

SEC NEWS DIGEST

Issue 98-36

February 24, 1998

RULES AND RELATED MATTERS

EXEMPTION OF ISSUANCE AND SALE OF SECURITIES BY PUBLIC UTILITY AND NONUTILITY SUBSIDIARY COMPANIES OF REGISTERED PUBLIC UTILITY HOLDING COMPANIES; RESCISSION OF STATEMENT OF POLICY

The Commission has adopted amendments Rules 52 and 45 under the Public Utility Holding Company Act of 1935. Rule 52, which provides an exemption from the requirement of prior Commission approval for issuance of certain types of securities by subsidiaries of registered holding companies, was amended to broaden the exemption to issuances of all types of securities, subject to satisfaction of the conditions of the rule. The Commission adopted a conforming amendment to Rule 45, which prohibits registered holding companies and their subsidiaries from extending credit to or indemnifying a company in the same holding company system without prior Commission approval. As amended, Rule 45 conditionally exempts any guaranty by a subsidiary company of securities issued by any other subsidiary company. (Rel. 35-26826)

ENFORCEMENT PROCEEDINGS

H. THOMAS FEHN'S PETITION TO LIFT TEMPORARY SUSPENSION FROM APPEARING OR PRACTICING AS AN ATTORNEY BEFORE THE COMMISSION DENIED AND HEARING ORDERED

The Commission denied a petition by H. Thomas Fehn to lift the temporary suspension from appearing or practicing as an attorney before the Commission entered on December 23, 1997. The matter was set for hearing before an administrative law judge. The temporary suspension was based upon a permanent injunction entered against Fehn in an action brought by the Commission, enjoining him from aiding and abetting certain antifraud and reporting provisions of the federal securities laws. (Rel. 34-39690; AAE ReI. 1012; File No. 3-9518)

COMMISSION INSTITUTES CEASE AND DESIST PROCEEDING AGAINST RICHARD TOBIN

On Feb 23, the Commission instituted a cease and desist proceeding against Richard E. Tobin (Tobin). In the Order, the Division of Enforcement alleges, among other things, that Tobin violated Sections 5(a) and 5(c) of the Securities Act of 1933 and Section 15(a) of the Securities Exchange Act of 1934 by offering and selling unregistered securities in the form of promissory notes secured by fractionalized and unfractionalized deeds of trust to fund a Las Vegas, Nevada residential real estate development project called "Rancho Mirage." A hearing will be scheduled to take evidence and to afford Tobin an opportunity to present any defenses thereto. The purpose of the hearing is to determine whether the allegations are true and whether any remedial action should be ordered by the Commission. (Rel. Nos. 33-7508; 34-39691; File No. 3-9544)

ORDER OF PERMANENT INJUNCTION ENTERED AGAINST RANDY DEPOISTER

On February 2, Judge John Grady of the United States District Court for the Northern District of Illinois entered an Order of Permanent Injunction (Order) against Defendant Randy Depoister (Depoister). The Court granted the Commission's motion for summary judgment against Depoister and permanently enjoined Depoister from committing future violations of the securities registration and antifraud provisions of the federal securities laws.

In the Order, the Court makes specific findings that, between October 1989 and June 1991, Depoister offered and sold investments in the form of unregistered Jarco, Inc. promissory notes to the public raising \$461,750 from eighteen investors. The Court concludes that these Jarco notes were securities which required registration with the Commission. The Court also makes findings that, in connection with the offer and sale of the Jarco securities, Depoister knowingly misrepresented and omitted to state material facts regarding, among other things, the returns, duration, risks, safety and true nature of the investment, Depoister's own investment in Jarco and Depoister's conversion of some investor funds for his own use. The Court concludes that, due to the likelihood of Depoister engaging in future violations of the federal securities laws, injunctive relief is appropriate. Previously, pursuant to Commission motion, the Court dismissed the Commission's claim for disgorgement and civil penalties against Depoister and the Commission's entire action against Depoister's registered investment adviser, Financial Resources Advisory, Inc. [SEC v. Weyman B. Sinyard, et al., N.D. Ill., Civil Action File No. 94C-5856] (LR-15650)

INVESTMENT COMPANY ACT RELEASES

FRANKLIN FLOATING RATE TRUST, ET AL.

A notice has been issued giving interested persons until March 16, 1998, to request a hearing on an application filed by Franklin Floating Rate Trust, et al. for an order under Sections 6(c) and 23(c) of the Investment Company Act exempting applicants from certain provisions of Rule 23c-3 under the Act. The order would permit certain registered closed-end investment companies to impose early withdrawal charges. (Rel. IC-23033 - February 20)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES, ET AL.

A supplemental order has been issued authorizing Northeast Utilities Service Company, a wholly owned subsidiary company of Northeast Utilities, a registered holding company, to provide services for a period of three years, to exempt projects and intermediate companies, after they have been sold to unaffiliated buyers subject to certain conditions. (Rel. 35-26827)

NATIONAL FUEL GAS COMPANY

An order has been issued authorizing National Fuel Gas Company (NFG), a gas registered holding company, to amend its certificate of incorporation, subject to shareholder approval, to increase the number of authorized shares of common stock from 100 million to 200 million shares, eliminate all existing shares of authorized but unissued preferred stock and authorize 10 million shares of a new class of preferred stock. (Rel. 35-26828)

ALLEGHENY POWER SERVICE CORPORATION, ET AL.

An order has been issued authorizing Allegheny Power Service Corporation (APSC), a subsidiary service corporation of Allegheny Power System, Inc. (APS), a registered holding company, and Monongahela Power Company, The Potomac Edison Company and West Penn Power Company (collectively, Operating Companies), all public-utility subsidiary companies of APS, to amend their service agreements regarding the scope of services provided among APSC and the Operating Companies. (Rel. 35-26830)

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>.

- S-4 AMERICAN MEDICAL PROVIDERS INC, 3555 TIMMONS LANE, SUITE 1550, HOUSTON, TX 77027 (713) 621-5500 - 2,000,000 (\$24,000,000) COMMON STOCK (FILE 333-46377 - FEB 17) (BR 1)
- S-4 SPX CORP, 700 TERRACE POINT DR, MUSKEGON, MI 49443 (616) 724-5000 - 63,169,129 (\$1,593,112,523) COMMON STOCK. (FILE 333-46381 - FEB. 17) (BR. 6)
- S-8 HENLEY HEALTHCARE INC, 120 INDUSTRIAL BLVD, SUGAR LAND, TX 77478 (713) 276-7000 - 1,450,000 (\$7,975,000) COMMON STOCK. (FILE 333-46383 - FEB 17) (BR. 1)
- S-8 TOTAL RESEARCH CORP, 5 INDEPENDENCE WAY, PRINCETON CORPORATE CENTER, PRINCETON, NJ 08543 (609) 520-9100 - 1,955,000 (\$3,176,875) COMMON STOCK (FILE 333-46385 - FEB 17) (BR 4)
- S-8 SNB BANCSHARES INC, 2918 RIVERSIDE DR, MACON, GA 31204 (912) 722-6200 - 370,350 (\$1,233,265 50) COMMON STOCK. (FILE 333-46387 - FEB. 17) (BR. 7)
- S-3 BOSTON PRIVATE BANCORP INC, 10 POST OFFICE SQ, BOSTON, MA 02109 (617) 556-1900 - 789,500 (\$6,562,718 75) COMMON STOCK (FILE 333-46391 - FEB 17) (BR 7)
- S-8 PLATINUM SOFTWARE CORP, 195 TECHNOLOGY DR, IRVINE, CA 92718 (714) 453-4000 - 525,206 (\$2,520,989) COMMON STOCK (FILE 333-46393 - FEB 17) (BR 3)
- S-3 PLATINUM SOFTWARE CORP, 195 TECHNOLOGY DR, IRVINE, CA 92718 (714) 453-4000 - 2,474,794 (\$32,865,264) COMMON STOCK (FILE 333-46395 - FEB 17) (BR. 3)
- S-1 EPL TECHNOLOGIES INC, 2 INTERNATIONAL PLZ, STE 245, PHILADELPHIA, PA 19113 (610) 521-4400 - 8,050,000 (\$43,526,350) COMMON STOCK (FILE 333-46397 - FEB 17) (BR 4)
- S-8 WACKENHUT CORP, 4200 WACKENHUT DRIVE, #100, PALM BEACH GARDEN, FL 33410 (561) 622-5656 - 1,000,000 (\$23,218,750) COMMON STOCK. (FILE 333-46399 - FEB 17) (BR 7)
- S-8 SPECS MUSIC INC, 1666 NW 82ND AVE, MIAMI, FL 33126 (305) 592-7288 - 700,000 (\$1,050,000) COMMON STOCK (FILE 333-46405 - FEB. 17) (BR. 2)
- S-4 LORAL SPACE & COMMUNICATIONS LTD, 600 THIRD AVE, NEW YORK, NY 10016 (212) 697-1105 - 27,442,163 (\$652,608,939) COMMON STOCK (FILE 333-46407 - FEB 17) (BR 3)
- S-3 NOVAVAX INC, 8320 GUILFORD RD, COLUMBIA, MD 21046 (301) 816-8160 - 2,206,350 (\$11,230,321 50) COMMON STOCK. (FILE 333-46409 - FEB 17) (BR 1)
- S-8 INTERNATIONAL AIRCRAFT INVESTORS, 3655 TORRANCE BLVD, SUITE 410, TORRANCE, CA 90503 (310) 316-3080 - 50,000 (\$493,750) COMMON STOCK (FILE 333-46411 - FEB 17) (BR 7)
- S-8 INTERNATIONAL AIRCRAFT INVESTORS, 3655 TORRANCE BLVD, SUITE 410, TORRANCE, CA 90503 (310) 316-3080 - 50,000 (\$493,750) COMMON STOCK. (FILE 333-46413 - FEB 17) (BR. 7)

S-3 OPTEK TECHNOLOGY INC, 1215 W CROSBY RD, MS 400, CARROLLTON, TX 75006
(214) 323-2200 - 2,875,000 (\$62,171,875) COMMON STOCK (FILE 333-46415 -
FEB. 17) (BR. 6)

S-3 HNC SOFTWARE INC/DE, 5930 CORNERSTONE CT W, SAN DIEGO, CA 92121
(619) 546-8877 - 86,250,000 (\$86,250,000) CONVERTIBLE DEBENTURES AND NOTES.
1,725,000 (\$59,232,187) COMMON STOCK. (FILE 333-46419 - FEB 17) (BR 3)

S-8 IL FORNAIO AMERICA CORP, 1000 SANSOME STREET, SAN FRANCISCO, CA 94111 -
1,797,594 (\$16,929,311) COMMON STOCK. (FILE 333-46421 - FEB. 17) (BR 2)

S-4 ABERCROMBIE & FITCH CO /DE/, FOUR LIMITED PARKWAY, REYNOLDSBURG, OH
43068 (614) 479-7101 - 43,000,000 (\$1,252,375,000) COMMON STOCK (FILE
333-46423 - FEB 17) (BR. 2)

S-3 ACTIVISION INC /NY, 3100 OCEAN PARK BLVD, STE 1000, SANTA MONICA, CA
90405 (310) 255-2000 - 60,000,000 (\$60,000,000)
CONVERTIBLE DEBENTURES AND NOTES. (FILE 333-46425 - FEB 17) (BR. 3)

S-4 MNB BANCORP, 300 EAST MAIN STREET, 300 EAST MAIN STREET, MILFORD, MA
01757 (508) 634-4100 - 200,035 (\$11,614,032) COMMON STOCK (FILE
333-46427 - FEB 17) (NEW ISSUE)

S-3 HARNISCHFEGER INDUSTRIES INC, 13400 BISHOPS LN, BROOKFIELD, WI 53005
(414) 671-4400 - 200,000,000 (\$200,000,000) STRAIGHT BONDS (FILE
333-46429 - FEB 17) (BR 5)

S-3 MASSACHUSETTS ELECTRIC CO, 25 RESEARCH DR, WESTBOROUGH, MA 01582
(508) 389-2000 - 60,000,000 (\$60,000,000) MORTGAGE BONDS (FILE 333-46431
- FEB 17) (BR 4)

S-1 PROVIDENCE & WORCESTER RAILROAD CO/RI/, 75 HAMMOND ST, WORCESTER, MA
01610 (508) 755-4000 - 1,178,750 (\$20,775,469) COMMON STOCK 100,000
(\$100) WARRANTS, OPTIONS OR RIGHTS 100,000 (\$2,115,000) COMMON STOCK
(FILE 333-46433 - FEB. 17) (BR 5)

S-4 REGENT COMMUNICATIONS INC, 400 WEST MARKET ST , SUITE 2510, LOUISVILLE,
KY 40202 (606) 292-0300 - 3,899,767 (\$26,120,313) PREFERRED STOCK (FILE
333-46435 - FEB. 17)

S-4 CENTRAL GARDEN & PET COMPANY, 3697 MT DIABLO BLVD SUITE 300, LAFAYETTE,
CA 94549 (510) 283-4573 - 2,500,000 (\$75,470,000) COMMON STOCK (FILE
333-46437 - FEB 17) (BR 2)

N-2 MUNIHOLDINGS CALIFORNIA INSURED FUND II INC/,
MERRILL LYNCH ASSET MANAGEMENT, PO BOX 9011, PRINCETON, NJ 08543 - 40
(\$1,000,000) PREFERRED STOCK (FILE 333-46439 - FEB 17) (BR 17)

S-3 MADDEN STEVEN LTD, 52-16 BARNETT AVE, LONG ISLAND CITY, NY 11104
(212) 343-1800 - 1,284,816 (\$10,599,732) COMMON STOCK (FILE 333-46441 -
FEB 17) (BR. 9)

S-8 ELECTRO SCIENTIFIC INDUSTRIES INC, 13900 NW SCIENCE PARK DR, PORTLAND,
OR 97229 (503) 641-4141 - 274,603 (\$2,322,214.54) COMMON STOCK. (FILE
333-46443 - FEB. 17) (BR 6)

S-4 CORTECH INC, 6850 NORTH BROADWAY, SUITE G, DENVER, CO 80221
(303) 650-1200 - 28,500,000 (\$1,734) COMMON STOCK (FILE 333-46445 -
FEB 17) (BR. 1)

S-3 CALIFORNIA WATER SERVICE GROUP, 1720 N FIRST ST,
C/O CALIFORNIA WATER SERVICE CO, SAN JOSE, CA 95112 (408) 451-8200 -
500,000 (\$14,500,000) COMMON STOCK. (FILE 333-46447 - FEB 17) (BR 4)

S-3 SYSTEM SOFTWARE ASSOCIATES INC, 500 W MADISON ST 32ND FLR, CHICAGO, IL
60661 (312) 641-2900 - 688,668 (\$4,971,322) COMMON STOCK (FILE 333-46449
- FEB 17) (BR. 3)

S-8 MICROPROSE INC/DE, 2490 MARINER SQ LOOP STE 100, ALAMEDA, CA 94501
(510) 522-3584 - 1,050,000 (\$2,152,500) COMMON STOCK (FILE 333-46451 -
FEB 17) (BR 3)

S-8 IKOS SYSTEMS INC, 19050 PRUNERIDGE AVE, CUPERTINO, CA 95014
 (408) 255-4567 - 580,000 (\$3,902,500) COMMON STOCK. (FILE 333-46455 -
 FEB 17) (BR 3)

S-8 NATIONAL OILWELL INC, 5555 SAN FELIPE, HOUSTON, TX 77056 (713) 960-5100
 - 500,000 (\$14,515,625) COMMON STOCK (FILE 333-46459 - FEB. 17) (BR. 6)

S-3 ACCENT SOFTWARE INTERNATIONAL LTD, 28 PIERRE KOENIG ST,
 JERUSALEM 91530 ISRA, L3 - 850,000 (\$411,400) COMMON STOCK (FILE
 333-46461 - FEB 17) (BR 3)

S-8 IMAGEMAX INC, TWO BALA PLAZA, STE 300, BALA CYNWYD, PA 19004
 (610) 660-7754 - 850,000 (\$8,842,344) COMMON STOCK. (FILE 333-46463 -
 FEB 17) (BR 6)

S-8 ACSYS INC, 1020 19TH ST NW, STE 650, WASHINGTON, DC 20036 (202) 463-7210
 - 2,109,622 (\$19,811,645.10) COMMON STOCK. (FILE 333-46465 - FEB. 17)
 (BR 7)

S-8 ASSOCIATED BANC-CORP, 112 NORTH ADAMS ST, P O BOX 13307, GREEN BAY, WI
 54301 (414) 433-3166 - 720,000 (\$37,170,000) COMMON STOCK. (FILE
 333-46467 - FEB 17) (BR 7)

S-8 APPLIED POWER INC, 13000 WEST SILVER SPRING DR, BUTLER, WI 53007
 (414) 781-6600 - 3,000,000 (\$105,787,313) COMMON STOCK. (FILE 333-46469 -
 FEB 17) (BR 6)

S-3 GALILEO CORP, PO BOX 550, GALILEO PARK, STURBRIDGE, MA 01566
 (508) 347-9191 - 1,154,258 (\$11,981,199) COMMON STOCK (FILE 333-46471 -
 FEB 18) (BR 1)

S-8 RADISYS CORP, 5445 NE DAWSON CREEK DR, HILLSBORO, OR 97124
 (503) 646-1800 - 500,000 (\$18,218,750) COMMON STOCK (FILE 333-46473 -
 FEB 17; (BR 3)

S-8 DCI TELECOMMUNICATIONS INC, 611 ACCESS RD, STRATFORD, CT 06497
 (203) 259-7713 - 138,563 (\$30,483.86) COMMON STOCK (FILE 333-46475 -
 FEB 18) (BR 3)

N-2 MUNIHOLDINGS FUND II INC/NJ, MERRILL LYNCH ASSET MANAGEMENT,
 PO BOX 9011, PRINCETON, NJ 02543 - 40 (\$1,000,000) PREFERRED STOCK (FILE
 333-46477 - FEB 18) (BR 17)