

SEC NEWS DIGEST

Issue 97-213

November 4, 1997

RULES AND RELATED MATTERS

COMMISSION ISSUES ORDER DENYING EXEMPTIVE APPLICATION FROM BROKER-DEALER REGISTRATION

On November 3, the Commission denied a request from Investors Direct Empowerment Association, Inc. (IDEA) for an exemption from broker-dealer registration pursuant to Section 15(a) of the Securities Exchange Act of 1934. IDEA, a not-for-profit corporation, proposed to purchase one share of stock from various corporations with dividend reinvestment and stock purchase plans (DRSPPs) and then join each corporation's DRSP. An investor interested in joining a corporation's DRSP would have to send funds to IDEA, made payable to an unaffiliated escrow agent, for the purchase of specified securities. IDEA would have aggregate investors' funds, then forwarded them to the appropriate DRSP to purchase shares of that corporation in IDEA's name as nominee. IDEA then would have allocated the shares purchased among participating investors. IDEA proposed to charge a fee per order received.

The Commission's order denied IDEA's application because, among other things, the Commission was unable to find that exempting IDEA from the broker-dealer registration requirement would be consistent with the public interest and the protection of investors. The Commission determined that although IDEA's goal of providing small investors with a means of buying securities at fees lower than those charged by broker-dealers is laudable, its proposed program presented significant investor protection concerns. In particular, IDEA's control over investors' funds and securities would expose investors to the same types of risks as those inherent in dealing with a registered broker-dealer. Broker-dealer registration under the Exchange Act is designed to address these concerns. (Rel. 34-39291)

ENFORCEMENT PROCEEDINGS

INSIDER TRADING COMPLAINT FILED AGAINST ANDREW LANE, JACK LANE, JACK SCHER, DEBORAH GAMES, CRAIG SAMPSON, BRUCE SAMPSON AND TRACY STODDART

The Commission today filed an insider trading complaint against Andrew S. Lane (Lane), Jack Lane, Jack O. Scher, Deborah S. Games, Craig L. Sampson, Bruce Sampson, and Tracy Ann Stoddart. The Commission's complaint charges the defendants with insider trading and/or tipping others to trade in the securities of The MEDSTAT Group, Inc. (Medstat) in advance of a tender offer for Medstat by The Thomson Corporation (Thomson) in violation Sections 10(b) and 14(e) of the Securities Exchange Act of 1934 (Exchange Act) and Rules 10b-5 and 14e-3 thereunder. The complaint alleges that Lane learned of Thomson's plans to acquire Medstat while working as the then-Director of Finance at a Thomson operating group and thereafter bought a total of 3,000 shares of Medstat in a series of small purchases and tipped each defendant except Bruce Sampson who, as alleged, received the tip through his son defendant Craig Sampson. The complaint alleges that each defendant except Craig Sampson profited personally from trading in Medstat prior to the tender offer announcement. The complaint further alleges that defendant Scher bought 6,500 shares of Medstat for himself and recommended Medstat to a total of 21 family members, friends and colleagues four of whom passed the Medstat recommendation to others who also bought Medstat, resulting in 37 persons purchasing approximately 34,000 shares directly or indirectly on Scher's recommendation. Simultaneous with the filing of the complaint, Andrew and Jack Lane, Scher, Games and Craig and Bruce Sampson consented to the entry of permanent injunctions against them and agreed to pay a combined total of \$888,665.67 in disgorgement of illegal profits, prejudgment interest and penalties, without admitting or denying the allegations in the Commission's complaint. [SEC v. Andrew S. Lane, Jack Lane, Jack O. Scher, Deborah S. Games, Craig L. Sampson, Bruce Sampson, and Tracy Ann Stoddart, USDC, SDNY, Civil Action No. 97 Civ. 8144] (LR-15549)

INVESTMENT COMPANY ACT RELEASES

SALOMON INC

A notice has been issued giving interested persons until November 24 to request a hearing on an application filed by Salomon Inc (Salomon) for an order under Section 6(c) of the Investment Company Act to permit Salomon and its registered investment advisory subsidiaries, Salomon Brothers Asset Management and Salomon Brothers Asset Management Limited that act as investment adviser or subadviser to certain registered investment companies (Companies), to receive payment in connection with the sale of applicant's advisory business. Without the requested exemption, a Company would have to reconstitute its board of directors to meet the 75 percent non-interested director requirement of Section 15(f)(1)(A) of the Act. (Rel. IC-22871 - November 3)

HOLDING COMPANY ACT RELEASES

THE SOUTHERN COMPANY, ET AL.

A notice has been issued giving interested persons until November 24 to request a hearing on a proposal by The Southern Company (Southern), a registered holding company and four of its public-utility subsidiaries (Subsidiaries). The Subsidiaries propose to amend their respective Articles of Incorporation (Proposed Amendment) to eliminate a provision limiting the issuance of debt securities, and authorize Southern to acquire shares of preferred stock of the Subsidiaries under a cash tender offer, and sell to the respective Subsidiaries the preferred stock so acquired. An order has been issued authorizing each Subsidiary to solicit proxies on its Proposed Amendment. (Rel. 35-26769)

CENTRAL AND SOUTH WEST SERVICES, INC.

A notice has been issued giving interested persons until November 24 to request a hearing on a proposal by Central and South West Services, Inc., a non-utility subsidiary company of Central and South West Corporation, a registered holding company, to provide power plant control system procurement, integration and programming services as well as power plant engineering and construction services to non-associates through December 31, 2002. (Rel. 35-26770)

CENTRAL POWER AND LIGHT COMPANY, ET AL.

An order has been issued authorizing a proposal by Central Power and Light Company, Public Service Company of Oklahoma, Southwestern Electric Power Company, and West Texas Utilities Company, each an electric public-utility subsidiary company of Central and South West Corporation (CSW), a registered holding company, and Central and South West Services, Inc., a service company subsidiary of CSW (collectively, Applicants). Applicants propose to offer warranty plans for appliance service and repair to the customers of CSW's operating companies. Jurisdiction is reserved over offering Plans for personal computer systems and home entertainment video and audio systems and the provision of these Plans in the states of Arkansas and Louisiana. (Rel. 35-26771)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The New York Stock Exchange filed a proposed rule change (SR-NYSE-97-30) to amend and make permanent its Allocation Policy and Procedures pilot program. Publication is expected in the Federal Register during the week of November 3. (Rel. 34-39288)

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.

Registration statements may be obtained in person or by writing to the Commission's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the following e-mail box address: <public info @ sec>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

- F-1 GROUPE DANONE, 7 RUE DE TEHERAN, 75008 PARIS FRANCE, IO - 1,000,000 (\$154,760,000) FOREIGN COMMON STOCK (FILE 333-7840 - OCT 24) (BR 2 - NEW ISSUE)
- F-6 LOJAS ARAPUA SA /ADR, 111 WALL ST, C/O CITIBANK NA, NEW YORK, NY 10043 (212) 657-7827 - 10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR PREFERRED STOCK (FILE 333-7842 - OCT 24) (BR 99 - NEW ISSUE)
- F-6 TOKIO MARINE & FIRE INSURANCE CO LTD /ADR, 111 WALL ST, C/O CITIBANK NA, NEW YORK, NY 10043 (212) 657-5100 - 100,000,000 (\$5,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK (FILE 333-7844 - OCT 24) (BR. 99 - NEW ISSUE)
- S-8 MOORE CORPORATION LTD, 1 FIRST CANADIAN PLACE, TORONTO ONTARIO CANA, A6 (416) 364-2600 - 2,500,000 (\$46,718,750) COMMON STOCK (FILE 333-7846 - OCT 24) (BR 5)
- F-1 APP FINANCE VI MAURITIUS LTD, LES JAMALACS BLDG VIEUX CONSEIL ST, PORT LOUIS, REPUBLIC OF MAURITIUS, O3 (230) 208-7923 - 1,333,004,926 (\$344,999,999 97) STRAIGHT BONDS (FILE 333-7848 - OCT 27) (BR 4 - NEW ISSUE)
- S-8 BRADY W H CO, 6555 W GOOD HOPE RD, P O BOX 571, MILWAUKEE, WI 53201 (414) 358-6600 - 1,000,000 (\$31,625,000) COMMON STOCK. (FILE 333-38857 - OCT 28) (BR 6)
- S-8 BRADY W H CO, 6555 W GOOD HOPE RD, P O BOX 571, MILWAUKEE, WI 53201 (414) 358-6600 - 2,125,000 (\$62,765,156) COMMON STOCK (FILE 333-38859 - OCT 28) (BR 6)
- S-3 CELGENE CORP /DE/, 7 POWDER HORN DR, WARREN, NJ 07059 (908) 271-1001 - 2,990,000 (\$30,086,875) COMMON STOCK (FILE 333-38861 - OCT 28) (BR 1)
- S-8 DALECO RESOURCES CORP, 435 DEVON PK DRIVE, STE 410, WAYNE, PA 19087 (610) 254-4199 - 200,000 (\$50,000) COMMON STOCK (FILE 333-38863 - OCT 28) (BR 4)
- S-8 ABIOMED INC, 33 CHERRY HILL DR, DANVERS, MA 01923 (508) 777-5410 - 550,000 (\$11,550,000) COMMON STOCK (FILE 333-38865 - OCT 28) (BR. 1)
- S-8 ADVANTAGE LEARNING SYSTEMS INC, 2911 PEACH STREET, WISCONSIN RAPIDS, WI 54495 (715) 424-3636 - 1,500,000 (\$39,281,250) COMMON STOCK (FILE 333-38867 - OCT 28) (BR 3)

S-4 ADELPHIA COMMUNICATIONS CORP, MAIN AT WATER STREET, COUDERSPORT, PA
16915 (814) 274-9830 - 325,000,000 (\$325,000,000) STRAIGHT BONDS (FILE
333-38869 - OCT 28) (BR 3)

S-8 ARBOR SOFTWARE CORP, 1344 CROSSMAN AVE, SUNNYVALE, CA 94089
(408) 727-5800 - 900,000 (\$38,137,500) COMMON STOCK (FILE 333-38871 -
OCT 28) (BR 3)

S-3 CARCO AUTO LOAN MASTER TRUST, 27777 FRANKLIN RD,
C/O U S AUTO RECEIVABLES CO, SOUTHFIELD, MI 48034 (313) 948-3060 -
6,000,000,000 (\$6,000,000,000) EQUIPMENT TRUST CERTIFICATES (FILE
333-38873 - OCT 28) (BR 8)

S-4 MGC COMMUNICATIONS INC, 3165 PALMS CENTRE DR, LAS VEGAS, NV 89103
(702) 310-1000 - 160,000,000 (\$160,000,000) STRAIGHT BONDS (FILE
333-38875 - OCT 28) (BR 3 - NEW ISSUE)

S-3 SHARED TECHNOLOGIES CELLULAR INC, 100 GREAT MEADOW RD, SUITE 102,
WETHERSFIELD, CT 06109 (860) 258-2500 - 8,904,694 (\$49,242,957 82)
COMMON STOCK (FILE 333-38877 - OCT 28) (BR 3)

S-3 IMH ASSETS CORP, 20371 IRVINE AVE, SANTA ANA HEIGHTS, CA 92707
(714) 556-0122 - 1,000,000,000 (\$1,000,000,000) MORTGAGE BONDS (FILE
333-38879 - OCT 28) (BR 8)

S-4 PERKIN ELMER CORP, 761 MAIN AVE, NORWALK, CT 06859 (203) 762-1000 -
6,011,072 (\$350,138,704) COMMON STOCK (FILE 333-38881 - OCT 28) (BR 1)

S-8 ITT EDUCATIONAL SERVICES INC, 5975 CASTLE CREEK PKWY N DR, PO BOX 50466,
INDIANAPOLIS, IN 46250 (317) 594-4289 - 684,935 (\$16,310,015) COMMON STOCK
(FILE 333-38883 - OCT 28) (BR 7)

S-1 OMEGA HEALTH SYSTEMS INC, 5100 POPLAR AVE STE 2100, MEMPHIS, TN 38137
(901) 683-7868 - 4,025,000 (\$35,721,875) COMMON STOCK (FILE 333-38885 -
OCT 28) (BR 1)

S-8 RIVERVIEW BANCORP INC, 700 NE FOURTH AVENUE, CAMUS, WA 98607
(360) 834-2231 - 150,000 (\$2,062,500) COMMON STOCK (FILE 333-38887 -
OCT 28) (BR 7)

S-4 SIS BANCORP INC, P O BOX 3034, 1441 MAIN STREET, SPRINGFIELD, MA 01102
(413) 748-8000 - 1,354,141 (\$45,748,000) COMMON STOCK (FILE 333-38889 -
OCT 28) (BR 7)

S-8 C&D TECHNOLOGIES INC, 1400 UNION MEETING ROAD, BLUE BELL, PA 19422
(215) 619-2700 - 50,000 (\$2,415,625) COMMON STOCK (FILE 333-38891 -
OCT 28) (BR 6)

S-3 C&D TECHNOLOGIES INC, 1400 UNION MEETING ROAD, BLUE BELL, PA 19422
(215) 619-2700 - 631,969 (\$30,532,002) COMMON STOCK (FILE 333-38893 -
OCT 28) (BR 6)

S-8 CT COMMUNICATIONS INC /NC, 68 CABARRUS AVE EAST, P O BOX 227, CONCORD,
NC 28025 (704) 788-0244 - 100,000 (\$13,000,000) COMMON STOCK (FILE
333-38895 - OCT 28) (BR 3)

S-8 MCI COMMUNICATIONS CORP, 1801 PENNSYLVANIA AVE N W, WASHINGTON, DC 20006
(202) 872-1600 - 1,500,000 (\$55,968,750) COMMON STOCK (FILE 333-38897 -
OCT 28) (BR 3)

SB-2 ATLANTIS AQUAFARM INC, 59 BUSHWICK STREET, MELVILLE, NY 11747
(516) 351-5987 - \$1,800,000 COMMON STOCK (FILE 333-38899 - OCT 28)
(NEW ISSUE)

S-3 ICN PHARMACEUTICALS INC, 3300 HYLAND AVE, COSTA MESA, CA 92626
(714) 545-0100 - 551,595 (\$26,011,151 72) COMMON STOCK (FILE 333-38901 -
OCT 28) (BR 1)

S-8 PML INC, 27120 SW 95TH AVENUE, WILSONVILLE, OR 97070 (503) 241-2300 -
875,000 (\$875,000) COMMON STOCK (FILE 333-38903 - OCT 28) (BR 1)

S-3 AVERY DENNISON CORPORATION, 150 N ORANGE GROVE BLVD, PASADENA, CA 91103
(626) 304-2000 - 495,740 (\$19,426,811.25) COMMON STOCK (FILE 333-38905 -
OCT 28) (BR 4)

S-8 CNB BANCSHARES INC, 20 N W THIRD ST, EVANSVILLE, IN 47739 (812) 464-3400
- 284,970 (\$11,666,671 80) COMMON STOCK. (FILE 333-38907 - OCT 28)
(BR 7)

S-3 ASPECT TELECOMMUNICATIONS CORP, 1730 FOX DR, SAN JOSE, CA 95131
(408) 441-2200 - 176,296 (\$4,451,474) COMMON STOCK. (FILE 333-38909 -
OCT 28) (BR 3)

S-4 HIGHLAND BANCORP INC, 601 S GLENOAKS BLVD, LOS ANGELES, CA 91502
(818) 848-4265 - 2,300,137 (\$73,029,350) COMMON STOCK (FILE 333-38911 -
OCT 28) (NEW ISSUE)

S-8 HAIN FOOD GROUP INC, 50 CHARLES LINDBERGH BLVD, UNIONDALE, NY 11553
(516) 237-6200 - 1,755,000 (\$17,988,750) COMMON STOCK (FILE 333-38915 -
OCT 28) (BR. 9)

S-8 EXXON CORP, 5959 LAS COLINAS BLVD, IRVING, TX 75039 (972) 444-1000 -
40,000,000 (\$2,433,750,000) COMMON STOCK (FILE 333-38917 - OCT 28)
(BR 4)

S-8 LARSON DAVIS INC, 1681 W 820 N, PROVO, UT 84601 (801) 375-0177 -
3,457,330 (\$21,044,500) COMMON STOCK (FILE 333-38919 - OCT. 28) (BR. 1)

S-1 INTERNATIONAL META SYSTEMS INC/DE/, 100 N SEPULVEDA BLVD, STE 601,
EL SEGUNDO, CA 90245 (310) 524-9300 - \$28,375,000 COMMON STOCK (FILE
333-38921 - OCT 28) (BR 9)

S-8 PAXAR CORP, 105 CORPORATE PARK DRIVE, WHITE PLAINS, NY 10604
(914) 697-6800 - 5,000,000 (\$99,850,000) COMMON STOCK (FILE 333-38923 -
OCT 28) (BR 5)

SB-2 BIOXIDE CORP, 380 NORTH 200 WEST, SUITE 101, BOUNTIFUL, UT 84010
(801) 294-8306 - 1,533,332 (\$7,666,660) COMMON STOCK (FILE 333-38925 -
OCT 28) (NEW ISSUE)

S-4 SUNGARD DATA SYSTEMS INC, 1285 DRUMMERS LN, STE 300, WAYNE, PA 19087
(610) 341-8700 - 360,000 (\$8,751,600) COMMON STOCK (FILE 333-38927 -
OCT 28) (BR 3)

S-8 MEADOWBROOK INSURANCE GROUP INC, 26600 TELEGRAPH RD, STE 300,
SOUTHFIELD, MI 48034 (810) 358-1100 - 500,000 (\$12,250,000) COMMON STOCK
(FILE 333-38929 - OCT 28) (BR 1)

S-3 SALOMON INC, SEVEN WORLD TRADE CNTR, 28TH FLOOR, NEW YORK, NY 10048
(212) 783-7000 - 500,000,000 (\$500,000,000) STRAIGHT BONDS (FILE
333-38931 - OCT 28) (BR 8)

S-3 ABC DISPENSING TECHNOLOGIES INC, 451 KENNEDY RD, AKRON, OH 44305
(216) 733-2841 - 9,183,160 (\$13,044,214.51) COMMON STOCK. (FILE 333-38933
- OCT 28) (BR 5)

S-8 SOUTHWEST WATER CO, 225 N BARRANCA AVE STE 200, WEST COVINA, CA 91791
(818) 915-1551 - 200,000 (\$2,925,000) COMMON STOCK (FILE 333-38935 -
OCT 29) (BR 4)

S-3 HAIN FOOD GROUP INC, 50 CHARLES LINDBERGH BLVD, UNIONDALE, NY 11553
(516) 237-6200 - 3,248,750 (\$33,299,687 50) COMMON STOCK (FILE 333-38939
- OCT 29) (BR 9)

S-3 SI DIAMOND TECHNOLOGY INC, 12100 TECHNOLOGY BOULEVARD, AUSTIN, TX 78727
(512) 331-0200 - 7,364,765 (\$3,567,345) COMMON STOCK (FILE 333-38941 -
OCT. 29) (BR 9)