

SEC NEWS DIGEST

Issue 98-51

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COMMISSION ANNOUNCEMENTS

BRIAN LANE TO TESTIFY

Brian Lane, Director of Commission's Division of Corporation Finance, will testify on behalf of the Commission on Friday, March 17, 1998, before the House Subcommittee on National Economic Growth, Natural Resources and Regulatory Affairs concerning H.R. 3310, The "Small Business Paperwork Reduction Act Amendments of 1998". The testimony will be given at a hearing which will begin at 4:00 p.m. in Room 2247 of the Rayburn House Office Building.

CHAIRMAN LEVITT TO TESTIFY

Chairman Levitt will testify on March 18, 1998, before the Subcommittee on Commerce, Justice, State and Judiciary of the House Committee on Appropriations concerning SEC Appropriations for Fiscal Year 1999. The testimony will be given at a hearing which will begin at 10:00 a.m. in Room 309 of the Capitol Building.

Chairman Levitt will also testify on March 19, 1998, before the Subcommittee on Commerce, Justice, State and Judiciary of the Senate Committee on Appropriations concerning SEC Appropriations for Fiscal Year 1999. The testimony will be given at a hearing which will begin at 10:00 a.m. in Room 146 of the Capitol Building.

NATIONAL TOWN MEETING ON SAVING AND INVESTING SET FOR APRIL 4 -- PUBLIC FORUM CAPS "FACTS ON SAVING AND INVESTING CAMPAIGN" KICKOFF WEEK

Americans are invited to spend a Saturday investing in their futures at the "National Town Meeting on Saving and Investing" on Saturday, April 4. The free program will focus on how to save and invest wisely, take control of one's finances, and prepare for retirement even if living paycheck to paycheck.

Featuring Arthur Levitt, Chairman of the U.S. Securities and Exchange Commission, Denise Voigt Crawford, President of the North American Securities Administrators Association, and other experts, the town meeting will be broadcast live by satellite from

Washington, D.C., to more than 20 locations across the country. The audio portion of the two-hour public forum, which begins at 1:00 p.m. (EST), will also be available live on the Internet at www.investoreducation.org.

In addition to the saving and investing tips, including how to guard against fraud, audience members will have an opportunity to take the first step toward financial security by filling out the "Ballpark Estimate." The one-page form helps people quickly calculate how much money they should save this year for retirement.

The National Town Meeting on Saving and Investing will be broadcast from the U.S. Department of Agriculture's Jefferson Auditorium at 14th and Independence, S.W. Area residents who would like to attend should call (202) 942-7111 to reserve a free seat.

The "Facts on Saving and Investing Campaign" begins with a series of national and community events from March 29 to April 4, 1998. Securities regulators from twenty-one nations in North, Central and South America and the Caribbean will also offer investor education programs in their countries during that week.

For more information, including state-by-state activities and a copy of the "Ballpark Estimate," visit the campaign's website at www.investoreducation.org, or call 1-800-732-0330 to request the "Financial Facts Tool Kit."

Press contact: John J. Nester (202) 942-7083. (Press Rel. 98-24)

ENFORCEMENT PROCEEDINGS

COMMISSION FILES EMERGENCY CIVIL ACTION AGAINST INTERNATIONAL HERITAGE, INC.

The Commission announced that on March 16 a temporary restraining order was entered by the United States District Court for the Northern District of Georgia against International Heritage Incorporated, a Nevada corporation (Heritage Incorporated), formerly known as Kara International Inc. (Kara); International Heritage, Inc. (IHI), a North Carolina corporation; Stanley H. Van Etten (Van Etten), founder, chairman of the board of directors, president and chief executive officer of IHI and chairman and CEO of Heritage Incorporated; Claude W. Savage (Savage), a founder and director of IHI and a director of Heritage Incorporated; and Larry W. Smith (Smith), a founder and director of IHI and a director of Heritage Incorporated. In addition, the Court appointed a receiver for IHI.

The Commission's complaint, filed on March 16, alleges violations of the antifraud and registration provisions of the federal securities laws. The complaint also alleges that Heritage Incorporated violated the reporting provisions by filing a misleading Form 8-K

with the Commission. The Commission is seeking permanent injunctions for violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, disgorgement of ill-gotten gains with prejudgment interest and civil penalties against each defendant.

The Commission's complaint alleges that, beginning in April 1995, IHI through Van Etten, Savage, Smith and others, has been soliciting individuals throughout the United States to invest in a pyramid scheme. IHI raised more than \$150 million from over 155,000 investors. The complaint alleges that interests in the program, which are described by IHI as business centers, are securities. In addition to selling interests in the pyramid scheme, between July 17, 1997 and November 1, 1997, the defendants sold \$5 million in notes convertible into shares of IHI common stock. The defendants knowingly misrepresented IHI's financial condition to investors and concealed the fact that IHI was operating a pyramid scheme.

Finally, on March 6, 1998, IHI consummated a reverse merger with Heritage Incorporated (formerly Kara), a publicly traded shell company. The complaint alleges that Heritage Incorporated then filed a Form 8-K with the Commission which was misleading and concealed the fact that IHI was operating a pyramid scheme. On March 13, 1998, the Commission suspended trading in Heritage Inc. stock.

A hearing on the Commission's motion for preliminary injunction is scheduled for March 24, 1998. [SEC v. International Heritage, Inc., Stanley H. Van Etten, Claude W. Savage, Larry G. Smith and International Heritage Incorporated, a Nevada corporation, Civil Action File Nol 1:98-CV-0803-TLS, N.D. Ga.] (LR-15672)

NORMAN CORNELIUS BARRED FROM THE SECURITIES INDUSTRY

On March 16, the Commission issued an Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions (Order) against Norman Greg Cornelius (Cornelius).

The Order finds that Cornelius was permanently enjoined by judgment of the U.S. District Court against future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, and Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder (SEC v. Norman Greg Cornelius et al., Civil Action No. 4:97-CV-379-Y, USDC/ND/TX, Fort Worth Division). In the civil action, the Commission alleged that from 1992 until 1997, Cornelius raised \$12 million from approximately 400 investors through the sale of unregistered promissory notes. The complaint also alleged that Cornelius misrepresented the use of investor funds and the risk associated with the investments.

The Order finds that, during the relevant period, Cornelius was a registered representative associated with a broker-dealer, through which certain of the securities were sold by Cornelius and others. The Commission accepted Cornelius' Offer of Settlement, barring him from association with any broker, dealer, municipal securities

dealer, investment adviser, or investment company. (Rel. 34-39756; File No. 3-9560)

GEOFFREY ADAMS SETTLES ADMINISTRATIVE PROCEEDING AGAINST HIM

On March 16, the Commission issued an Order Instituting Public Administrative Proceeding under the Securities Exchange Act of 1934 (Exchange Act) and the Investment Advisers Act against Geoffrey Paul Adams (Adams), and simultaneously accepted Adams' Offer of Settlement. The Order provides that Adams be barred from association with any broker, dealer, municipal securities dealer, investment adviser or investment company.

Without admitting or denying the findings, Adams consented to the issuance of the Order which found that on July 16, 1997, Adams was permanently enjoined from violations of Section 17(a) of the Securities Act of 1933, and Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder, Sections 204, 206(1), 206(2), 206(4), and 207 of the Advisers Act, and Rules 204-1, 204-2, 204-3, and 206(4)-2 thereunder, by the United States District Court for the Northern District of Texas, Dallas Division, [SEC v. Geoffrey Paul Adams, et al., 3 :96CV-0300-H]. Adams consented to the imposition of the permanent injunction without admitting or denying any of the allegations contained in the Commission's complaint against him.

The Commission's complaint alleged that Adams orchestrated and participated in the sale of over \$3 million in interests or shares in the GPA Growth Fund and its pooled brokerage accounts to over 100 people. The complaint also alleged that Adams made material misrepresentations and omissions of material fact in connection with the offer and sale of GPA Growth Fund shares, concerning, among other things, the rate of return on the investments and the use of proceeds. It was further alleged that Adams violated pertinent recordkeeping and customer disclosure requirements of the Advisers Act. (Rel. Nos. 34-39758; IA-1708; File No. 3-9562)

CEASE AND DESIST ORDER ISSUED AGAINST TEXAS VANGUARD OIL COMPANY, ROBERT WATSON, JR., AND LINDA WATSON

The Commission today announced the entry of a cease and desist order instituting and settling proceedings against Texas Vanguard Oil Company (TVO) and its president, Robert N. Watson, Jr., and secretary-treasurer, Linda L. Watson. The company is located, and the Watsons reside in Austin, Texas.

The Commission found that the Watsons and TVO repeatedly attempted to increase the price of TVO stock in order to retain the company's listing on the Boston Stock Exchange. In April 1994, the Exchange instituted a requirement that listed companies maintain a market value of outstanding stock of at least \$500,000. After April 1994, TVO continually fell below the \$500,000 requirement. As a result, at regular intervals, the Exchange issued deficiency letters giving the company specified time periods to come into compliance. In response, the Watsons and TVO effected purchases of TVO stock just

before the deadlines, which increased the stock's price. In May 1996, however, the Exchange suspended trading and thereafter delisted the company. TVO and the Watsons agreed to cease and desist from future violations of the antifraud and insider reporting provision of the Securities Exchange Act of 1934. The Commission acknowledges that substantial assistance provided by the Boston Stock Exchange Act in investigating this matter. (Rel. 34-39757; File No. 3-9561)

HOLDING COMPANY ACT RELEASES

NATIONAL FUEL GAS COMPANY, ET AL.

An order has been issued authorizing National Fuel Gas Company (National), a registered holding company, and its subsidiary companies Seneca Independence Pipeline Company (Seneca) and Niagara Independence Marketing Company (Niagara) to acquire a 33% general partnership interest in Independence Pipeline Company (Pipeline) and DirectLink Gas Marketing Company (DirectLink), respectively. National has also been authorized to make direct and indirect capital contributions to Pipeline and DirectLink; and add Seneca and Niagara to its authorized money pool arrangement. (Rel. 35-26840)

AMEREN CORPORATION, ET AL.

An order has been issued authorizing Ameren Corporation (Ameren), a registered holding company, and its utility and non-utility subsidiaries to engage in various financing and related transactions through February 27, 2003, subject to certain conditions. (Rel. 35-26841)

CENTRAL AND SOUTH WEST CORPORATION, ET AL.

A notice has been issued giving interested persons until April 6, 1998, to request a hearing on a proposal by Central and South West Corporation (CSW), a registered holding company, CSW International, Inc. and CSW Energy, Inc., both wholly owned nonutility subsidiary companies of CSW, to enter into agreements to provide energy-related services to associate companies at fair market prices. (Rel. 35-26842)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change (SR-MBSCC-97-10) filed by the MBS Clearing Corporation under Section 19(b) of the Securities Exchange Act. The proposed rule change relates to modifications to MBSCC's liquidation rules. (Rel. 34-39747)

WITHDRAWAL GRANTED

An order has been issued granting the application of Rigel Energy Corporation to withdraw its Common Shares, No Par Value, from listing and registration on the American Stock Exchange. (Rel. 34-39755)

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-8 APPLIED INTELLIGENCE GROUP INC, 13800 BENSON RD, EDMOND, OK 73013
(405) 936-2300 - 150,000 (\$496,875) COMMON STOCK. (FILE 333-47547 -
MAR. 09) (BR. 3)
- S-8 APPLIED INTELLIGENCE GROUP INC, 13800 BENSON RD, EDMOND, OK 73013
(405) 936-2300 - 300,000 (\$993,750) COMMON STOCK. (FILE 333-47549 -
MAR. 09) (BR. 3)
- S-3 CRESCENT REAL ESTATE EQUITIES CO, 777 MAIN ST, STE 2100, FORT WORTH, TX
76102 (817) 877-0477 - 250,000 (\$8,408,864.08) COMMON STOCK. (FILE
333-47563 - MAR. 09) (BR. 8)
- S-8 WADDELL & REED FINANCIAL INC, P O BOX 29217, 6300 LAMAR AVE,
OVERLAND PARK, KS 66202 (913) 236-2000 - 2,000,000 (\$53,000,000)
COMMON STOCK. (FILE 333-47567 - MAR. 09) (BR. 8)
- S-8 TALX CORP, 1850 BORMAN CT, ST LOUIS, MO 63146 (314) 434-0046 - 80,000
(\$411,125) COMMON STOCK. (FILE 333-47569 - MAR. 09) (BR. 3)
- S-6 GLOBAL TELESYSTEMS GROUP INC, 1751 PINNACLE DRIVE NORTH TOWER, MCLEAN,
VA 22102 (703) 918-4500 - 1,794,000 (\$36,893,342.40) COMMON STOCK. (FILE
333-47573 - MAR. 09) (BR. 3)
- S-3 QUEEN SAND RESOURCES INC, 3500 OAK LAWN, STE 380, LB #31, DALLAS, TX
75219 (214) 521-9959 - 3,401,366 (\$24,829,971) COMMON STOCK. (FILE
333-47577 - MAR. 09) (BR. 9)
- S-4 NATCOM BANCSHARES INC, 1127 TOWER AVENUE, SUPERIOR, WI 54880
(715) 394-5531 - 72,000 (\$22,947,120) COMMON STOCK. (FILE 333-47579 -
MAR. 09) (BR. 7 - NEW ISSUE)
- S-8 REMEDYTEMP INC, 32122 CAMINO CAPISTRANO, SAN JUAN CAPISTRANO, CA 92675
(714) 661-1211 - 325,000 (\$8,023,438) COMMON STOCK. (FILE 333-47581 -
MAR. 09) (BR. 7)
- S-4 INTERNATIONAL PAPER CO /NEW/, TWO MANHATTANVILLE RD, PURCHASE, NY 10577
(914) 397-1500 - 232,000,000 (\$232,000,000) COMMON STOCK. (FILE 333-47583
- MAR. 09) (BR. 4)

S-2 CHAMPION INDUSTRIES INC, 2450 FIRST AVE, P O BOX 2968, HUNTINGTON, WV
25728 (304) 528-2791 - 1,150,000 (\$17,393,750) COMMON STOCK. (FILE
333-47585 - MAR. 09) (BR. 5)

S-8 PENNFED FINANCIAL SERVICES INC, 622 EAGLE ROCK AVE, WEST ORANGE, NJ
07052 (201) 669-7366 - 180,000 (\$3,279,375) COMMON STOCK. (FILE 333-47591
- MAR. 09) (BR. 7)

S-4 STORAGE DIMENSIONS INC, 1656 MCCARTHY BOULEVARD, MILPITAS, CA 95035
(408) 954-0710 - 831,386 (\$6,376,594) COMMON STOCK. (FILE 333-47593 -
MAR. 09) (BR. 3)

S-3 PANDA PROJECT INC, 901 YAMATO ROAD, BOCA RATON, FL 33431 (407) 994-2300
- 2,150,000 (\$10,019,000) COMMON STOCK. (FILE 333-47595 - MAR. 09)
(BR. 6)

S-4 CLOVER COMMUNITY BANKSHARES INC, 124 N MAIN ST P O BOX 69, CLOVER, SC
29710 - 1,011,020 (\$6,541,299.40) COMMON STOCK. (FILE 333-47597 - MAR. 09)
(NEW ISSUE)

S-3 EQUIFAX INC, 1600 PEACHTREE ST NW, P O BOX 4081, ATLANTA, GA 30302
(404) 885-8000 (FILE 333-47599 - MAR. 09) (BR. 2)

S-1 HUDSON RIVER BANCORP INC, ONE HUDSON CITY CENTRE, HUDSON, NY 12534
(518) 828-4600 - 17,853,750 (\$178,537,500) STRAIGHT BONDS. (FILE
333-47605 - MAR. 09) (NEW ISSUE)

S-4 GOLDEN STATE BANCORP INC, 414 N CENTRAL AVE, GLENDALE, CA 91203
(818) 500-2000 - 7,560,000 (\$264,600,000) COMMON STOCK. (FILE 333-47607 -
MAR. 09) (BR. 7)

S-8 GENESYS TELECOMMUNICATIONS LABORATORIES INC, 1155 MARKET ST 11TH FLOOR,
SAN FRANCISCO, CA 94103 (415) 437-1100 - 90,349 (\$1,084,188) COMMON STOCK.
(FILE 333-47609 - MAR. 09) (BR. 3)

S-3 MCCORMICK & CO INC, 16 LOVETON CIRCLE, P O BOX 6000, SPARKS, MD 21152
(410) 771-7301 - 250,000 (\$29,093,800) COMMON STOCK. (FILE 333-47611 -
MAR. 09) (BR. 2)

SB-2 FIRST SUNRISE INC, 200 E 89TH ST, NEW YORK, NY 10028 (212) 876-8578 -
100,000 (\$50,000) COMMON STOCK. (FILE 333-47613 - MAR. 09) (BR. 9)

S-3 RAMTRON INTERNATIONAL CORP, 1650 RAMTRON DR, COLORADO SPRINGS, CO 80921
(719) 481-7000 - 8,358,346 (\$42,878,315) COMMON STOCK. (FILE 333-47615 -
MAR. 10) (BR. 6)

S-8 UNICORP INC, 600 TRAVIS, SUITE 6500, HOUSTON, TX 77002 (713) 229-9100 -
50,000 (\$50,000) COMMON STOCK. (FILE 333-47617 - MAR. 09) (BR. 4)

S-3 MEMBERWORKS INC, 680 WASHINGTON BLVD., SUITE 1100, STAMFORD, CT 06901
(203) 324-7635 - 928,571 (\$26,761,416) COMMON STOCK. (FILE 333-47619 -
MAR. 09) (BR. 6)

S-3 PRIME MEDICAL SERVICES INC /TX/, 1301 CAPITAL OF TEXAS HWY, SUITE C-300,
AUSTIN, TX 78746 (512) 328-2892 - 3,064,503 (\$36,007,910) COMMON STOCK.
(FILE 333-47621 - MAR. 09) (BR. 1)

S-8 KAYE GROUP INC, 122 EAST 42ND ST, NEW YORK, NY 10168 (212) 338-2100 -
700,000 (\$4,408,693.12) COMMON STOCK. (FILE 333-47623 - MAR. 09) (BR. 1)