

# SEC NEWS DIGEST

Issue 99-67

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## RULES AND RELATED MATTERS

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### EXTENSION OF COMMENT PERIOD FOR REPROPOSED AMENDMENTS TO RULES 15c2-11 AND 17A-4

The Commission is extending the comment period for a release repropounding amendments to Rules 15c2-11 and 17a-4 under the Securities Exchange Act of 1934 (Rel. 34-41110), which was published in the Federal Register on March 8, 1999 (64 FR 11124). The repropounded rule amendments would require broker-dealers to review issuer information before initiating priced quotes for over-the-counter securities. In addition, broker-dealers publishing priced quotations will have to review updated information annually. Broker-dealers will also have to document their review and record information regarding any significant relationships that they have with the issuer or others, including the receipt of any compensation to make a market. The comment period for Release No. 34-41110, is being extended to May 8, 1999. For further information contact: Florence E. Harmon, Special Counsel at (202) 942-0772, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-1001. (Rel. 34-41261)

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## ENFORCEMENT PROCEEDINGS

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### ALPHA DIVERSIFIED INDUSTRIES AND RALPH LEBLANC ENJOINED

On March 26, 1999, the Honorable Ivan L.R. Lemelle, United States District Judge for the Eastern District of Louisiana entered a final judgment of permanent injunction and other relief against Alpha Diversified Industries, Inc. (Alpha) and Ralph W. LeBlanc (LeBlanc). The judgment permanently enjoined both defendants from violating Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5. Alpha and LeBlanc were ordered to pay disgorgement in the amounts of \$577,641 and \$161,403, respectively. Payment of disgorgement, however, was waived based upon Alpha's and LeBlanc's sworn showings of inability to pay. Moreover, the Court did not order LeBlanc to pay a civil penalty because of his demonstrated inability to pay. Alpha and LeBlanc consented to the entry of the judgment.

In addition, Judge Lemelle entered a separate order regarding disgorgement and a civil penalty against Robert M. Bingham (Bingham), who had previously consented to the entry of a permanent injunction. Bingham was ordered to pay disgorgement in the amount of \$40,995. Payment was waived based upon Bingham's demonstrated inability to pay. For that same reason, the Court did not impose a civil penalty. Bingham consented to the entry of the order.

The Commission's complaint, filed on September 10, 1997, alleged that from March 1991 through February 1996, these defendants offered and sold over 4 million shares of Alpha common stock to more than 85 investors in over a dozen states for approximately \$567,000. [SEC v. Alpha Diversified Industries, Inc., et al., Civil Action No. 97-2814, Section B, E.D. La.] (LR-16108)

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## INVESTMENT COMPANY ACT RELEASES

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### EATON VANCE MANAGEMENT, ET AL.

A notice has been issued giving interested persons until April 29 to request a hearing on an application filed by Eaton Vance Management, et al. for an order pursuant to Section 17(d) of the Investment Company Act and Rule 17d-1 under the Act. The order would permit certain registered closed-end management investment companies to impose asset-based distribution fees. (Rel. IC-23770 - April 6)

### MARKET STREET FUNDS, INC. AND PROVIDENTMUTUAL INVESTMENT MANAGEMENT COMPANY

An order has been issued on an application filed by Market Street Funds, Inc. and Providentmutual Investment Company under Section 6(c) of the Investment Company Act exempting applicants from Section 15(a) of the Act and Rule 18f-2 under the Act. The order permits applicants to enter into and materially amend investment advisory agreements with subadvisers without shareholder approval. (Rel. IC-23771 - April 7)

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## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGES

The National Association of Securities Dealers has filed a proposed rule change (SR-NASD-99-01) to simplify the fee structure for public offerings filed by NASD members under NASD Conduct Rules 2710, 2720, and 2810. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41248)

A proposed rule change filed by the Chicago Board Options Exchange to list up to seven expiration months for index options for a

limited period of time (SR-CBOE-99-09) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41252)

#### **ACCELERATED APPROVAL OF PROPOSED RULE CHANGES**

The Options Clearing Corporation filed a proposed rule change (SR-OCC-98-04) under Section 19(b)(1) of the Securities Exchange Act that will reduce the amount that it uses to calculate the size of its clearing fund from 7 percent of the average daily aggregate margin requirement to 5 percent subject to a sliding scale calculation if the level of the clearing fund falls below \$1 billion. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41242)

The Commission granted accelerated approval of a proposed rule change (SR-EMCC-99-2) filed by the Emerging Markets Clearing Corporation under Section 19(b)(1) of the Exchange Act. The proposal will allow EMCC to accept trade data directly from either members or service bureaus and to conduct trade data comparisons. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41247)

The Emerging Markets Clearing Corporation filed a proposed rule change (SR-EMCC-99-03) under Section 19(b)(1) of the Exchange Act. Under the proposed rule change, EMCC will require that all EMCC members participate in Year 2000 testing with EMCC. The Commission has approved the proposed rule change on an accelerated basis. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41249)

#### **IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE**

The Stock Clearing Corporation of Philadelphia filed a proposed rule change (SR-SCCP-98-06) under Section 19(b)(3)(A) of the Securities Exchange Act. The proposed rule change, which became effective upon filing, amends SCCP's fee schedule for a trade recording. Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41251)

#### **TEMPORARY SUMMARY EFFECTIVENESS OF PROPOSED AMENDMENT**

The Intermarket Trading System has filed a proposed amendment to the ITS Plan (4-208) under Rule 11Aa3-2 of the Exchange Act to link the PCX Application of the OptiMark System to ITS. The Commission has determined to make this amendment summarily effective upon publication on a temporary basis pursuant to Exchange Act Rule 11Aa3-2(c)(4). Publication of the proposal is expected in the Federal Register during the week of April 12. (Rel. 34-41246)

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## SECURITIES ACT REGISTRATIONS

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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-3 ASE TEST LTD, 10 WEST FIFTH ST, NANTZE EXPORT PROCESSING ZONE,  
KAOHSIUNG TAIWAN REP, F5 - 2,500,000 (\$104,531,250) FOREIGN COMMON STOCK.  
(FILE 333-10188 - MAR. 31) (BR. 1)
- S-8 MOORE MEDICAL CORP, PO BOX 1500, 389 JOHN DOWNEY DR, NEW BRITAIN, CT  
06050 (203) 826-3600 - 350,000 (\$3,806,250) COMMON STOCK. (FILE 333-75445  
- APR. 01) (BR. 1)
- S-1 JWGENESIS FINANCIAL CORP /, 980 NORTH FEDERAL HIGHWAY, SUITE 210,  
BOCA RATON, FL 33432 (561) 338-2800 - 1,007,506 (\$11,173,241.54)  
COMMON STOCK (FILE 333-75447 - APR. 01) (BR. 8)
- S-8 EMCOR GROUP INC, 101 MERRITT SEVEN CORPORATE PK, 7TH FLOOR, NORWALK, CT  
06851 (203) 849-7800 - 450,000 (\$7,555,145) COMMON STOCK. (FILE 333-75449  
- APR 01) (BR. 6)
- S-4 AK STEEL CORP, 703 CURTIS ST, MIDDLETOWN, OH 45043 (513) 425-5000 -  
450,000,000 (\$450,000,000) STRAIGHT BONDS. (FILE 333-75451 - APR. 01)  
(BR. 6)
- S-4 AVALON CABLE OF MICHIGAN LLC, 800 THIRD AVENUE, SUITE 3100, NEW YORK, NY  
10022 (212) 421-0600 - 150,000,000 (\$150,000,000) STRAIGHT BONDS. (FILE  
333-75453 - APR. 01) (BR. 37 - NEW ISSUE)
- S-3 CLOROX CO /DE/, THE CLOROX COMPANY, 1221 BROADWAY, OAKLAND, CA 94612  
(510) -27-1-70 - 550,000,000 (\$550,000,000) STRAIGHT BONDS. (FILE  
333-75455 - APR. 01) (BR. 2)
- S-8 BNCCORP INC, 322 E MAIN, BISMARCK, ND 58501 (701) 250-3040 - 40,000  
(\$368,912) COMMON STOCK. (FILE 333-75457 - APR. 01) (BR. 7)
- S-8 PENTON MEDIA INC, 1100 SUPERIOR AVENUE, CLEVELAND, OH 44114  
(216) 696-7000 - 100,000 (\$2,153,125) COMMON STOCK. (FILE 333-75459 -  
APR. 01) (BR. 5)
- S-8 WINSTAR COMMUNICATIONS INC, 230 PARK AVE STE 2700, NEW YORK, NY 10169  
(212) 584-4000 - 1,735,078 (\$55,416,649) COMMON STOCK. (FILE 333-75461 -  
APR 01) (BR. 7)
- S-3 GENERAL MOTORS ACCEPTANCE CORP, 3044 W GRAND BLVD, DETROIT, MI 48202  
(313) 556-1508 - 7,908,800,000 (\$7,908,800,000) STRAIGHT BONDS. (FILE  
333-75463 - APR. 01) (BR. 7)
- S-8 ANTHRACITE CAPITAL INC, 345 PARK AVENUE, NEW YORK, NY 10154  
(212) 754-5560 - 2,470,453 (\$37,056,795) COMMON STOCK. (FILE 333-75467 -  
APR. 01) (BR. 7)

S-8 EXIGENT INTERNATIONAL INC, 1225 EVANS RD, MELBOURNE, FL 32904  
(407) 952-7550 - 2,500,000 (\$10,156,250) COMMON STOCK (FILE 333-75469 -  
APR 01) (BR. 3)

S-8 EXIGENT INTERNATIONAL INC, 1225 EVANS RD, MELBOURNE, FL 32904  
(407) 952-7550 - 250,000 (\$1,015,625) COMMON STOCK. (FILE 333-75471 -  
APR. 01) (BR. 3)

S-3 ANTHRACITE CAPITAL INC, 345 PARK AVENUE, NEW YORK, NY 10154  
(212) 754-5560 - 200,000,000 (\$200,000,000) COMMON STOCK. (FILE 333-75473  
- APR 01) (BR 7)

S-3 COOPER INDUSTRIES INC, 600 TRAVIS, SUITE 5800, FIRST CITY TWR, HOUSTON,  
TX 77002 (713) 209-8400 - 500,000,000 (\$500,000,000) STRAIGHT BONDS  
(FILE 333-75475 - APR. 01) (BR 5)

S-8 AMERICAN MEDICAL SECURITY GROUP INC, 3100 AMS BLVD, GREEN BAY, WI 54313  
(920) 661-1111 - 750,000 (\$9,445,312 50) COMMON STOCK (FILE 333-75477 -  
APR. 01) (BR. 1)

S-8 KENDLE INTERNATIONAL INC, 441 VINE ST, STE 700, CINCINNATI, OH 45202  
(513) 763-1414 - 14,198 (\$258,687 56) COMMON STOCK. (FILE 333-75479 -  
APR 01) (BR 1)

S-8 HEALTHSOUTH CORP, ONE HEALTHSOUTH PKWY, STE 224W, BIRMINGHAM, AL 35243  
(205) 967-7116 - 3,000,000 (\$31,500,000) COMMON STOCK. (FILE 333-75481 -  
APR. 01) (BR. 1)

S-8 BANCWEST CORP/HI, 999 BISHOP ST, HONOLULU, HI 96813 (808) 525-7000 -  
2,000,000 (\$80,062,500) COMMON STOCK. (FILE 333-75483 - APR. 01) (BR 7)

S-8 VERTEL CORP, 21300 VICTORY BLVD, #1200, WOODLAND HILLS, CA 91367  
(818) 227-1400 - 635,456 (\$893,610) COMMON STOCK. (FILE 333-75485 -  
APR 01) (BR. 3)

S-8 METROCORP BANCSHARES INC, 9600 BELLAIRE BLVD SUITE 152, HOUSTON, TX  
77036 (713) 776-3876 - 200,000 (\$1,950,000) COMMON STOCK (FILE 333-75487  
- APR. 01) (BR. 7)

S-3 PRUDENTIAL SECURITIES SECURED FINANCING CORP, ONE NEW YORK PLZ,  
14TH FLOOR, NEW YORK, NY 10292 (212) 778-1000 - 1,000,000 (\$1,000,000)  
MORTGAGE BONDS (FILE 333-75489 - APR 01) (BR. 8)

S-8 INTERDENT INC, 222 N SEPULVEDA BLVD, SUITE 740, EL SEGUNDO, CA 90245  
(310) 765-2400 - 1,239,065 (\$5,266,026) COMMON STOCK. (FILE 333-75491 -  
APR. 01) (BR. 1)

S-8 ASCEND COMMUNICATIONS INC, 1701 HARBOR BAY PKWY, ALAMEDA, CA 94502  
(510) 769-6001 - 1,000,000 (\$83,937,500) COMMON STOCK. (FILE 333-75495 -  
APR. 01) (BR. 3)

S-3 EQUALNET COMMUNICATIONS CORP, 1250 WOOD BRANCH PARK DR, HOUSTON, TX  
77079 (281) 529-4600 - 23,723,963 (\$15,197,571) COMMON STOCK. (FILE  
333-75497 - APR. 01) (BR. 7)

S-8 SAFEGUARD SCIENTIFICS INC ET AL, 435 DEVON PARK DR,  
800 THE SAFEGUARD BLDG, WAYNE, PA 19087 (610) 293-0600 - 100,000  
(\$3,706,250) COMMON STOCK. (FILE 333-75499 - APR 01) (BR. 3)

S-8 SAFEGUARD SCIENTIFICS INC ET AL, 435 DEVON PARK DR,  
800 THE SAFEGUARD BLDG, WAYNE, PA 19087 (610) 293-0600 - 250,000  
(\$12,676,812) COMMON STOCK. (FILE 333-75501 - APR 01) (BR. 3)

S-8 THEGLOBE COM INC, 31 WEST 21ST STREET, NEW YORK, NY 10010 (212) 886-0800  
- 361,017 (\$18,518,953.01) COMMON STOCK. (FILE 333-75503 - APR 01)  
(BR 2)

S-3 MUTUAL RISK MANAGEMENT LTD, 44 CHURCH ST, BERMUDA, HAMILTON HM 12 BERMU,  
DO (441) 295-5688 - 1,895,947 (\$74,238,175) COMMON STOCK (FILE 333-75505  
- APR. 01) (BR. 1)

S-3 CYBERSHOP INTERNATIONAL INC, 130 MADISON AVENUE, NEW YORK, NY 10016  
(212) 532-3553 - 503,300 (\$7,014,743.75) COMMON STOCK (FILE 333-75507 -

APR. 01) (BR 3)

S-8 HEALTHSOUTH CORP, ONE HEALTHSOUTH PKWY, STE 224W, BIRMINGHAM, AL 35243  
(205) 967-7116 - 3,000,000 (\$31,500,000) COMMON STOCK. (FILE 333-75509 -  
APR. 01) (BR. 1)