

SEC NEWS DIGEST

Issue 97-34

February 20, 1997

COMMISSION ANNOUNCEMENTS

COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted under provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding open meetings on Wednesday mornings. Otherwise, meetings will be scheduled according to the requirements of agenda items under consideration.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, N.W., Washington, D.C. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

Any member of the public who requires auxiliary aids such as a sign-language interpreter or material on tape to attend a public meeting should contact Rochelle Franks, Office of Administrative and Personnel Management, to make arrangements. Ms. Franks can be reached at (202) 942-9558. Staff members at the Commission are encouraged to contact Ms. Franks if they receive inquiries on availability of auxiliary aids.

OPEN MEETING - THURSDAY, FEBRUARY 27, 1997 - 9:00 A.M.

The subject matter of the open meeting scheduled for Thursday, February 27, 1997, at 9:00 a.m., will be:

whether to propose for public comment: (i) amendments to Form N-1A under the Investment Company Act of 1940 and the Securities Act of 1933, which would revise the disclosure requirements for mutual fund prospectuses to focus prospectus disclosure on essential information about a particular fund that would assist an investor in deciding whether to invest in that fund; (ii) rule 498 under the Securities Act and the Investment Company Act, which would permit investors to

buy mutual fund shares based on a summary document, or profile, that would provide key information about a mutual fund; and (iii) rule 35d-1 under the Investment Company Act, which would require mutual funds and other registered investment companies with names suggesting that the company focuses on a particular type of investment (e.g., a fund that calls itself the ABC Stock Fund, the XYZ Bond Fund, or the 123 Government Fund) to invest at least 80% of its assets in the type of investment suggested by its name. For further information please contact: Elizabeth R. Krentzman or Kathleen K. Clarke, (202) 942-0721.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 942-7070.

RULES AND RELATED MATTERS

COMMISSION ADOPTS RULES TO SHORTEN RULE 144 HOLDING PERIOD; PROPOSES RULES TO IMPROVE THE CLARITY AND USEFULNESS OF RULE 144, ELIMINATE ABUSIVE PRACTICES UNDER REGULATION S, AND PERMIT SMALLER COMPANIES TO PRICE SECURITIES ON A DELAYED BASIS

On February 18, the Commission approved the issuance of the following releases, the text of which will be posted on the Commission's Internet Web site (<http://www.sec.gov>):

- Adoption of Rules to Shorten Rule 144 Holding Period

Release No. 33-7390 adopts revisions to Rule 144 that shorten the holding periods. The amendments permit limited resales of restricted securities after a one-year, rather than a two-year, holding period, and allow unlimited resales of such securities by non-affiliates after a two-year, rather than a three-year, holding period. FOR FURTHER INFORMATION CONTACT: Elizabeth M. Murphy at (202) 942-2900.

- Proposal of Changes to Rule 144 and 145

Release No. 33-7391 proposes for comment additional amendments intended to make Rule 144 easier to understand and apply. Changes proposed for comment include simplification of the text of Rule 144, clarification of the definition of "affiliate," increases in Form 144 filing thresholds, and deletion of the manner of sale requirements to allow new means of reselling restricted securities, such as electronic bulletin boards. Under the proposals, Rule 145 would be amended to eliminate the "presumptive underwriter" provisions in that rule. The release also solicits comment on further changes to the Rule 144 holding periods and volume limits, as well as possible regulatory approaches to addressing the

application of the Securities Act to hedging transactions. FOR FURTHER INFORMATION CONTACT: Elizabeth M. Murphy, Mark W. Green or Michael G. Hyatte at (202) 942-2900.

- Proposal of Rule Changes to Address Abusive Practices under the Regulation S Safe Harbor for Offshore Offers and Sales

Release No. 33-7392 proposes for comment revisions to Regulation S and Rule 144 to address abusive practices under the Regulation S safe harbor for offshore offers and sales. The changes would apply to offshore sales of equity securities of all domestic issuers and of those foreign issuers whose principal equity market is in the United States. The proposed changes include, among others, lengthening the restricted period for these securities from 40 days to two years and treating these securities as "restricted" for purposes of Rule 144. FOR FURTHER INFORMATION CONTACT: Paul M. Dudek or Walter Van Dorn at (202) 942-2990.

- Proposal of Rule Changes to Permit Smaller Companies to Price Securities on a Delayed Basis

Release No. 33-7393 proposes for comment an amendment to Rule 430A that would provide smaller companies with more timing flexibility in registered offerings. The proposal would permit smaller companies, including small business issuers, to delay pricing of securities offerings after their registration statements become effective if they meet specified registrant and offering conditions. FOR FURTHER INFORMATION CONTACT: Barbara C. Jacobs, Division of Corporation Finance at (202) 942-2950.

ENFORCEMENT PROCEEDINGS

BROKER CONSENTS TO SECURITIES INDUSTRY BAR

The Commission announced the institution of public administrative proceedings pursuant to Sections 15(b) of the Securities Exchange Act of 1934 (Exchange Act) against Milton Weinger (Weinger). Simultaneously with the institution of the proceedings, the Commission accepted Weinger's offer of settlement, in which he consented, without admitting or denying certain of the Commission's findings, to the issuance of an Order, effective immediately, barring Weinger from association with any broker, dealer, investment adviser, investment company or municipal securities dealer.

The Commission's Order finds that from in or about 1962 through June 30, 1992, Weinger was employed as a registered representative with Oppenheimer & Co., Inc. (Oppenheimer), a broker-dealer registered with the Commission. The Order finds that on September 17, 1992, Weinger pleaded guilty to one criminal count of committing perjury

when testifying under oath before the Commission during 1989. The Order finds that, on February 24, 1993, Weinger was sentenced to imprisonment for a term of ten months, two-years' supervised release thereafter, and a \$50 special assessment.

The Order also finds that on December 26, 1996, Weinger was permanently enjoined, by consent, by the United States District Court for the Southern District of New York from violations of Section 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder in SEC v. Downe, et al., 92 Civ. 4092 (SAS) (S.D.N.Y.). In SEC v. Downe, the Commission alleged, among other things, that Edward R. Downe, Jr. (Downe), a New York private investor and one of Weinger's customers, exploited his access to material, confidential corporate information for his personal benefit and the benefit of his family and friends, and that Downe tipped Weinger with material, confidential information and/or directed Weinger to place trades in the securities of various public companies including Kidde, Inc., Bear Stearns Companies, Inc., and Edgcomb Corporation. For further information, see Litigation Releases 13260, 13858, 14150, 14234, and 15208. (Rel. 34-38300)

LINDA HODGE, CPA, IS SUSPENDED FORTHWITH FROM APPEARING OR PRACTICING BEFORE THE COMMISSION

On February 18, the Commission issued an Order Of Suspension pursuant to Rule 102(e)(2) of the Commission's Rules of Practice (Order) against Linda A. Hodge, a certified public accountant (Hodge).

The Order finds that Hodge's license to practice accounting has been revoked by the State of Maryland and that she pleaded guilty to and was convicted of one count of criminal contempt, in violation of 18 U.S.C. § 401, a felony, in United States v. Linda A. Hodge, 94 Cr. 1020 (AGS) (S.D.N.Y.). The indictment alleges that Hodge knowingly and willfully disobeyed and resisted a lawful asset freeze order of the United States District Court for the Southern District of New York entered on August 10, 1993 in SEC v. Craig Medoff, et al., 93 Civ. 5573 (LLS) (S.D.N.Y.), by withdrawing from her Clients Funds Account approximately \$13,000 of investors' funds entrusted to her as custodian in connection with a \$2 million fraudulent offering of securities of Air Tech Industries, Inc.

Based on the foregoing, the Commission ordered that Hodge be forthwith suspended from appearing or practicing before the Commission as an accountant. (Rel. 34-38301; AAE Rel. 887)

COMMISSION BARS NEAL STEIN

The Commission instituted a public administrative proceeding against Neal B. Stein (Stein) pursuant to Sections 15(b) and 19(h) of the Exchange Act. Simultaneously with the institution of the proceeding, Stein submitted an Offer of Settlement in which, while neither admitting nor denying the Commission's findings, he

consented to the entry of an Order barring him from the securities industry. The Order was based on a permanent injunction entered against Stein for violating the antifraud and registration provisions of the federal securities laws. The Commission's complaint alleges that from December 1987 through March 1995, Mustang Development Corporation (Mustang) raised approximately \$139 million from some 4,500 investors who were deceived into believing that their money would be used to purchase oil and gas properties and that the returns they received represented revenues generated from such properties. In fact, from August 1992 through March 1995, Stein, as Mustang's president and part owner, misappropriated millions of dollars to support an extravagant personal lifestyle and used investor funds to finance a Ponzi scheme in which new investor capital was funnelled back to old investors in the form of fictitious returns. (Rel. 34-38304)

INVESTMENT COMPANY ACT RELEASES

BEACON HILL MUTUAL FUND, INC.

An order has been issued under Section 8(f) of the Investment Company Act declaring that Beacon Hill Mutual Fund, Inc. has ceased to be an investment company. (Rel. IC-22517 - February 19)

MERRILL LYNCH GLOBAL INSTITUTIONAL SERIES, INC.

An order has been issued under Section 8(f) of the Investment Company Act declaring that Merrill Lynch Global Institutional Series, Inc. has ceased to be an investment company. (Rel. IC-22518 - February 19)

HOLDING COMPANY ACT RELEASES

NATIONAL FUEL GAS COMPANY

An order has been issued authorizing National Fuel Gas Company (NFG), a registered holding company, to adopt, subject to shareholder approval, the NFG 1997 Award and Option Plan (Plan) providing for the issuance of shares up to 1.9 million shares of NFG common stock, through December 31, 2006, to key employees of NFG or any of its 80% or more owned subsidiary companies. (Rel. 35-26670)

PUBLIC SERVICE COMPANY OF COLORADO

An order has been issued granting a request made by Public Service Company of Colorado (PSCo), an exempt holding company, in connection with its proposed acquisition, through one or more special purpose subsidiaries, of a public utility company operating exclusively outside the United States (Foreign Utility). The Commission's order

declares that Foreign Utility is exempt under Section 3(b) of the Act from all provisions of the Act applicable to it as a subsidiary company of PSCo. (Rel. 35-26671)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The Chicago Board Options Exchange filed a proposed rule change (SR-CBOE-96-73) relating to Membership Committee jurisdiction over continuing membership or association with a member for individuals who fail to meet membership requirements or who become subject to statutory disqualification, and to require individuals subject to statutory disqualification to submit an application in order to continue as a member or as a person associated with a member. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38290)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission granted temporary accelerated approval of a proposed rule change submitted by the National Association of Securities Dealers (SR-NASD-97-07) relating to primary Nasdaq market maker standards through October 1, 1997. Publication of the notice is expected in the Federal Register during the week of February 17. (Rel. 34-38294)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change filed by the Chicago Board Options Exchange (SR-CBOE-95-70) relating to reporting requirements for securities accounts and orders of market-makers and joint account provisions. (Rel. 34-38286)

The Commission approved a proposed rule change submitted by the Philadelphia Stock Exchange (SR-PHLX-96-44) to modify the formula which calculates the settlement value for Dollar Denominated Deliver Options. (Rel. 34-38295)

The Commission approved a proposed rule change submitted by the American Stock Exchange (SR-Amex-97-01) to extend a pilot program that permits a specialist to effect liquidating transactions under certain circumstances until March 7, 1997. (Rel. 34-38299)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

The Philadelphia Depository Trust Company filed a proposed rule change (SR-Phil-96-18) relating to the establishment of fees charged for direct registration system services. Publication is expected

in the Federal Register during the week of February 24. (Rel. 34-38303)

WITHDRAWAL GRANTED

An order has been issued granting the application of Burlington Industries, Inc. to withdraw from listing and registration its Common Stock, \$.01 Par Value, on the Pacific Stock Exchange. (Rel. 34-38312)

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 FLEXTRONICS INTERNATIONAL LTD, BLK 514 CHAI CHEE LANE #04-13,
BODEK INDUSTRIAL ESTATE REPUBLIC OF SING, SINGAPORE 1646, UO (065) 449-5255
- 2,012,500 (\$53,079,688) COMMON STOCK (FILE 333-21715 - FEB 13)
(BR 6)
- S-1 UNIVERSAL OUTDOOR INC, 321 N CLARK ST, SUITE 1010, CHICAGO, IL 60610
(312) 644-8673 - \$100,000,000 STRAIGHT BONDS (FILE 333-21717 - FEB 13)
(BR 2)
- SB-2 EMB CORP, 575 ANTON BLVD, COSTA MESA, CA 92626 (714) 437-0715 -
10,335,938 (\$10,335,938) COMMON STOCK (FILE 333-21719 - FEB 13) (BR 8)
- S-4 FPA MEDICAL MANAGEMENT INC, 2878 CAMINO DEL RIO S STE 301, SAN DIEGO, CA
92108 (619) 295-7005 - 9,028,705 (\$131,800,285) COMMON STOCK (FILE
333-21721 - FEB 13) (BR 1)
- S-8 MAINSTREET BANKGROUP INC, 200 EAST CHURCH ST, CHURCH & ELLSWORTH ST,
MARTINSVILLE, VA 24115 (540) 666-6724 - 130,000 (\$2,405,000) COMMON STOCK
(FILE 333-21723 - FEB 13) (BR 7)
- S-8 MISSION WEST PROPERTIES/NEW/, 6815 FLANDERS DR STE 250, SAN DIEGO, CA
92121 (619) 450-3135 - 125,000 (\$375,000) COMMON STOCK. (FILE 333-21727 -
FEB 13) (BR 8)
- S-3 GST TELECOMMUNICATIONS INC, 4317 NE THURSTON WAY, VANCOUVER BRITISH CO,
WA 98662 (360) 254-4700 - 1,422,172 (\$14,132,834 25) COMMON STOCK (FILE
333-21729 - FEB 13) (BR 3)
- S-8 ELEPHANT & CASTLE GROUP INC, 303 IBM TOWER, 701 WEST GEORGIA ST,
VANCOUVER B C CANADA, A1 (604) 684-6451 - 175,000 (\$1,312,000)
COMMON STOCK (FILE 333-21731 - FEB 13) (BR 9)
- S-8 SHENANDOAH TELECOMMUNICATIONS CO/VA/, PO BOX 459, 124 SOUTH MAIN ST,
EDINBURG, VA 22824 (703) 984-5247 - 240,000 (\$5,275,200) COMMON STOCK
(FILE 333-21733 - FEB 13) (BR 3)
- S-8 KSW INC, 37-16 23RD ST, LONG ISLAND CITY, NY 11101 (718) 361-6500 -
85,000 (\$191,250) COMMON STOCK (FILE 333-21735 - FEB 13) (BR 6)
- S-4 WAXMAN USA INC, 24460 AURORA RD, BEDFORD HEIGHTS, OH 44146
(216) 439-1830 - 4,830,000 (\$4,830,000) STRAIGHT BONDS (FILE 333-21737 -

FEB 13) (BR 6)

- S-6 ACTIVE VOICE CORP, 2901 THIRD AVE, STE 500, SEATTLE, WA 98121
(206) 441-4700 - 230,000 (\$3,220,000) COMMON STOCK (FILE 333-21739 -
FEB 13) (BR 3)
- S-3 CHEVY CHASE BANK FSB, 8401 CONNECTICUT AVE, C/O CHEVY CHASE BANK FSB,
CHEVY CHASE, MD 20815 (301) 986-7000 - 1,000,000 (\$1,000,000)
EQUIPMENT TRUST CERTIFICATES (FILE 333-21741 - FEB 13) (BR 8)
- S-8 QUALIX GROUP INC, 1900 S NORFOLK ST, SUITE 224, SAN MATEO, CA 94403
(415) 572-0200 - 1,619,292 (\$12,954,336) COMMON STOCK (FILE 333-21743 -
FEB 13) (BR 3)
- S-8 BWAY CORP, 8607 ROBERTS DR, STE 250, ATLANTA, GA 30350 (404) 587-0888 -
780,000 (\$14,726,400) COMMON STOCK. (FILE 333-21745 - FEB. 13) (BR. 6)
- S-8 RIGHT START INC /CA, 5334 STERLING CENTER DR, WESTLAKE VILLAGE, CA 91361
(818) 707-7100 - 125,000 (\$656,250) COMMON STOCK. (FILE 333-21747 -
FEB 13) (BR 2)
- S-8 RIGHT START INC /CA, 5334 STERLING CENTER DR, WESTLAKE VILLAGE, CA 91361
(818) 707-7100 - 200,000 (\$1,050,000) COMMON STOCK (FILE 333-21749 -
FEB 13) (BR 2)
- S-3 ASCEND COMMUNICATIONS INC, 1275 HARBOR BAY PKWY, ALAMEDA, CA 94502
(510) 769-6001 - 159,997 (\$10,019,813) COMMON STOCK (FILE 333-21751 -
FEB 13) (BR 3)
- SB-2 BOLDER TECHNOLOGIES CORP, 5181 WARD RD, STE 103, WHEAT RIDGE, CO 80033
(303) 422-8200 - 2,990,000 (\$43,355,000) COMMON STOCK (FILE 333-21753 -
FEB 13) (BR 9)
- S-8 FIRST LANCASTER BANCSHARES INC, 208 LEXINGTON ST, LANCASTER, KY 40444
(606) 792-3368 - 134,233 (\$2,024,581 37) COMMON STOCK (FILE 333-21755 -
FEB 13) (BF 7)
- S-8 WESTMARK GROUP HOLDINGS INC, 355 N E FIFTH AVE, STE 4, DELRAY BEACH, FL
33483 (561) 243-8010 - 25,500 (\$29,325) COMMON STOCK. (FILE 333-21757 -
FEB 13) (BR 8)
- S-4 FIRST SECURITY CORP /UT/, PO BOX 30006, SALT LAKE CITY, UT 84130
(801) 246-5706 - 150,000,000 (\$150,000,000) STRAIGHT BONDS (FILE
333-21759 - FEB 13) (BR 7)
- S-8 COCENSYS INC, 213 TECHNOLOGY DR, IRVINE, CA 92718 (714) 753-6100 -
21,094 (\$138,429 38) COMMON STOCK (FILE 333-21761 - FEB 13) (BR. 1)
- SB-2 SAIGENE CORP, 1725 220TH ST, SE, # 104, BOTHELL, WA 98021 (206) 485-5377
- 2,450,000 (\$14,490,000) COMMON STOCK 100,000 (\$10,000)
WARRANTS, OPTIONS OR RIGHTS 200,000 (\$1,300,000) COMMON STOCK 100,000
(\$10,000) WARRANTS, OPTIONS OR RIGHTS (FILE 333-21763 - FEB 13) (BR. 9
- NEW ISSUE)
- S-3 UNITIL CORP, 6 LIBERTY LAND WEST, HAMPTON, NH 03842 (603) 772-0775 -
100,000 (\$2,008,250) COMMON STOCK (FILE 333-21765 - FEB 13) (BR 4)
- S-3 BEACON PROPERTIES CORP, 50 ROWES WHARF, BOSTON, MA 02110 (617) 330-1400
(FILE 333-21769 - FEB 13) (BR 8)
- S-3 YOUTH SERVICES INTERNATIONAL INC, 2 PARK CENTER CT, STE 200,
OWINGS MILLS, MD 21117 (410) 356-8600 - 1,500,000 (\$22,687,500)
COMMON STOCK (FILE 333-21771 - FEB 13) (BR 9)
- S-8 MODACAD INC, 1954 COTNER AVE, LOS ANGELES, CA 90025 (310) 312-6632 -
300,000 (\$2,175,000) COMMON STOCK (FILE 333-21775 - FEB. 14) (BR 9)