

SEC NEWS DIGEST

Issue 98-199

October 15, 1998

COMMISSION ANNOUNCEMENTS

COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted under provisions of the Government in the Sunshine Act. Meetings will be scheduled according to the requirements of agenda items under consideration.

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. Visitors are welcome at all open meetings, insofar as space is available. 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 TTY number (202) 942-9558. If you are calling from a non-TTY number, please call the Relay Service at 1-800-877-8339.

OPEN MEETING - WEDNESDAY, OCTOBER 21, 1998 - 10:00 A.M.

The subject matter of the open meeting scheduled for Wednesday, October 21, 1998, at 10:00 a.m., will be:

The Commission will consider whether to adopt Rules 3b-12, 3b-13, 3b-14, 3b-15, 11a1-6, 15a-1, 15b9-2, 15c3-4, 17a-12, 36a1-1, and 36a1-2 under the Securities Exchange Act of 1934 (Exchange Act) and amendments to Rule 30-3 and Exchange Act Rules 8c-1, 15b1-1, 15c2-1, 15c2-5, 15c3-1, 15c3-3, 17a-3, 17a-4, 17a-5, 17a-11, and Form X-17A-5 (FOCUS report). The rules and rule amendments tailor capital, margin, and other broker-dealer regulatory requirements to a class of registered dealers, called OTC derivatives dealers, that are active in over-the-counter derivatives markets. Registration as an OTC derivatives dealer is an alternative to registration as a fully regulated broker-dealer, and is available to entities that engage in dealer activities in eligible OTC derivative instruments and that meet certain financial responsibility and other

requirements. For further information, please contact Catherine McGuire, Chief Counsel, Division of Market Regulation at (202) 942-0061, or Michael Macchiaroli, Associate Director, Division of Market Regulation at (202) 942-0132.

CLOSED MEETING - THURSDAY, OCTOBER 22, 1998 - 11:00 A.M.

The subject matter of the closed meeting scheduled for Thursday, October 22, 1998, at 11:00 a.m., will be: Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; and Opinion.

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.

ANNETTE NAZARETH NAMED ACTING DIRECTOR OF THE DIVISION OF INVESTMENT MANAGEMENT

On October 14, Chairman Levitt named Annette Nazareth Acting Director of the Division of Investment Management. Ms. Nazareth, currently the Senior Counsel to the Chairman, will take on the additional role of Acting Director until a permanent Director is named. Ms. Nazareth succeeds Barry Barbash, who departed the Commission on October 13, 1998, to become a partner with the law firm of Shearman & Sterling. (Press Rel. 98-105)

FEE RATE ADVISORY

We expect the continuing resolution (CR) the Securities and Exchange Commission has been funded under since October 1, 1998, to be extended until midnight Friday, October 16. At this time we cannot be certain what the fee rate will be for filings on Monday, October 19. The three possibilities are:

- 1) If the CR is extended beyond Friday night, the fee rate on filings made pursuant to Section 6(b) of the Securities Act of 1933 will continue at the current rate of \$295 per \$1,000,000. This fee should be applied pro rata to amounts less than \$1,000,000 and should be calculated by multiplying the aggregate offering amount by .000295.
- 2) If the CR is not extended and there is a funding gap, the fee rate on filings made pursuant to Section 6(b) of the Securities Act of 1933 will continue at the current rate of \$295 per \$1,000,000. This fee should be applied pro rata to amounts less than \$1,000,000 and should be calculated by multiplying the aggregate offering amount by .000295.
- 3) If the pending appropriations bill is enacted, the fee rate will decrease to \$278 per \$1,000,000. This rate also must be applied pro rata to amounts less than \$1,000,000. The fee should be calculated by multiplying the aggregate offering amount by .000278.

The Commission will issue further notices as appropriate to keep filers and registrants informed of developments affecting the Section 6(b) fee rate. This information will be posted at the SEC's internet address <http://www.sec.gov>. In the interim, filers and registrants should contact the Office of Filings and Information Services, Filer Support Unit, at (202) 942-8900 if they have any questions. (Press Rel. 98-106)

CHAIRMAN LEVITT TO DELIVER ADDRESS ON SOCIAL SECURITY AT HARVARD'S JFK SCHOOL OF GOVERNMENT

- What:** Securities and Exchange Commission Chairman Arthur Levitt will discuss the SEC's perspective on investing Social Security funds in the stock market.
- When:** Monday, October 19, 1998; 6:00 p.m.
- Where:** John F. Kennedy School of Government
Arco Forum of Public Affairs
79 JFK Street
Cambridge, MA
- RSVP:** Adrienne Kaufmann, (617) 495-8290
- Internet:** Listen to the event live over the Internet:
www.audionet.com/events/ksg
- Embargo:** The speech will be available to the media by 12:00 noon on 10/19/98 by calling (202) 942-0020 and will be embargoed until 4:00 p.m. the same day. (Press Rel. 98-107)

ENFORCEMENT PROCEEDINGS

INJUNCTION ENTERED AGAINST TAN BOOKS AND PUBLISHERS, INC., AND INJUNCTION AND CIVIL PENALTIES ENTERED AGAINST THOMAS NELSON

The Commission announced the entry of Orders and Final Judgments of Permanent Injunction and Other Equitable Relief (Orders) against TAN Books and Publishers, Inc. (TAN), and Thomas A. Nelson (Nelson), President of TAN. The Orders, entered on October 2 by the United States District Court for the Northern District of Illinois, permanently enjoin TAN and Nelson from future violations of the registration and antifraud provisions of the federal securities laws and impose a \$15,000 civil penalty against Nelson. TAN and Nelson consented to the entry of the Orders without admitting or denying the allegations made in the Commission's complaint, which was filed on September 22, 1998.

In its complaint, the Commission alleged that, from 1993 through 1996, TAN raised more than \$10 million by selling unregistered promissory notes to more than 1000 investors nationwide through the

TAN Loan Program. The Commission alleged that Nelson and TAN misrepresented the safety and liquidity of an investment in the Loan Program, as well as the use of Loan Program proceeds, in offering materials sent to Loan Program investors. TAN, headquartered in Rockford, Illinois, filed for Chapter 11 bankruptcy in December 1996 and now operates under a plan of reorganization. [SEC v. TAN Books and Publishers, Inc. and Thomas A. Nelson, N.D. Ill., Case No. 98 C 5918] (LR-15936)

INVESTMENT COMPANY ACT RELEASES

GRADISON-MCDONALD CASH RESERVES TRUST, ET AL.

An order has been issued on an application filed by Gradison-McDonald Cash Reserves Trust, et al. under Section 6(c) of the Investment Company Act for an exemption from Section 15(a) of the Act. The order permits the implementation, without prior shareholder approval, of new investment advisory and subadvisory agreements (New Agreements) for a period of up to 150 days following the later of the date on which a merger between McDonald & Company Investments, Inc. and KeyCorp is consummated or the date on which the requested order is issued and continuing until the date the New Agreements are approved or disapproved by the shareholders (but in no event later than April 1, 1999) (Interim Period). The order also permits the payment of all fees earned under the New Agreements during the Interim Period following shareholder approval. (Rel. IC-23484 - October 14)

THE AUSTRIA FUND, INC., THE SPAIN FUND, INC. AND ALLIANCE CAPITAL MANAGEMENT L.P.

An order has been issued on an application filed by The Austria Fund, Inc., The Spain Fund, Inc. and Alliance Capital Management L.P. under Section 6(c) of the Investment Company Act for an exemption from Section 19(b) of the Act and Rule 19b-1 under the Act permitting certain registered closed-end investment companies to make periodic distributions of long-term capital gains in any one taxable year pursuant to a distribution policy with respect to common stock. (Rel. IC-23485 - October 14)

HOLDING COMPANY ACT RELEASES

ENTERGY CORPORATION, ET AL.

An order has been issued authorizing a proposal by Entergy Corporation (Entergy), a registered holding company, and Entergy Power, Inc. (EPI), a wholly owned subsidiary of Entergy. The order authorizes EPI through December 31, 1999 to sell a portion of its undivided interest in Unit No. 2 of the Independence Steam Electric

Generating Station and related property to East Texas Electric Cooperative, Inc., a nonassociate company, for a purchase price of approximately \$30 million. The order also authorizes EPI to pay dividends to Entergy, from time to time through December 31, 1999, from proceeds of the sale of assets that EPI does not need for its own corporate purposes. (Rel. 35-26925)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

The American Stock Exchange filed a proposed rule change (SR-Amex-98-12) to permit the Exchange to trade Differential Index Options, a new type of standardized index option whose value at expiration is based on the relative performance of either a designated index versus a benchmark index, a designated stock versus a benchmark index or a designated stock versus a benchmark stock. Publication of the proposal is expected in the Federal Register during the week of October 12. (Rel. 34-40537)

The Philadelphia Stock Exchange filed a proposed rule change (SR-PHLX-98-04) amending Rule 783, Report of Financial Arrangements and Floor Procedure Advice F-11, Splitting Orders. Publication of the proposal is expected in the Federal Register during the week of October 12. (Rel. 34-40541)

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-98-73) to amend Rule 7010 to permanently codify its current monthly pilot fee for subscribers who receive Nasdaq level 1 and Last Sale data through automated voice response services. Publication of the proposal is expected in the Federal Register during the week of October 19. (Rel. 34-40546)

PROPOSED AMENDMENT TO OPTIONS PRICE REPORTING AUTHORITY'S NATIONAL MARKET SYSTEM PLAN

The Options Price Reporting Authority (OPRA) has filed a proposed rule change (SR-OPRA-98-1) pursuant to Rule 11Aa3-2(c)(3)(i) under the Securities Exchange Act of 1934 to add a new Rider to OPRA's Vendor Agreement that would permit OPRA's vendors to utilize electronic contracts with certain categories of Internet or other on-line customers. Publication of the proposal is expected in the Federal Register during the week of October 19. (Rel. 34-40547)

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-4 JEFFERSON SMURFIT CORP /DE/, JEFFERSON SMURFIT CENTRE,
8182 MARYLAND AVE, ST LOUIS, MO 63105 (314) 746-1100 - 115,798,222
(\$983,261,418) COMMON STOCK. (FILE 333-65431 - OCT. 08) (BR. 4)
- S-3 LEVEL ONE COMMUNICATIONS INC /CA/, 9750 GOETHE RD, SACRAMENTO, CA 95627
(916) 855-5000 - 4,217,855 (\$79,590,923.85) COMMON STOCK. (FILE 333-65433
- OCT. 08) (BR. 5)
- S-8 LEVEL ONE COMMUNICATIONS INC /CA/, 9750 GOETHE RD, SACRAMENTO, CA 95627
(916) 855-5000 - 775,534 (\$822,066) COMMON STOCK. (FILE 333-65435 -
OCT. 08) (BR. 5)
- S-8 ARXA INTERNATIONAL ENERGY INC, 530 WELLS FARGO DRIVE, SUITE 300,
HOUSTON, TX 77090 ((28) 1)--444- - 300,000 (\$75,000) COMMON STOCK. (FILE
333-65439 - OCT. 08) (BR. 4)
- S-4 AMERICAN INTERNATIONAL GROUP INC, 70 PINE ST, NEW YORK, NY 10270
(212) 770-7000 - 206,249,985 (\$4,157,071,301.80) COMMON STOCK. (FILE
333-65441 - OCT. 08) (BR. 1)
- S-1 KEY CAPITAL CORP, 7F GWYNNS MILL CT, OWINGS MILL, MD 21117
(310) 363-7050 - 1,500,000 (\$18,000,000) COMMON STOCK. (FILE 333-65445 -
OCT. 08) (BR. 7)
- S-8 SONIC AUTOMOTIVE INC, 5401 EAST INDEPENDENCE BLVD, PO BOX 18747,
CHARLOTTE, NC 28026 (704) 532-3354 - 1,125,000 (\$19,440,000) COMMON STOCK.
(FILE 333-65447 - OCT. 08) (BR. 2)
- S-8 MICRON TECHNOLOGY INC, 8000 S FEDERAL WAY, PO BOX 6, BOISE, ID 83707
(208) 368-4000 - 1,406,605 (\$37,803,916) COMMON STOCK. (FILE 333-65449 -
OCT. 08) (BR. 5)
- S-3 BANK ONE CORP, ONE FIRST NATIONAL PLAZA, CHICAGO, IL 60670
(614) 248-5944 - 5,000,000 (\$200,000,000) COMMON STOCK. (FILE 333-65451 -
OCT. 08) (BR. 7)
- S-8 GRAND PREMIER FINANCIAL INC, 486 WEST LIBERTY STREET, WAUCONDA, IL 60084
(847) 487-1818 - 200,000 (\$2,975,000) COMMON STOCK. (FILE 333-65453 -
OCT. 08) (BR. 7)
- S-8 GRAND PREMIER FINANCIAL INC, 486 WEST LIBERTY STREET, WAUCONDA, IL 60084
(847) 487-1818 - 400,000 (\$5,950,000) COMMON STOCK. (FILE 333-65455 -
OCT. 08) (BR. 7)
- S-8 DOMINICKS SUPERMARKETS INC, 505 RAILROAD AVE, NORTHLAKE, IL 60164
(708) 562-1000 - 100,000 (\$4,087,500) COMMON STOCK. (FILE 333-65457 -
OCT. 08) (BR. 2)
- S-8 POWERWAVE TECHNOLOGIES INC, 2026 MCGAW AVE, IRVINE, CA 92614
(714) 757-0530 - 1,700,000 (\$12,937,000) COMMON STOCK. (FILE 333-65459 -
OCT. 08) (BR. 7)
- S-8 MUNICIPAL MORTGAGE & EQUITY LLC, 218 N CHARLES ST, STE 500, BALTIMORE,
MD 21201 (410) 962-8044 (FILE 333-65461 - OCT. 08) (BR. 8)
- S-8 ELECTRONICS BOUTIQUE HOLDINGS CORP, 103 POULK ROAD, STE 202, WILMINGTON,
DE 19803 (302) 778-4778 - 2,100,000 (\$26,680,293) COMMON STOCK. (FILE
333-65463 - OCT. 08) (BR. 2)
- S-8 INTERCORP EXCELLE INC, 1880 ORMONT DRIVE, M9L 2V4, TORONTO ONTARIO, A6
(416) 744-2124 - 500,000 (\$2,750,000) COMMON STOCK. (FILE 333-65465 -
OCT. 08) (BR. 4)

- S-8 ASCEND COMMUNICATIONS INC, 1701 HARBOR BAY PKWY, ALAMEDA, CA 94502
(510) 769-6001 - 5,000,000 (\$176,875,000) COMMON STOCK. (FILE 333-65467 -
OCT. 08) (BR. 3)
- S-8 ENVIRONMENTAL TECTONICS CORP, COUNTY LINE INDUSTRIAL PARK, SOUTHAMPTON,
PA 18966 (215) 355-9100 - 500,000 (\$3,440,000) COMMON STOCK. (FILE
333-65469 - OCT. 08) (BR. 5)
- S-1 HOME HEALTH CORP OF AMERICA INC \PA\, 2200 RENAISSANCE BLVD, STE 300,
KING OF PRUSSIA, PA 19406 (610) 272-1717 - 280,669 (\$217,560) COMMON STOCK.
(FILE 333-65471 - OCT. 08) (BR. 1)
- S-8 CD RADIO INC, 1180 AVENUE OF THE AMERICAS, 14TH FLOOR, NEW YORK, NY
10036 (212) 899-5000 (FILE 333-65473 - OCT. 08) (BR. 7)
- S-8 TANKNOLOGY NDE INTERNATIONAL INC, 8900 SHOAL CREEK BLVD, STE 200,
AUSTIN, TX 78757 (512) 451-6334 - 6,250,000 (\$5,468,750) COMMON STOCK.
(FILE 333-65475 - OCT. 08) (BR. 1)
- S-3 HELEN OF TROY LTD, 6827 MARKET AVE, EL PASO, TX 79915 (915) 779-6363 -
691,760 (\$9,100,795) COMMON STOCK. (FILE 333-65477 - OCT. 08) (BR. 2)
- S-8 PRECISION CASTPARTS CORP, 4650 SW MACADAM AVE, STE 440, PORTLAND, OR
97201 ((50) 3) -417- - 30,000,000 (\$30,000,000) STRAIGHT BONDS. (FILE
333-65479 - OCT. 09) (BR. 6)
- S-3 NORWEST ASSET SECURITIES CORP, 7485 NEW HORIZON WY, FREDERICK, MD 21703
(301) 846-8881 - 1,000,000 (\$1,000,000)
PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 333-65481 - OCT. 08)
(BR. 8)
- S-3 AMERICAN HEALTHCHOICE INC /NY/, 1300 W WALNUT HILL LANE STE 275, IRVING,
TX 75038 (214) 751-1900 - 95,000,000 (\$10,393,000) COMMON STOCK. (FILE
333-65483 - OCT. 08) (BR. 1)
- S-8 RARE HOSPITALITY INTERNATIONAL INC, 8215 ROSWELL RD, BLDG 200, ATLANTA,
GA 30350 (770) 399-9595 - 750,000 (\$7,148,437.50) COMMON STOCK. (FILE
333-65485 - OCT. 09) (BR. 5)
- S-8 CITIGROUP INC, 399 PARK AVENUE, LEGAL DEPT 20TH FLOOR, NEW YORK, NY
10043 (212) 816-8000 - 122,000,000 (\$3,991,693,600) COMMON STOCK. (FILE
333-65487 - OCT. 09) (BR. 1)
- S-1 CONSUMER NET MARKETPLACE INC, 1900 LOS ANGELES ST, 2ND FLOOR,
SIMI VALLEY, CA 93065 (805) 520-7170 - 4,000,009 (\$56,000,000)
COMMON STOCK. (FILE 333-65489 - OCT. 08)
- S-4 REGENCY REALTY CORP, 121 WEST FORSYTH ST, STE 200, JACKSONVILLE, FL
32202 (904) 356-7000 - 32,251,630 (\$704,349,671) COMMON STOCK. 2,045,064
(\$31,302,760) PREFERRED STOCK. (FILE 333-65491 - OCT. 09) (BR. 8)