

SEC NEWS DIGEST

Issue 96-169

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COMMISSION ANNOUNCEMENTS

HELANE MORRISON APPOINTED HEAD OF ENFORCEMENT IN THE SAN FRANCISCO DISTRICT OFFICE

The Commission announced today that Helane L. Morrison, a partner at the San Francisco law firm of Howard, Rice, Nemerovski, Canady, Falk & Rabkin, has been hired as the Head of Enforcement in the San Francisco District Office. Ms. Morrison graduated from Boalt Hall law school of the University of California, Berkeley in 1984, where she was editor-in-chief of the Law Review. Upon graduation she became a judicial law clerk to the Honorable Richard A. Posner of the United States Court of Appeals for the Seventh Circuit. She then was a judicial law clerk to Justice Harry A. Blackmun on the United States Supreme Court. In 1986 she joined Howard, Rice, Nemerovski, Canady, Falk & Rabkin where she became a partner in 1991. Ms. Morrison has specialized in federal securities law litigation, with experience in both SEC investigations and private litigation.

RULES AND RELATED MATTERS

FORM BD AMENDMENTS

Today, the Commission is suspending the compliance date for recent amendments to Form BD, the uniform broker-dealer registration form under the Securities and Exchange Act of 1934, as it applies to filings made by all registered broker-dealers and broker-dealer applicants. This action comes in response to a decision by the National Association of Securities Dealers, Inc. (NASD) to delay the implementation of the redesigned Central Registration Depository (CRD) system until early in 1997. As described in the release adopting recent amendments to Form BD (Securities Exchange Act Release No. 37431 (Jul. 12, 1996), 61 FR 37357 (Jul. 18, 1996)), the use of Form BD, as amended on July 12, 1996, is intended to coincide with the implementation of the redesigned CRD system, which, among other things, will allow broker-dealers to file Form BD electronically. Following a recent test of the system, however, the NASD learned that additional changes are needed in the software that will be used by broker-dealers to make electronic filings with the

CRD system and that broker-dealers need more time to prepare their internal operations and infrastructure to support electronic filing. The Commission will notify the public of a new compliance date. (Rel. 34-37632)

ENFORCEMENT PROCEEDINGS

ADMINISTRATIVE SANCTIONS IMPOSED AGAINST PHILIP FORMA, SR., ALAN HERR, HERBERT HERR, AND STANLEY MINDEL

On September 4, the Commission instituted an administrative proceeding against respondents, Philip Forma, Sr., Alan Herr, Herbert Herr, and Stanley Mindel, barring them from association with any broker, dealer, investment adviser, investment company or municipal securities dealer. The proceeding is based on the respondents' consent to a Final Judgment entered against them in federal court on May 7, 1996 (SEC v. Future Vision Direct Marketing, Inc., et al. Civil Action No. 96-2107, NHP, D.N.J.).

The complaint previously filed by the Commission in federal court alleged that respondents participated in the fraudulent sale of approximately \$15 million of unregistered securities in two wireless cable companies, Southern Tennessee Wireless, L.L.C, and Greater Columbia Basin Wireless, L.L.C. It also alleged that they provided false and misleading information to investors, including unreasonable financial projections for the investments, and misstated the use of investors' funds. The complaint also alleged that respondents omitted to state material information, including their failure to disclose that they and other principals of the offering had been, civilly and criminally, charged in the past with fraud in connection with sales of investments.

The administrative proceedings were initiated pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934. Each respondent consented to the entry of the order without admitting or denying the Commission's findings in the matter. (Rel. 34-37634)

COMPLAINT FILED AGAINST GARY HAMBY AND GARY ROSS ALLEGING INVESTMENT ADVISER FRAUD

On August 30th, the Securities and Exchange Commission filed a complaint for Permanent Injunction in the United States District Court for the Eastern District of Missouri against Defendants Gary Hamby (Hamby) and Gary Ross (Ross). The complaint alleges that Hamby and Ross violated the antifraud provisions of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Investment Advisers Act of 1940 (Advisers Act). In addition, the complaint alleges that Hamby and Ross aided and abetted violations of various provisions of the Advisers Act.

In its complaint, the Commission alleges that from April 1990 through February 1995, Hamby and Ross engaged in an elaborate fraudulent scheme using the two investment advisers they operated, International Market Strategies, Inc. (IMS I) and International Market Strategies II, Inc. (IMS II). During the course of the scheme, they misappropriated client funds and made repeated misrepresentations in the offer and sale of securities. In addition, IMS I and IMS II themselves committed several violations of the Advisers Act, all of which were aided and abetted by Hamby and Ross. Among these violations were IMS I's failure to register as an investment adviser with the Commission, IMS I's collection of prohibited performance fees from clients, IMS II's filing a fraudulent registration form with the Commission and IMS II's distribution of false and misleading advertisements to the public. [SEC v. Gary L. Hamby, et al., E.D. Mo., 96-Civil-1721] (LR-15030)

PERMANENT INJUNCTION ENTERED AGAINST ROBERT POLANSKY, JOHN CAPPS AND ANTHONY GUERRIERO

The Commission announced that on September 4 the Commission filed a complaint in the United States District Court for the District of Columbia against Robert Polansky (Polansky), John Capps (Capps) and Anthony Guerriero (Guerriero) alleging that the defendants violated the antifraud and recordkeeping provisions of the federal securities laws in connection with In-Store Advertising, Inc.'s (ISA) 1990 initial public offering (IPO) of \$40 million in common stock. According to the Commission's complaint, offering materials for ISA's IPO materially misstated its net income to make the company appear more profitable than it actually was prior to the IPO. In particular, ISA's revenues were shifted forward in periods before the July 1990 IPO and were then shifted back and decelerated in the period after the IPO. The complaint alleged that, to conceal the fraud, Polansky, ISA's president, chairman and chief executive officer, instructed Capps, ISA's chief financial officer, and Guerriero, ISA's assistant controller, to create two sets of contracts to provide advertising and other services to some of its clients. One set of contracts correctly reflected the amounts, conditions and time period for which ISA's clients had paid for services. The second set, however, contained changes to the time frames during which the advertising was to run and/or the conditions in the contracts. The falsified contracts were provided to ISA's auditors as well as the underwriters for ISA's IPO. In addition, the falsified contracts were used to prepare financial statements presented in connection with the IPO. The complaint also alleged that material misrepresentations were made by ISA in its offering materials regarding the effectiveness of its advertising.

Simultaneously with the filing of the complaint, Polansky, Capps and Guerriero, without admitting or denying the allegations of the complaint, consented to the entry of permanent injunctions prohibiting them from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rules 10b-5, 13b2-1 and 13b2-2 thereunder. [SEC v. Robert E. Polansky, John E. Capps and Anthony Guerriero, USDC, D.D.C, Civil Action No. 96-CV02052] (LR-15031)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGES

The Philadelphia Stock Exchange filed a proposed rule change (SR-Phlx-96-37) relating to Phlx Rule 452, limitations on members' trading because of customers' orders. Publication of the proposal is expected in the Federal Register during the week of September 9. (Rel. 34-37628)

The Philadelphia Stock Exchange filed a proposed rule change (SR-Phlx-96-33) to increase the position and exercise limits for narrow-based (industry) index options. Publication of the proposal is expected in the Federal Register during the week of September 9. (Rel. 34-37629)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change filed by The Options Clearing Corporation (SR-OCC-96-03) relating to the clearance and settlement of flexibly structured equity options. (Rel. 34-37630)

The Commission approved a proposed rule change filed by the National Securities Clearing Corporation (SR-NSCC-96-08) to modify NSCC's rules and procedures relating to the New York Windows System. (Rel. 34-37631)

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-3 NATURAL MICROSYSTEMS CORP, 8 ERIE DR, NATICK, MA 01760 (508) 650-1300 -
22,801 (\$889,239) COMMON STOCK. (FILE 333-11011 - AUG. 29) (BR. 3)
- S-3 MASTEC INC, 3155 NORTHWEST 77TH AVE, MIAMI, FL 33122 (305) 599-1800 -
2,600,000 (\$75,725,000) COMMON STOCK. (FILE 333-11013 - AUG. 29) (BR. 6)
- SB-2 AMPLIDYNE INC, 144 BELMONT DRIVE, SOMERSET, NJ 08873 (908) 271-8473 -
1,380,000 (\$6,900,000) COMMON STOCK. 1,380,000 (\$138,000)
WARRANTS, OPTIONS OR RIGHTS. 1,500,000 (\$9,000,000) COMMON STOCK.
240,000 (\$14,520) WARRANTS, OPTIONS OR RIGHTS. (FILE 333-11015 - AUG. 29)
(NEW ISSUE)

- S-1 SIMULATION SCIENCES INC, 601 S VALENCIA AVE, BREA, CA 92621
(714) 579-0412 - 3,967,500 (\$39,675,000) COMMON STOCK. (FILE 333-11017 -
AUG. 29) (NEW ISSUE)
- S-8 TEXACO INC, 2000 WESTCHESTER AVE, WHITE PLAINS, NY 10650 (914) 253-4000
- 12,000,000 (\$1,076,280,000) COMMON STOCK. (FILE 333-11019 - AUG. 29)
(BR. 4)
- S-3 PARALLEL PETROLEUM CORP /DE/, 110 N MARIENFELO, SUITE 465, MIDLAND, TX
79701 (915) 684-3727 - 64,415 (\$332,382) COMMON STOCK. (FILE 333-11021 -
AUG. 29) (BR. 4)
- S-1 NEW STAT HEALTHCARE INC, 12450 GREENSPOINT DR, STE 1200, HOUSTON, TX
77060 (713) 872-6900 - 3,795,000 (\$22,888,594) COMMON STOCK. (FILE
333-11025 - AUG. 29) (BR. 1)
- S-3 HFS INC, 339 JEFFERSON RD, PARSIPPANY, NJ 07054 (201) 428-9700 -
\$364,347,500 COMMON STOCK. (FILE 333-11029 - AUG. 29) (BR. 4)
- S-3 HFS INC, 339 JEFFERSON RD, PARSIPPANY, NJ 07054 (201) 428-9700 (FILE
333-11031 - AUG. 29) (BR. 4)
- S-8 PHOENIX TECHNOLOGIES LTD, 2770 DE LA CRUZ BLVD, SANTA CLARA, CA 95050
(617) 551-4000 - 147,959 (\$2,561,540.19) COMMON STOCK. (FILE 333-11033 -
AUG. 29) (BR. 3)
- S-3 CUC INTERNATIONAL INC /DE/, 707 SUMMER ST, STAMFORD, CT 06901
(203) 324-9261 - 120,000 (\$4,000,000) COMMON STOCK. (FILE 333-11035 -
AUG. 29) (BR. 8)
- S-8 DIAL CORP /NEW/, DIAL TOWER, 1850 NORTH CENTRAL AVE, PHOENIX, AZ 85077
(602) 207-2800 - 1,000,000 (\$12,375,000) COMMON STOCK. (FILE 333-11037 -
AUG. 29) (BR. 4)
- S-8 WESTCORP /CA/, 23 PASTEUR RD, IRVINE, CA 92718 (714) 727-1000 - 200,000
(\$3,725,000) COMMON STOCK. (FILE 333-11039 - AUG. 29) (BR. 7)
- S-1 CHICAGO MINIATURE LAMP INC, 500 CHAPMAN ST, CANTON, MA 02021
(617) 828-2948 - 4,255,000 (\$113,480,850) COMMON STOCK. (FILE 333-11041 -
AUG. 29) (BR. 6)
- S-1 ALRENCO INC, P O BOX 85, NEW ALBANY, IN 47151 (812) 949-3370 -
1,725,000 (\$38,596,875) COMMON STOCK. (FILE 333-11043 - AUG. 29) (BR. 7)
- S-1 INTERNATIONAL TELECOMMUNICATION DATA SYSTEMS INC, 969 HIGH RIDGE ROAD,
STE 205, STAMFORD, CT 06905 (203) 329-3300 - \$49,066,672 COMMON STOCK.
(FILE 333-11045 - AUG. 29)
- S-4 K&F INDUSTRIES INC, 600 THIRD AVE, NEW YORK, NY 10016 (212) 297-0900 -
140,000,000 (\$140,000,000) STRAIGHT BONDS. (FILE 333-11047 - AUG. 29)
(BR. 5)
- S-8 SANDY SPRING BANCORP INC, 17801 GEORGIA AVE, OLNEY, MD 20832
(301) 774-6400 - 85,740 (\$85,740) COMMON STOCK. (FILE 333-11049 - AUG. 29)
(BR. 7)
- S-1 NATIONAL OILWELL INC, 5555 SAN FELIPE, HOUSTON, TX 77056 (713) 960-5100
- \$82,800,000 COMMON STOCK. (FILE 333-11051 - AUG. 29) (NEW ISSUE)
- S-3 MUTUAL RISK MANAGEMENT LTD, 44 CHURCH ST, BERMUDA, HAMILTON HM 12 BERMU,
DO (441) 295-5688 - 36,214 (\$1,122,634) COMMON STOCK. (FILE 333-11053 -
AUG. 29) (BR. 1)
- S-1 SUBURBAN PROPANE PARTNERS LP, ONE SUBURBAN PLAZA, 240 ROUTE 10 WEST,
WIPPANY, NJ 07981 (201) 887-5300 - 3,000,000 (\$61,875,000) COMMON STOCK.
(FILE 333-11055 - AUG. 29) (BR. 2)
- S-8 LONE STAR INDUSTRIES INC, 300 FIRST STAMFORD PL, P O BOX 120014,
STAMFORD, CT 06912 (203) 969-8600 - 50,000 (\$1,568,750) COMMON STOCK.
(FILE 333-11057 - AUG. 29) (BR. 6)
- S-8 LONE STAR INDUSTRIES INC, 300 FIRST STAMFORD PL, P O BOX 120014,
STAMFORD, CT 06912 (203) 969-8600 - 1,500,000 (\$47,062,500) COMMON STOCK.

(FILE 333-11059 - AUG. 29) (BR. 6)

- S-8 MICROWARE SYSTEMS CORP, 1900 NW 114TH ST, CLIVE, IA 50325 (515) 224-1929 - 2,594,500 (\$8,969,925) COMMON STOCK. (FILE 333-11061 - AUG. 29) (BR. 3)
- S-1 CYBERMEDIA INC, 3000 OCEAN PARK BLVD, SANTA MONICA, CA 90405 - \$37,950,000 COMMON STOCK. (FILE 333-11063 - AUG. 29) (NEW ISSUE)
- S-3 GENERAL GROWTH PROPERTIES INC, 55 WEST MONROE ST, STE 3100, CHICAGO, IL 60603 (312) 551-5000 - 1,555,855 (\$39,876,563) COMMON STOCK. (FILE 333-11067 - AUG. 29) (BR. 8)
- S-3 COMMUNITY MEDICAL TRANSPORT INC, 45 MORRIS ST, YONKERS, NY 10705 (914) 963-6666 - 1,006,469 (\$6,542,048) COMMON STOCK. (FILE 333-11069 - AUG. 29) (BR. 9)
- S-8 BELDEN INC, 7701 FORSYTH BLVD STE 800, ST LOUIS, MO 63105 (314) 854-8000 - 20,000 (\$571,250) COMMON STOCK. (FILE 333-11071 - AUG. 29) (BR. 6)
- S-3 DESTEC ENERGY INC, 2500 CITYWEST BLVD STE 150, HOUSTON, TX 77042 (713) 735-4000 - 299,063 (\$2,797,388) COMMON STOCK. (FILE 333-11073 - AUG. 29) (BR. 4)
- S-8 SOUTHERN PACIFIC FUNDING CORP, ONE CENTERPOINTE DR, STE 500, LAKE OSWEGO, OR 97035 (503) 684-4700 - 1,294,800 (\$27,345,972) COMMON STOCK. (FILE 333-11075 - AUG. 29) (BR. 7)
- S-3 MERIDIAN DIAGNOSTICS INC, 3471 RIVER HILLS DR, CINCINNATI, OH 45244 (513) 271-3700 - 14,375,000 (\$14,375,000) STRAIGHT BONDS. (FILE 333-11077 - AUG. 29) (BR. 1)
- S-8 SOUTHTRUST CORP, 420 N 20TH ST, BIRMINGHAM, AL 35203 (205) 254-5000 - 24,960 (\$302,764.80) COMMON STOCK. (FILE 333-11079 - AUG. 29) (BR. 7)
- S-4 USOCDT MERGER CORP, 13873 PARK CENTER RD, STE 353, HERNDON, VA 22071 (703) 834-9480 - 32,536,857 (\$306,369,874) COMMON STOCK. (FILE 333-11081 - AUG. 29) (NEW ISSUE)
- S-1 POCKET COMMUNICATIONS INC, 2550, 2550 M STREET NW, WASHINGTON, DC 20037 (202) 496-4300 - \$172,500,000 COMMON STOCK. (FILE 333-11083 - AUG. 29) (NEW ISSUE)
- S-8 SUNDANCE HOMES INC, 1375 E WOODFIELD RD STE 600, SCHAUMBURG, IL 60008 (708) 255-5555 - 150,000 (\$281,875) COMMON STOCK. (FILE 333-11087 - AUG. 29) (BR. 6)
- S-6 FIRST TRUST SPECIAL SITUATIONS TRUST SERIES 164, C/O NIKE SECURITIES L P, 1001 WARRENVILLE ROAD, LISLE, IL 60532 (708) 241-4141 - INDEFINITE SHARES. (FILE 333-11089 - AUG. 29) (NEW ISSUE)
- S-3 ASCEND COMMUNICATIONS INC, 1275 HARBOR BAY PKWY, ALAMEDA, CA 94502 (510) 769-6001 - 203,272 (\$9,769,761) COMMON STOCK. (FILE 333-11091 - AUG. 29) (BR. 3)
- S-1 OGARA CO /OH/, 9113 LESAINTE DR, FAIRFIELD, OH 45014 (513) 874-2112 - 3,220,000 (\$45,080,000) COMMON STOCK. (FILE 333-11093 - AUG. 29) (NEW ISSUE)
- S-3 CWABS INC, 155 N LAKE AVE, MS 10 11, PADDADENA, CA 91101 (818) 304-5591 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 333-11095 - AUG. 29) (NEW ISSUE)
- S-8 MITCHAM INDUSTRIES INC, 44000 HIGHWAY 75 SOUTH, PO BOX 1175, HUNTSVILLE, TX 77342 (409) 291-2277 - 400,000 (\$2,074,313) COMMON STOCK. (FILE 333-11097 - AUG. 29) (BR. 9)
- S-1 DATAMARK HOLDING INC, 348 EAST WINCCHESTER ST, SALT LAKE CITY, UT 84107 (801) 487-7020 - 2,847,482 (\$34,881,655) COMMON STOCK. (FILE 333-11099 - AUG. 29) (BR. 1)
- S-1 SAKS HOLDINGS INC, 12 EAST 49TH ST, NEW YORK, NY 10017 (212) 940-4048 - 230,000,000 (\$230,000,000) STRAIGHT BONDS. (FILE 333-11101 - AUG. 29)

(BR. 2)

- S-1 SAKS HOLDINGS INC, 12 EAST 49TH ST, NEW YORK, NY 10017 (212) 940-4048 - 9,200,000 (\$316,848,000) COMMON STOCK. (FILE 333-11103 - AUG. 29) (BR. 2)
- S-1 ARQUE INC, 200 BOSTON AVE, MEDFORD, MA 02155 (617) 395-4100 - 2,300,000 (\$29,900,000) COMMON STOCK. (FILE 333-11105 - AUG. 29) (NEW ISSUE)
- S-8 GRIST MILL CO, 21340 HAYES AVE, PO BOX 430, LAKEVILLE, MN 55044 (612) 469-4981 - 1,300,000 (\$7,881,250) COMMON STOCK. (FILE 333-11107 - AUG. 29) (BR. 2)
- S-3 UNITED WASTE SYSTEMS INC, FOUR GREENWICH OFFICE PARK, GREENWICH, CT 06830 (203) 622-3131 - 65,225,000 (\$65,225,000) STRAIGHT BONDS. (FILE 333-11109 - AUG. 30) (BR. 4)
- S-1 RIDGEVIEW INC, 2101 NORTH MAIN STREET, NEWTON, NC 28658 (704) 464-2972 - 1,840,000 (\$20,240,000) COMMON STOCK. (FILE 333-11111 - AUG. 30) (NEW ISSUE)
- S-1 HOMEGATE HOSPITALITY INC, 2001 BRYAN ST, SUITE 2400, DALLAS, TX 75201 (214) 863-1777 - \$51,750,000 COMMON STOCK. (FILE 333-11113 - AUG. 30) (NEW ISSUE)