 1100 (OLG) (W.D. Tex., San Antonio Div.).

The Commission's complaint alleged that Younts violated the antifraud, corporate reporting and registration requirements of the federal securities laws by, among other things, misappropriating more than \$1.15 million from LFA and engaging in various schemes designed to inflate artificially LFA's income and stock price.

Younts consented to the entry of an order permanently enjoining him from further violations of Sections 5(a), 5(c) and 17(a) of the Securities Act, Sections 10(b), 13(a), 13(b)(5) of the Exchange Act, and Rules 10b-5, 13b2-1 and 13b2-2, thereunder. The Order also imposes (i) an officer and director bar on Younts; (ii) \$400,000 in civil penalties; and (iii) \$781,000 in disgorgement, with payment of \$581,000 waived based on Younts' demonstrated inability to pay. [SEC v. Younts, et al., SA 95 CA 1100, OLG, W.D. Texas, San Antonio Div.] (LR-15183)

CORRECTION

The December 6th issue of the Digest inadvertently repeated a summary titled COMPLAINT FILED AND APPLICATION MADE FOR TEMPORARY RESTRAINING ORDER AGAINST GERALD HIRSCH AND CHURCHILL SECURITIES, INC., which was previously published in the December 4th issue. The correct summary for Litigation Release 15177 is as follows:

TEMPORARY RESTRAINING ORDER ISSUED AGAINST GERALD HIRSCH AND CHURCHILL SECURITIES, INC.

The Commission announced that on December 4 The Honorable Constance Baker Motley, United States District Court Judge for the Southern District of New York, granted the Commission's application for a Temporary Restraining Order ordering Gerald P. Hirsch (Hirsch) and Churchill Securities, Inc. (Churchill) to comply immediately with the Commission Order issued against them on May 24, 1996. In granting the Commission's application, Judge Motley also appointed Patrick J. Monaghan, Jr. as

Churchill's Temporary Receiver, and scheduled a hearing for December 14, 1996, to consider the Commission's application for a Preliminary Injunction.

The Commission made its application in connection with its complaint, filed on December 4, 1996 in the United States District Court for the Southern District of New York. As detailed in the complaint, defendant Hirsch currently claims to own, and is in possession of, Churchill, a registered broker-dealer. As a result, Hirsch and Churchill have been violating an order of the Commission (Commission Order) which was issued in connection with the settlement of a prior civil action, United States Securities & Exchange Commission v. Churchill Securities, Inc., Churchill Mortgage Investment Corp. and Gerald P. Hirsch, 93 Civ. 7486 (CBM) (S.D.N.Y. November 1, 1993), and a related administrative proceeding, In the Matter of Churchill Securities, Inc. and Gerald P. Hirsch, A.P. File No. 3-9012 (May 24, 1996).

The Commission Order provided that, among other things, Hirsch was suspended for twelve months from association with any broker, dealer, investment adviser, investment company or municipal securities dealer commencing June 3, 1996. The Commission Order also provided that Churchill was ordered to comply with the terms of certain remedial undertakings, including the hiring of a consultant to undertake a review of the firm's procedures. By virtue of the conduct alleged in the present complaint, both Hirsch and Churchill have been in violation of the Commission Order. [SEC v. Gerald P. Hirsch, et al., 96 Civ. 9121, CBM] (LR-15177)

INVESTMENT COMPANY ACT RELEASES

ANNUITY MANAGEMENT SERIES

A notice has been issued giving interested persons until January 6 to request a hearing on an application filed by Annuity Management Series (Applicant) for an order under Section 8(f) of the Investment Company Act declaring that the Applicant has ceased to be an investment company. (Rel. IC-22391 - December 11)

HOLDING COMPANY ACT RELEASES

CONSOLIDATED NATURAL GAS COMPANY, ET AL.

An order has been issued authorizing Consolidated Natural Gas Company, a registered holding company, to reorganize a portion of its system by merging two of its wholly owned gas public-utility subsidiaries, The East Ohio Gas Company (EOG) and West Ohio Gas

Company, with EOG being the surviving corporation. (Rel. 35-26619)

GENERAL PUBLIC UTILITIES, INC.

A supplemental order has been issued authorizing General Public Utilities, Inc., a registered holding company, to guarantee the payment of non-funded benefits under the existing and future employee benefit plans of its current and future utility and nonutility subsidiaries in increased amounts of up to \$100 million, through December 31, 2002. (Rel. 35-26620)

NEW ENGLAND ELECTRIC SYSTEM

A supplemental order has been issued authorizing New England Electric System (NEES), a registered holding company, to extend its authority through December 31, 2001 to issue and sell up to 10,693,536 shares of its authorized but unissued common stock to the NEES System Dividend Reinvestment and Common Share Purchase Plan. (Rel. 35-26621)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The National Association of Securities Dealers has filed a proposed rule change (SR-NASD-96-42) that would allow members under certain circumstances to petition the staff of NASD Regulation for permission to modify the standardized limited partnership transfer forms. Publication of the proposal is expected in the Federal Register during the week of December 16. (Rel. 34-38042)

DELISTING GRANTED

An order has been issued granting the application of the American Stock Exchange to strike from listing and registration CST Entertainment, Inc., Common Stock, \$0.15 Par Value. (Rel. 34-38043)

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 JETFORM CORP, 560 ROCHESTER ST STE 400, OTTAWA ONTARIA CANADA, A6 K1S 5
(613) 230-3676 - 2,449,963 (\$43,333,720.56) COMMON STOCK. (FILE 333-6114 -
DEC. 02) (BR. 3)

- S-8 ISRAEL STATE OF, 800 SECOND AVENUE 17TH FLOOR, NEW YORK, NY 10017
(212) 560-0600 - \$191,466,676 STRAIGHT BONDS. (FILE 333-6122 - DEC. 02)
(BR. 99)
- F-6 SIME DARBY BERHAD /ADR/, 16 WALL ST, C/O BANKERS TRUST CO, NEW YORK, NY
10015 (212) 250-6860 - 30,000,000 (\$1,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-6124 - DEC. 03) (BR. 99)
- S-8 PETROLEUM SECURITIES AUSTRALIA LTD, LEVEL 13 1 ALFRED ST,
SYDNEY NSW 2000, C3 00000 - 5,316,552 (\$24,477,405.40)
FOREIGN COMMON STOCK. (FILE 333-6128 - DEC. 04) (BR. 4)
- F-3 TRANSCANADA PIPELINES LTD, 111 FIFTH AVE SW, P O BOX 1000 STATION M,
CALGARY ALBERTA CANADA T2P 4K5, A0 (403) 267-6100 - 1,000,000
(\$17,875,000) FOREIGN COMMON STOCK. (FILE 333-6132 - DEC. 05) (BR. 4)
- S-8 HOUGHTEN PHARMACEUTICALS INC, 3550 GENERAL ATOMICS COURT, SAN DIEGO, CA
92121 (619) 455-3814 - 421,424 (\$2,054,442) COMMON STOCK. (FILE 333-17273
- DEC. 05) (BR. 1)
- S-8 FAMILY GOLF CENTERS INC, 225 BROADHOLLOW RD, MELVILLE, NY 11747
(516) 694-1666 - 548,500 (\$16,660,687.50) COMMON STOCK. (FILE 333-17275 -
DEC. 05) (BR. 9)
- S-8 DEPUY INC, PO BOX 988, 700 ORTHOPAEDIC DRIVE, WARSAW, IN 46581
(219) 267-8143 - 600,000 (\$10,612,500) COMMON STOCK. (FILE 333-17277 -
DEC. 05) (BR. 1)
- S-4 NORWEST CORP, NORWEST CTR, SIXTH & MARQUETTE, MINNEAPOLIS, MN 55479
(612) 667-1234 - 5,000,000 (\$74,099,203) COMMON STOCK. (FILE 333-17279 -
DEC. 05) (BR. 7)
- S-8 ACI TELECENTRICS INC, 3100 WEST LAKE ST, STE 300, MINNEAPOLIS, MN 55416
(612) 928-4700 - 280,000 (\$1,540,000) COMMON STOCK. (FILE 333-17281 -
DEC. 05) (BR. 9)
- S-8 ACI TELECENTRICS INC, 3100 WEST LAKE ST, STE 300, MINNEAPOLIS, MN 55416
(612) 928-4700 - 100,000 (\$550,000) COMMON STOCK. (FILE 333-17283 -
DEC. 05) (BR. 9)
- S-3 KANSAS CITY POWER & LIGHT CO, 1201 BALTIMORE AVE, KANSAS CITY, MO 64106
(816) 556-2200 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE
333-17285 - DEC. 05) (BR. 4)
- S-8 CISCO SYSTEMS INC, 170 W TASMAN DR, SAN JOSE, CA 95134 (408) 526-4000 -
163,200 (\$298,656) COMMON STOCK. (FILE 333-17287 - DEC. 05) (BR. 3)
- S-3 CMS ENERGY CORP, FAIRLANE PLZ SOUTH STE 1100, 330 TOWN CENTER DR,
DEARBORN, MI 48126 (313) -43-6-92 - 500,000,000 (\$500,000,000)
STRAIGHT BONDS. (FILE 333-17289 - DEC. 05) (BR. 4)
- S-3 WASHINGTON MUTUAL INC, 1201 THIRD AVENUE, SEATTLE, WA 98101
(206) 461-2000 - 15,085,305 (\$609,069,190) COMMON STOCK. (FILE 333-17291 -
DEC. 05) (BR. 7)
- S-8 FAXSAV INC, 399 THORNALL ST, EDISON, NJ 08837 (908) 906-2000 -
1,794,175 (\$10,540,778.12) COMMON STOCK. (FILE 333-17293 - DEC. 05)
(BR. 3)
- S-8 ELECTRO RENT CORP, 6060 SEPULVEDA BLVD, VAN NUYS, CA 91411
(818) 787-2100 - 350,000 (\$8,050,000) COMMON STOCK. (FILE 333-17295 -
DEC. 05) (BR. 7)
- S-4 CITY NATIONAL CORP, 400 N ROXBURY DR, BEVERLY HILLS, CA 90210
(310) 858-4270 - 1,744,125 (\$27,098,537) COMMON STOCK. (FILE 333-17297 -
DEC. 05) (BR. 7)
- S-8 OPTI INC, 888 TASMAN DR, MILPITAS, CA 95035 (408) 486-8000 - 1,550,000
(\$8,137,500) COMMON STOCK. (FILE 333-17299 - DEC. 05) (BR. 6)

- S-6 EMPIRE STATE MUNICIPAL EXEMPT TRUST GUARANTEED SERIES 133,
C/O GLICKENHAUS & CO, 6 E 43RD ST, NEW YORK, NY 10017 (212) 953-7532 - 330
(\$330,000) UNIT INVESTMENT TRUST. (FILE 333-17301 - DEC. 05) (NEW ISSUE)
- S-8 SHAW INDUSTRIES INC, 616 E WALNUT AVE, P O DRAWER 2128, DALTON, GA 30720
(706) 278-3812 - 3,000,000 (\$35,437,500) COMMON STOCK. (FILE 333-17303 -
DEC. 05) (BR. 2)
- S-4 INTERNATIONAL KNIFE & SAW INC, 1299 COX AVENUE, ERLANGER, KY 41018
(606) 371-0333 - 90,000,000 (\$90,000,000) STRAIGHT BONDS. (FILE 333-17305
- DEC. 05) (NEW ISSUE)
- S-6 EMPIRE STATE MUNICIPAL EXEMPT TRUST GUARANTEED SERIES 134,
C/O GLICKENHAUS & CO, 6 E 43RD ST, NEW YORK, NY 10017 (212) 953-7532 - 330
(\$330,000) UNIT INVESTMENT TRUST. (FILE 333-17307 - DEC. 05) (NEW ISSUE)
- S-3 UNION CARBIDE CORP /NEW/, 39 OLD RIDGEBURY RD, DANBURY, CT 06817
(203) 794-2000 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE
333-17309 - DEC. 05) (BR. 4)
- SB-2 NATURENU CORP, 3631 EAST 7TH AVENUE PARKWAY, DENVER, CO 80206 -
3,430,000 (\$10,290,000) COMMON STOCK. (FILE 333-17311 - DEC. 05)
(NEW ISSUE)
- N-2 PACHOLDER FUND INC, 8044 MONTGOMERY RD STE 382, CINCINNATI, OH 45236
(513) 985-3200 - 2,077,312 (\$32,842,303) COMMON STOCK. (FILE 333-17313 -
DEC. 05) (BR. 18)
- SB-2 MICHIGAN HERITAGE BANCORP INC, 21211 HAGGERTY RD, NOVI, MI 48375
(810) 380-0779 - 1,150,000 (\$11,500,000) COMMON STOCK. (FILE 333-17317 -
DEC. 05) (NEW ISSUE)
- S-8 QUIPP INC, 4800 NW 157TH ST, MIAMI, FL 33014 (305) 623-8700 - 15,000
(\$152,812.50) COMMON STOCK. (FILE 333-17319 - DEC. 05) (BR. 5)
- S-3 BIOTIME INC, 935 PARDEE ST, BERKELEY, CA 94710 (510) 845-9535 - 300,000
(\$5,775,000) COMMON STOCK. (FILE 333-17321 - DEC. 05) (BR. 1)
- S-3 CUC INTERNATIONAL INC /DE/, 707 SUMMER ST, STAMFORD, CT 06901
(203) 324-9261 - 1,155,733 (\$29,251,602) COMMON STOCK. (FILE 333-17323 -
DEC. 05) (BR. 8)
- S-8 UNIDYNE CORP, 118 PICKERING WAY, SUITE 104, EXTON, PA 19341
((61) 0)3-63-8 - 1,100,000 (\$4,950,000) COMMON STOCK. (FILE 333-17325 -
DEC. 05) (BR. 5)
- S-3 HORMEL FOODS CORP /DE/, 1 HORMEL PL, AUSTIN, MN 55912 (507) 437-5737 -
1,709,398 (\$44,551,186) COMMON STOCK. (FILE 333-17327 - DEC. 05) (BR. 2)
- S-4 FULTON FINANCIAL CORP, ONE PENN SQ, PO BOX 4887, LANCASTER, PA 17604
(717) 291-2411 - 1,800,000 (\$45,000,000) COMMON STOCK. (FILE 333-17329 -
DEC. 05) (BR. 7)
- S-8 BROADWAY FINANCIAL CORP \DE\, 4835 W VENICE BLVD, LOS ANGELES, CA 90019
(213) 931-1886 - 89,269 (\$842,699) COMMON STOCK. (FILE 333-17331 -
DEC. 05) (BR. 7)
- S-3 ALABAMA POWER CO, 600 N 18TH ST, P O BOX 2641, BIRMINGHAM, AL 35291
(205) 250-1000 - 400,000,000 (\$400,000,000) PREFERRED STOCK. (FILE
333-17333 - DEC. 05) (BR. 4)
- S-4 WESTAMERICA BANCORPORATION, 1108 FIFTH AVE, SAN RAFAEL, CA 94901
(415) 257-8000 - 6,600,000 (\$132,825,000) COMMON STOCK. (FILE 333-17335 -
DEC. 05) (BR. 7)
- S-3 MEDPARTNERS INC, 3000 GALLERIA TOWER, STE 1000, BIRMINGHAM, AL 35244
(205) 733-8996 - 10,000,000 (\$218,750,000) COMMON STOCK. (FILE 333-17337 -
DEC. 05)
- S-3 MEDPARTNERS INC, 3000 GALLERIA TOWER, STE 1000, BIRMINGHAM, AL 35244
(205) 733-8996 - 2,153,808 (\$47,114,550) COMMON STOCK. (FILE 333-17339 -
DEC. 05)

- S-8 BROOKSTONE INC, 17 RIVERSIDE STREET, NASHUA, NH 03062 (603) 880-9500 - 150,000 (\$1,516,250) COMMON STOCK. (FILE 333-17341 - DEC. 05) (BR. 2)
- S-3 COOPER & CHYAN TECHNOLOGY INC, 1601 SARATOGA SUNNYVALE RD, CUPERTINO, CA 95014 (408) 366-6966 - 1,406,542 (\$46,415,886) COMMON STOCK. (FILE 333-17343 - DEC. 05) (BR. 3)
- SB-2 MICRO THERAPEUTICS INC, 1062 CALLE NEGOCIO #F, SAN CLEMENTE, CA 92673 (714) 361-0616 - \$29,900,000 COMMON STOCK. (FILE 333-17345 - DEC. 05) (BR. 4)
- S-8 BARR LABORATORIES INC, 2 QUAKER RD BOX 2900, POMONA, NY 10970 (914) 362-1100 - 150,000 (\$3,882,000) COMMON STOCK. (FILE 333-17349 - DEC. 05) (BR. 1)
- S-8 BARR LABORATORIES INC, 2 QUAKER RD BOX 2900, POMONA, NY 10970 (914) 362-1100 - 750,000 (\$19,410,000) COMMON STOCK. (FILE 333-17351 - DEC. 05) (BR. 1)
- S-8 TOWER AUTOMOTIVE INC, 4508 IDS CENTER, MINNEAPOLIS, MN 55402 (612) 342-2310 - 100,000 (\$3,162,500) COMMON STOCK. (FILE 333-17355 - DEC. 05) (BR. 6)