

SEC NEWS DIGEST

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ENFORCEMENT PROCEEDINGS

COMMISSION ISSUES CEASE AND DESIST ORDER AGAINST THOMAS LEAPER, CPA, SUSPENDS LEAPER, WILLIAM WALL, III, CPA AND FRED FLAX, CPA FROM PRACTICE BEFORE THE COMMISSION, AND CENSURES KELLOGG & ANDELSON LLC

In administrative proceedings, the Commission entered an Order against: (1) Thomas D. Leaper, CPA (Leaper) to cease and desist from violating antifraud, reporting, record-keeping and internal control provisions of the Securities Exchange Act of 1934; (2) Leaper, William T. Wall, III (Wall) and Fred S. Flax (Flax), suspending them from practicing before the Commission as accountants; and (3) Kellogg & Andelson LLC (Kellogg) of Sherman Oaks, California censuring the firm. Leaper after five years, and Wall and Flax after three years, may apply to the Commission. Leaper, Wall, Flax and Kellogg consented to the Order without admitting or denying the Commission's findings.

Kellogg rendered an unqualified audit report on the 1993 financial statements of Styles on Video, Inc. (Styles). However, Styles' financial statements contained material departures from Generally Accepted Accounting Principles. Wall and Flax failed to perform the audit in accordance with Generally Accepted Auditing Standards. Although Leaper's independence was impaired, he performed the concurring review. Through Leaper, Kellogg lacked independence.

As Styles' Chief Financial Officer and Chief Operating Officer, Leaper willfully violated and willfully aided and abetted and caused violations of federal securities laws in connection with Styles' second and third quarters 1994 Forms 10-QSB and earnings releases. (Rel. 34-40098; AAE Rel. 1044; File No. 3-9627)

INSIDER TRADING ACTION FILED AGAINST CHANGNIAN LIU

The Commission filed, in the United States District Court for the District of Massachusetts, an insider trading case against Changnian Liu, Ph.D., a research scientist formerly with Immunogen, Inc., a Massachusetts biotechnology company. The Commission alleged that between July 30 and August 1, 1996, Dr. Liu, while in possession of the material non-public information that on August 6, 1996 a

scientific journal would published favorable test results of Immunogen's new drug compound to treat certain forms of cancer, purchased 30,000 Immunogen shares. On August 6, 1996, after the Company's press release announcing the publication, the price of Immunogen's common stock increased nearly 65 percent, to \$5-5/16 per share, on heavy trading volume. Dr. Liu, the complaint alleges, immediately began selling the Immunogen shares he had recently purchased and realized illegal insider trading profits of \$41,700.

Without admitting or denying the substantive allegations in the complaint, Liu consented to the entry of a judgment permanently enjoining him from violating the antifraud provisions of the federal securities laws, ordering him to disgorge profits in the amount of \$41,700, together with prejudgment interest of \$6,633 and ordering him to pay a civil penalty of \$41,700. [SEC v. Changnian Liu, Civil Action No. 98-11188-RGS, USDC, D. Mass.] (LR-15783)

COMPLAINT FILED AGAINST GUY DE VREESE

The Commission filed a complaint on June 17 in the United States District Court, seeking an order permanently enjoining Guy Marcel De Vreese (De Vreese) of Ghent, Belgium from violating the antifraud, reporting, recordkeeping, internal controls, and lying to an accountant provisions of the Securities Exchange Act of 1934. De Vreese consented to the relief without admitting or denying the Commission's allegations.

In its complaint, the Commission alleged that De Vreese was the chief executive officer and chairman of the board of Styles on Video, Inc. (Styles), a now bankrupt company that developed and marketed computer imaging systems. Under De Vreese's direction, Styles falsely reported growing revenue and earnings for 1993 and its first three quarters of 1994 in press releases, its 1993 Form 10-KSB and three 1994 Forms 10-QSB. Styles had actually sustained losses.

For each of the reporting periods, under De Vreese's direction, Styles reported revenue and earnings from transactions concerning product not developed and/or agreements not consummated. Further, De Vreese caused Styles to: (1) falsely state in its second quarter 1994 Form 10-QSB that it had received a significant cash collection when it had not; and (2) overstate its cash balance in its third quarter 1994 Form 10-QSB. [SEC v. Guy Marcel De Vreese, Civil Action No. 98-4866RJK, MANs, CD Cal.] (LR-15784; AAE Rel. 1045)

CIVIL ACTION FILED AGAINST MY DANG

The Commission announced that it filed a complaint on June 17 in federal district court in Los Angeles, California against My Dang (Dang), a former investment banking associate at Donaldson, Lufkin & Jenrette, Inc. (DLJ). The Commission's complaint alleges that between April and June 1995, Dang traded in the securities of two DLJ clients, Capital Gaming International, Inc. (Capital Gaming) and

Super Rite Corporation (Super Rite), while in possession of material nonpublic information obtained during the course of his employment. The complaint alleges that Dang sold short a total of 32,400 shares of Capital Gaming common stock in April and May 1995, prior to three adverse announcements concerning operations at the company's New Orleans riverboat facility. Dang also purchased 13,000 shares of Super Rite common stock in June 1995, after learning that DLJ had been retained by Super Rite in connection with an impending acquisition by Richfood Holdings, Inc. (Richfood).

Concurrent with the filing of the complaint, Dang settled the civil action without admitting or denying the allegations alleged in the complaint. Under the terms of the settlement, Dang agreed to the imposition of a permanent injunction forbidding future violations of the antifraud provisions of the federal securities laws. Dang additionally agreed to disgorge \$59,765.27 in profits resulting from his insider trading, and pay prejudgment interest thereon in the amount of \$11,025.52. Finally, Dang agreed to pay a civil penalty of \$59,765.27. [SEC v. My Dang, Civil Action No. 98-4865 DT, JGx, C.D. Cal.] (LR-15785)

INVESTMENT COMPANY ACT RELEASES

COWEN & CO. AND SOCIETE GENERALE SECURITIES CORPORATION

An order has been issued on an application filed by Cowen & Co. and Societe Generale Securities Corporation under Section 6(c) of the Investment Company Act exempting applicants from Section 15(a) of the Act. The order permits the implementation, without prior shareholder approval, of new investment advisory agreements for a period of up to 150 days following the later of the date that Societe Generale acquires certain assets from Cowen & Co. and Cowen Incorporated or the date of the issuance of the requested order (but in no event later than December 31, 1998) (Interim Period). The order also permits the payment of fees earned under the new advisory agreements during the Interim Period following approval of the new advisory agreements by shareholders of the respective investment companies. (Rel. IC-23255 - June 16)

U.S. GLOBAL LEADERS VARIABLE INSURANCE TRUST, ET AL.

An order has been issued exempting U.S. Global Leaders Variable Insurance Trust (Fund) and Yeager, Wood & Marshall, Inc. (Adviser) from Sections 9(a), 13(a), 15(a) and 15(b) of the Investment Company Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder. The order permits shares of any current or future series of the Fund and shares of any other investment company that is designed to fund variable insurance products and for which the Adviser, or any of its affiliates, may serve now or in the future as manager, investment adviser, administrator, principal underwriter or sponsor, to be offered and sold to, and held by variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated life

insurance companies, qualified pension and retirement plans outside of the separate account context, and the Adviser or any of its affiliates. (Rel. IC-23256 - June 16)

BARON CAPITAL FUNDS TRUST, ET AL.

An order has been issued pursuant to Section 6(c) of the Investment Company Act to Baron Capital Funds Trust (Trust) and BAMCO, Inc. (Adviser) to the extent necessary to permit shares of any current or future series of the Trust designed to fund insurance products and shares of any other investment company or series thereof now or in the future registered under the Act that is designed to fund insurance products and for which the Adviser, or any of its affiliates, may in the future serve as investment adviser, administrator, manager, principal underwriter or sponsor to be sold to and held by (a) variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated life insurance companies and (b) certain qualified pension or retirement plans outside of the separate account context. (Rel. IC-23257 - June 16)

STEIN ROE INCOME TRUST, ET AL.

An order has been issued on an application filed by Stein Roe Income Trust, et al. under Section 17(d) of the Investment Company Act and Rule 17d-1 under the Act. The order permits certain registered open-end management investment companies to deposit uninvested cash balances in a joint account that invests in certain short-term investments. (Rel. IC-23258 - June 16)

THE DREYFUS/LAUREL FUNDS, INC., ET AL.

An order has been issued on an application filed by The Dreyfus/Laurel Funds, Inc., et al. under Section 17(b) of the Investment Company Act granting relief from Section 17(a) of the Act. The order permits a series of Dreyfus Index Funds, Inc. to acquire all of the assets and liabilities of a series of Dreyfus/Laurel Funds, Inc. (Rel. IC-23259 - June 17)

MONARCH LIFE INSURANCE COMPANY, ET AL.

An order has been issued under Section 26(b) of the Investment Company Act approving the substitution, by Monarch Life Insurance Company and Monarch Life Insurance Company Variable Account B (Account), of units of certain series of the Merrill Lynch Fund of Stripped (Zero) U.S. Treasury Securities, Series B through G for units of certain series of the Oppenheimer Zero Coupon U.S. Treasuries Trust, Series A through F held by the Account. (Rel. IC-23260 - June 17)

CHASE GLOBAL CO-INVEST PARTNERS 1997, L.P., ET AL.

An order has been issued on an application filed by Chase Global Co-Invest Partners 1997, L.P., et al. under Sections 6(b) and 6(e) of the Investment Company Act granting certain partnerships and limited

liability companies (Partnerships) an exemption from all provisions of the Act, except Section 9, certain provisions of Sections 17 and 30, Sections 36 through 53, and the rules and regulations under those sections. Each Partnership will be an "employees' securities company" within the meaning of Section 2(a)(13) of the Act. (Rel. IC-23261 - June 17)

SELF-REGULATORY ORGANIZATIONS

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission approved on an accelerated basis a proposed rule change filed by the Chicago Board Options Exchange (SR-CBOE-98-13) relating to the Automatic Execution of Small Retail Orders in Equity Options. (Rel. 34-40096)

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-3 GREENPOINT FINANCIAL CORP, 90 PARK AVE, NEW YORK, NY 10016
(212) 834-1711 - \$690,000,000 COMMON STOCK. (FILE 333-56569 - JUN. 11)
(BR. 7)
- S-8 PROGENICS PHARMACEUTICALS INC, 777 OLD SAW MILL RIVER ROAD, TARRYTOWN,
NY 10591 (914) 789-2800 - 1,050,000 (\$17,325,000) COMMON STOCK. (FILE
333-56571 - JUN. 11) (BR. 1)
- S-3 CHASE MANHATTAN CORP /DE/, 270 PARK AVE, NEW YORK, NY 10017
(212) 270-6000 (FILE 333-56573 - JUN 11) (BR. 7)
- S-4 MORGAN STANLEY AIRCRAFT FINANCE, C/O WILMINGTON TRUST CO,
1100 NORTH MARKET STREET, RODNEY SQUARE, WILMINGTON, DE 19890 -
1,050,000,000 (\$1,050,000,000) STRAIGHT BONDS (FILE 333-56575 - JUN. 11)
(BR. 6 - NEW ISSUE)
- S-8 BROWN TOM INC /DE/, 508 W WALL, STE 500, MIDLAND, TX 79701 (915) 682-9715
- 500,000 (\$8,050,000) COMMON STOCK (FILE 333-56577 - JUN. 11) (BR 4)
- S-8 HBO & CO, 301 PERIMETER CTR N, ATLANTA, GA 30346 (770) 393-6000 -
45,788 (\$790,530) COMMON STOCK. (FILE 333-56579 - JUN. 11) (BR 3)
- S-8 URSUS TELECOM CORP, 440 SAWGRASS CORPORATE PKWY, STE 112, SUNRISE, FL
33325 (954) 846-7887 - 1,000,000 (\$8,890,625) COMMON STOCK (FILE
333-56581 - JUN. 10) (BR. 7)

S-1 REPUBLIC BANCORP INC /KY/, REPUBLIC CORPORATE CENTER,
601 WEST MARKET ST, LOUISVILLE, KY 40202 (502) 584-3600 - 2,400,000
(\$33,600,000) COMMON STOCK. (FILE 333-56583 - JUN. 11) (BR. 7)

S-8 NEW HORIZONS WORLDWIDE INC, 500 CAMPUS DR, MORGANVILLE, NJ 07751
(908) 536-8500 - 1,340,000 (\$22,277,500) COMMON STOCK. (FILE 333-56585 -
JUN. 11) (BR. 6)

S-3 CHASE MANHATTAN CORP /DE/, 270 PARK AVE, NEW YORK, NY 10017
(212) 270-6000 - 550,000,000 (\$550,000,000) STRAIGHT BONDS. (FILE
333-56587 - JUN 11) (BR. 7)

S-8 WILLIAMS CONTROLS INC, 14100 SW 72ND AVENUE, PORTLAND, OR 97224
(503) 684-8600 - 3,359,000 (\$8,136,910) COMMON STOCK (FILE 333-56591 -
JUN 11) (BR. 5)

S-8 QUIKSILVER INC, 1740 MONROVIA AVE, COSTA MESA, CA 92627 (714) 645-1395
- 1,480,200 (\$29,604,000) COMMON STOCK. (FILE 333-56593 - JUN 11)
(BR. 2)

S-8 UNIVISION COMMUNICATIONS INC, 1999 AVENUE OF THE STARS STE 3050,
LOS ANGELES, CA 90067 (310) 556-7676 - 890,614 (\$30,197,381) COMMON STOCK.
(FILE 333-56595 - JUN. 11) (BR. 7)

S-3 SYQUEST TECHNOLOGY INC, 47071 BAYSIDE PKWY, FREMONT, CA 94538
(510) 226-4000 - 44,741,512 (\$64,315,924) COMMON STOCK. (FILE 333-56597 -
JUN. 11) (BR. 3)

S-3 VALERO ENERGY CORP/TX, 7990 WEST IH 10, SAN ANTONIO, TX 78230
(210) -37-0-20 (FILE 333-56599 - JUN. 11) (BR 4)

S-3 ILLINOIS SUPERCONDUCTOR CORPORATION, 451 KINGSTON CT, MOUNT PROSPECT, IL
60056 (847) 391-9400 - 11,418,515 (\$25,006,548) COMMON STOCK (FILE
333-56601 - JUN 11) (BR 7)

S-1 UNITED ROAD SERVICES INC, 8 AUTOMATION LANE, ALBANY, NY 12205
(518) 446-0140 - 5,000,000 (\$85,500,000) COMMON STOCK. (FILE 333-56603 -
JUN. 11) (BR. 5)

S-3 PALATIN TECHNOLOGIES INC, 214 CARNEGIE CENTER, SUITE 100, PRINCETON, NJ
08540 (609) 520-1911 - 686,362 (\$4,439,904) COMMON STOCK (FILE 333-56605
- JUN 11) (BR 1)

S-8 DIAL CORP /NEW/, 15501 NORTH DIAL BOULEVARD, 1850 NORTH CENTRAL AVE,
SCOTTSDALE, AZ 85260 (602) -75-4-34 - 17,000,000 (\$17,000,000)
OTHER SECURITIES INCLUDING VOTING TRUST. 150,000 (\$3,600,000)
COMMON STOCK. (FILE 333-56607 - JUN. 11) (BR. 4)

S-3 CONSECO INC, 11825 N PENNSYLVANIA ST, CARMEL, IN 46032 (317) 573-6100 -
1,550,000,000 (\$1,550,000,000) STRAIGHT BONDS. (FILE 333-56611 - JUN. 11)
(BR. 1)

S-3 SUIZA FOODS CORP, 3811 TURTLE CREEK BLVD, STE 1300, DALLAS, TX 75219
(214) 528-9922 - 12,000,000 (\$600,000,000) PREFERRED STOCK. (FILE
333-56613 - JUN. 11) (BR. 4)

S-8 US INDUSTRIES INC /DE/, 101 WOOD AVENUE SOUTH, P O BOX 169, ISELIN, NJ
08830 (732) 767-0700 - 2,142,505 (\$57,290,583.70) COMMON STOCK. (FILE
333-56615 - JUN. 11) (BR. 6)

S-8 GREAT LAKES REIT INC, 823 COMMERCE DRIVE, SUITE 300, OAK BROOK, IL 60523
(630) 368-2900 - 242,409 (\$4,257,309) COMMON STOCK. (FILE 333-56617 -
JUN 11) (BR. 8)

S-8 GREAT LAKES REIT INC, 823 COMMERCE DRIVE, SUITE 300, OAK BROOK, IL 60523
(630) 368-2900 - 1,920,084 (\$33,721,475.25) COMMON STOCK. (FILE 333-56619
- JUN 11) (BR 8)

S-3 ASCENT PEDIATRICS INC, 187 BALLARDVALE ST, WILMINGTON, MA 01887
(978) 658-2500 - 779,268 (\$2,167,339 13) COMMON STOCK (FILE 333-56621 -
JUN. 11) (BR. 1)

S-4 MCKESSON CORP, ONE POST ST, MCKESSON PLAZA, SAN FRANCISCO, CA 94104
(415) 983-8300 - 5,000,000 (\$382,950,000) COMMON STOCK. (FILE 333-56623 - JUN. 11) (BR. 1)

S-8 WARREN BANCORP INC, 10 MAIN ST, PEABODY, MA 01960 (508) 531-7400 - 600,000 (\$7,237,500) COMMON STOCK. (FILE 333-56625 - JUN. 11) (BR. 7)

S-1 CATAPULT COMMUNICATIONS CORP, 160 SOUTH WHISMAN ROAD, MOUNTAIN VIEW, CA 94041 - \$42,409,125 COMMON STOCK. (FILE 333-56627 - JUN. 11) (NEW ISSUE)

S-3 HANGER ORTHOPEDIC GROUP INC, 7700 OLD GEORGETOWN RD 2ND FL, BETHESDA, MD 20814 (301) 986-0701 - 3,795,000 (\$75,662,812) COMMON STOCK. (FILE 333-56629 - JUN. 11) (BR. 5)

S-8 AVID TECHNOLOGY INC, METROPOLITAN TECHNOLOGY PARK, ONE PARK WEST, TEWKSBURY, MA 01876 (508) 640-6789 - 1,000,000 (\$39,843,750) COMMON STOCK (FILE 333-56631 - JUN. 11) (BR. 5)

S-3 CNET INC /DE/, 150 CHESTNUT ST, SAN FRANCISCO, CA 94111 (415) 395-7800 - 113,354 (\$3,755,419) COMMON STOCK. (FILE 333-56633 - JUN. 11) (BR. 5)

S-3 TELE COMMUNICATIONS INC /CO/, 5619 DTC PARKWAY, ENGLEWOOD, CO 80111 (303) 267-5500 (FILE 333-56635 - JUN. 11) (BR. 7)

S-3 FRED MEYER INC, 3800 SE 22ND AVE, PORTLAND, OR 97202 (503) 232-8844 - 17,360,478 (\$769,286,182) COMMON STOCK. (FILE 333-56637 - JUN. 11) (BR. 2)

S-4 MERCANTILE BANCORPORATION INC, 7TH & WASHINGTON TRAM 19 1, ONE MERCANTILE CENTER STREET, ST LOUIS, MO 63101 (314) 425-2525 - 2,077,000 (\$34,872,830) COMMON STOCK. (FILE 333-56639 - JUN. 11) (BR. 7)

S-3 LEARNING CO INC, ONE ATHENAEUM ST, CAMBRIDGE, MA 02142 (617) 494-1200 - 8,687,500 (\$238,906,250) COMMON STOCK. (FILE 333-56641 - JUN. 12) (BR. 3)

S-3 AIRTOUCH COMMUNICATIONS INC, ONE CALIFORNIA ST, 21ST FLOOR, SAN FRANCISCO, CA 94111 (415) 658-2000 (FILE 333-56645 - JUN. 11) (BR. 7)

S-8 EFC BANCORP INC, 1695 LARKIN AVE, ELGIN, IL 60123 (847) 741-3900 - 246,095 (\$3,329,665) COMMON STOCK. (FILE 333-56647 - JUN. 11) (BR. 7)

S-8 CIRCLE INTERNATIONAL GROUP INC /DE/, 260 TOWNSEND ST, SAN FRANCISCO, CA 94107 (415) 978-0600 - 500,000 (\$12,523,437.50) COMMON STOCK. (FILE 333-56649 - JUN. 12) (BR. 5)

S-3 FINANCIAL FEDERAL CORP, 400 PARK AVE, 8TH FLOOR, NEW YORK, NY 10022 (212) 888-3344 - 100,000,000 (\$100,000,000) CONVERTIBLE DEBENTURES AND NOTES. (FILE 333-56651 - JUN. 11) (BR. 7)

S-4 RENTAL SERVICE CORP, 6929 EAST GREENWAY PARKWAY, STE 200, SCOTTSDALE, AZ 85254 (602) 905-3300 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE 333-56653 - JUN. 12) (BR. 6)

S-4 CARDINAL HEALTH INC, 5555 GLENDON COURT, DUBLIN, OH 43016 (614) 717-5000 - 25,261,131 (\$2,162,984,342) COMMON STOCK. (FILE 333-56655 - JUN. 12) (BR. 1)

S-1 ACCPAC INTERNATIONAL INC, 2525 AUGUSTINE DRIVE, SANTA CLARA, CA 95054 (408) 562-8800 - \$51,750,000 COMMON STOCK. (FILE 333-56657 - JUN. 12) (NEW ISSUE)

S-1 GEOCITIES, 1918 MAIN STREET SUITE 300, SANTA MONICA, CA 90405 - \$72,450,000 COMMON STOCK. (FILE 333-56659 - JUN. 12) (NEW ISSUE)

SB-2 CURTIS INTERNATIONAL LTD, 7 KODIAK CRESCENT, DOWASVIEW ONTARIO, A6 (416) 636-5553 - 2,062,500 (\$10,395,000) COMMON STOCK (FILE 333-56661 - JUN. 12) (NEW ISSUE)

S-1 PROVINCE HEALTHCARE CO, 105 WESTPARK DR, STE 400, BRENTWOOD, TN 37027 (615) 370-1377 - \$96,737,500 COMMON STOCK (FILE 333-56663 - JUN. 12) (BR. 1)