

SEC NEWS DIGEST

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ENFORCEMENT PROCEEDINGS

PROCEEDINGS INSTITUTED AGAINST CARMEL EQUITY PARTNERS, RICHARD GOODRICH, LAWRENCE ISEN, PETER KIM, BRUCE MESNEKOFF, JOHN MORRIS AND KELSEY VAN DEVENTER

The Commission announced that it has instituted cease and desist and public administrative proceedings pursuant to Section 8A of the Securities Act of 1933 (Securities Act) and Sections 15(b), 19(h) and 21C of the Securities Exchange Act of 1934 (Exchange Act) against Carmel Equity Partners (Carmel), Richard L. Goodrich (Goodrich), Lawrence D. Isen (Isen), Peter P. Kim (Kim), Bruce E. Mesnekoff (Mesnekoff), John B. Morris (Morris), and Kelsey Van Deventer (Van Deventer). The Order Instituting Proceedings charges that Isen, Kim, Mesnekoff, Morris (individually and through Carmel) and Van Deventer, while registered representatives of a California branch office of Cohig & Associates, Inc., a broker-dealer firm based in Colorado, received undisclosed compensation to recommend the common stock of Eagle Holdings, Inc. in violation of antifraud provisions of the Securities Act and the Exchange Act. The Order also charges that Goodrich, through accounts in the name of Colton Ventures, Inc., aided and abetted these violations by transferring monies he knew or was reckless in not knowing were undisclosed compensation to the above respondents. A hearing will be scheduled to determine if the staff's allegations are true and, if so, whether cease and desist orders, penalties, disgorgement and remedial sanctions are appropriate against the respondents. (Rel. Nos. 33-7365; 34-37961; AAE Rel. 858)

NOTICE OF FILING OF PROPOSED PLAN OF DISGORGEMENT IN CONNECTION WITH INVESTMENT ADVISER WHO FAILED TO DISCLOSE UNFAIR ALLOCATION PRACTICES

The Commission has published a Notice that the Division of Enforcement has filed a proposed Disgorgement Plan to distribute \$224,683 in advisory fees and \$35,974 in prejudgment interest paid by McKenzie Walker Investment Management, Inc. (McKenzie Walker), a registered investment adviser, pursuant to a settlement order entered by the Commission on July 16, 1996.

The disgorgement figure represents ill-gotten gains received by McKenzie Walker in connection with its undisclosed practice of favoring clients which paid a fee based on an account's performance (performance-based fee) with profitable equity trades while

disfavoring clients which paid a fee based on assets under management (asset-based fee) and allocating a substantially disproportionate share of lucrative initial public offerings to performance-based fee clients. The proposed Plan would distribute the funds to McKenzie Walker's asset-based fee clients.

The Notice advises that interested parties may obtain copies of the Disgorgement Plan from the Commission's San Francisco District Office. Comments on the Plan may be submitted to the Office of the Secretary, Mail Stop 6-9, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. (Rel. IA-1598)

INVESTMENT COMPANY ACT RELEASES

FIRST TRUST SPECIAL SITUATIONS TRUST AND NIKE SECURITIES L.P.

An order has been issued on an application filed by First Trust Special Situations Trust and Nike Securities L.P. under Section 6(c) of the Investment Company Act for an exemption from Section 12(d)(1)(F)(ii) of the Act. The order permits series of the Trust to offer units to the public with a sales load that exceeds the sales load limitation of that Section. (IC-22337 - November 18)

VAN KAMPEN AMERICAN CAPITAL EQUITY OPPORTUNITY TRUST, ET AL.

An order has been issued on an application filed by Van Kampen American Capital Equity Opportunity Trust (Trust), et al., under Section 6(c) of the Investment Company Act for an exemption from Section 12(d)(1)(F)(ii) of the Act. The order permits each series of the Trust to offer units with a sales load in excess of the 1.5% limit contained in Section 12(d)(1)(F)(ii). (Rel. IC-22338 - November 18)

JOHN HANCOCK TAX-EXEMPT INCOME FUND

An order has been issued under Section 8(f) of the Investment Company Act declaring that John Hancock Tax-Exempt Income Fund has ceased to be an investment company. (Rel. IC-22339 - November 18)

FREMONT MUTUAL FUNDS, INC., ET AL.

A notice has been issued giving interested persons until December 13 to request a hearing on an application filed by Fremont Mutual Funds, Inc. (Company) and Fremont Investment Advisors, Inc. for an order under Section 6(c) of the Investment Company Act to exempt applicants from Section 15(a) of the Act and Rule 18f-2 thereunder. The order would permit subadvisers approved by the Company's board of directors to serve as portfolio managers (Managers) for the Company's series of shares without obtaining shareholder approval of the agreements with the Managers. (Rel. IC-22340 - November 18)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission granted accelerated approval of a proposed rule change filed by the National Securities Clearing Corporation (SR-NSCC-96-16) relating to the Fund/Serv. (Rel. 34-37959)

PROPOSED RULE CHANGE

The Commission received a proposed rule change filing (SR-AMEX-96-38) by the American Stock Exchange proposing to list and trade warrants on the BEMI Latin America Index. Publication of the notice is expected in the Federal Register during the week of November 18. (Rel. 34-37960; IS-1028)

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.

- F-3 ISG INTERNATIONAL SOFTWARE GROUP LTD, INDUSTRIAL PARK, TECHNION CITY,
HAIFA ISRAEL, L3 32000 (508) 651-3888 - 720,000 (\$11,258,250)
FOREIGN COMMON STOCK. (FILE 333-5958 - NOV. 07) (BR. 3)
- F-1 GRUPO IMSA SA DE CV, AVE BATALLON DE SAN PATRICIO NO 111,
PISO 26 FRACC VALLE ORIENTE SAN PEDRO, GARZA GARCIA NL MEXICO, 05
(528) 153-8300 - 77,625,000 (\$180,866,250) COMMON STOCK. (FILE 333-5966 -
NOV. 07) (BR. 6 - NEW ISSUE)
- F-2 MAGAL SECURITY SYSTEMS LTD, P O BOX 70, INDUSTRIAL ZONE,
YAHUD 5600 ISRAEL, L3 - 2,300,000 (\$12,506,250) FOREIGN COMMON STOCK.
(FILE 333-5970 - NOV. 08) (BR. 3)
- F-1 COLT TELECOM GROUP PLC, BISHOPSGATE COURT, 4 NORTON FOLGATE,
LONDON E1 6DQ ENGLAND, X0 (171) 390-3900 - \$150,000,000
FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 333-5972 - NOV. 08) (BR. 3)
- F-1 COLT TELECOM GROUP PLC, BISHOPSGATE COURT, 4 NORTON FOLGATE,
LONDON E1 6DQ ENGLAND, X0 (171) 390-3900 - \$100,000,000
FOREIGN COMMON STOCK. (FILE 333-5974 - NOV. 08) (BR. 3 - NEW ISSUE)
- F-1 DR SOLOMONS GROUP PLC, ALTON HOUSE GATEHOUSE WAY, AYLESBURY,
BUCKINGHAMSHIRE ENGLAND, X0 (129) 631-8700 - 19,665,000 (\$111,500,550)
FOREIGN COMMON STOCK. (FILE 333-5976 - NOV. 08) (BR. 3 - NEW ISSUE)
- S-11 HUMPHREY HOSPITALITY TRUST INC, 12301 OLD COLUMBIA PIKE, SILVER SPRING,
MD 20904 (301) 680-4343 - 1,150,000 (\$10,062,500) COMMON STOCK. (FILE
333-15897 - NOV. 12) (BR. 8)

- S-1 CARDIOVASCULAR DYNAMICS INC, 13900 ALTON PARKWAY, STE 122, IRVINE, CA 92718 (714) 457-9546 - 148,858 (\$1,786,296) COMMON STOCK. (FILE 333-15901 - NOV. 12) (BR. 1)
- S-8 KAYDON CORP, 19345 US 19 NORTH STE 500, CLEARWATER, FL 34624 (813) 531-1101 - 200,000 (\$8,064,000) COMMON STOCK. (FILE 333-15903 - NOV. 12) (BR. 6)
- S-3 ALLIANCE PHARMACEUTICAL CORP, 3040 SCIENCE PARK RD, SAN DIEGO, CA 92121 (619) 558-4300 - 3,934,782 (\$45,250,000) COMMON STOCK. (FILE 333-15905 - NOV. 12) (BR. 1)
- S-3 GENERAL GROWTH PROPERTIES INC, 55 WEST MONROE ST, STE 3100, CHICAGO, IL 60603 (312) 551-5000 - 1,000,000 (\$25,625,000) COMMON STOCK. (FILE 333-15907 - NOV. 12) (BR. 8)
- S-1 DYNAMEX INC, 2630 SKYMARK AVE, SUITE 610, MISSISSAUGA, A6 L4W 5 (214) 960-4859 - \$12,688,306 COMMON STOCK. (FILE 333-15911 - NOV. 12) (BR. 5)
- S-8 CONECTISYS CORP, 7260 SPIGNO PLACE, STE 220, AGUA DULCE, CA 91350 (935) 10 - 1,000,000 (\$2,500,000) COMMON STOCK. (FILE 333-15913 - NOV. 12) (BR. 7)
- S-1 EINSTEIN NOAH BAGEL CORP, 1526 COLE BLVD STE 200, GOLDEN, CO 80401 (303) 202-9300 - 3,375,000 (\$108,641,250) COMMON STOCK. (FILE 333-15915 - NOV. 12) (BR. 2)
- S-1 WORLD OMNI AUTO LEASING INC, 100 NW 12TH AVE, DEERFIELD BEACH, FL 39002 (954) 429-2269 - 1,000,000 (\$1,000,000) STRAIGHT BONDS. (FILE 333-15917 - NOV. 12) (NEW ISSUE)
- S-8 FRITZ COMPANIES INC, 706 MISSION ST STE 900, 6TH FLOOR, SAN FRANCISCO, CA 94103 (415) 904-8360 - 1,500,000 (\$23,625,000) COMMON STOCK. (FILE 333-15921 - NOV. 12) (BR. 5)
- S-8 3COM CORP, 5400 BAYFRONT PLZ, SANTA CLARA, CA 95052 (408) 764-5000 - 6,718,715 (\$428,742,188.15) COMMON STOCK. (FILE 333-15923 - NOV. 12) (BR. 3)
- S-8 AVIC GROUP INTERNATIONAL INC/, 599 LEXINGTON AVE, 44TH FL, NEW YORK, NY 10022 (212) 319-9160 - 65,064 (\$97,596) COMMON STOCK. (FILE 333-15925 - NOV. 12) (BR. 4)
- S-4 KAISER ALUMINUM & CHEMICAL CORP, 6177 SUNOL BOULEVARD, PLEASANTON, CA 94566 (510) 462-1122 - 175,000,000 (\$175,000,000) STRAIGHT BONDS. (FILE 333-15931 - NOV. 12) (BR. 6)
- S-3 MAGNETEK INC, 26 CENTURY BOULEVARD, P O BOX 290159, NASHVILLE, TN 37229 (615) 316-5100 - 750,000 (\$8,156,250) COMMON STOCK. (FILE 333-15933 - NOV. 12) (BR. 6)
- S-8 GENOME THERAPEUTICS CORP, 100 BEAVER ST, WALTHAM, MA 02154 (617) 893-5007 - 1,730,000 (\$14,165,240) COMMON STOCK. (FILE 333-15935 - NOV. 12) (BR. 1)
- S-8 AMRION INC, 6565 ODELL PLACE, BOULDER, CO 80301 (303) 530-2525 - 27,200 (\$252,440) COMMON STOCK. (FILE 333-15939 - NOV. 12) (BR. 2)
- S-8 ABERCROMBIE & FITCH CO /DE/, FOUR LIMITED PARKWAY, REYNOLDSBURG, OH 43068 (614) 479-7101 - 100,000 (\$2,256,250) COMMON STOCK. (FILE 333-15941 - NOV. 12) (BR. 2)
- S-8 ABERCROMBIE & FITCH CO /DE/, FOUR LIMITED PARKWAY, REYNOLDSBURG, OH 43068 (614) 479-7101 - 300,000 (\$6,768,560) COMMON STOCK. (FILE 333-15943 - NOV. 12) (BR. 2)
- S-8 ABERCROMBIE & FITCH CO /DE/, FOUR LIMITED PARKWAY, REYNOLDSBURG, OH 43068 (614) 479-7101 - 3,500,000 (\$78,968,750) COMMON STOCK. (FILE 333-15945 - NOV. 12) (BR. 2)

- S-8 ARADIGM CORP, 26219 EDEN LANDING RD, HAYWARD, CA 94545 (510) 783-0100 - 1,341,490 (\$12,057,788.50) COMMON STOCK. (FILE 333-15947 - NOV. 12) (BR. 1)
- S-8 CHRONIMED INC, 13911 RIDGEDALE DR, MINNETONKA, MN 55305 (612) 541-0239 - 1,000,000 (\$14,875,000) COMMON STOCK. (FILE 333-15949 - NOV. 12) (BR. 2)
- S-3 BANK OF NEW YORK CO INC, 48 WALL ST 15TH FL, NEW YORK, NY 10296 (212) 495-1784 - 20,000,000 (\$500,000,000) PREFERRED STOCK. (FILE 333-15951 - NOV. 12) (BR. 7)
- S-3 NIKE INC, ONE BOWERMAN DR, BEAVERTON, OR 97005 (503) 641-6453 - 500,000,000 (\$500,000,000) STRAIGHT BONDS. (FILE 333-15953 - NOV. 12) (BR. 6)
- S-8 VALUE CITY DEPARTMENT STORES INC /OH, 3241 WESTERVILLE RD, COLUMBUS, OH 43224 (614) 471-4722 - 700,000 (\$8,618,750) COMMON STOCK. (FILE 333-15957 - NOV. 12) (BR. 2)
- S-3 NEMATRON CORP, 5840 INTEFACE DRIVE, ANN ARBOR, MI 48103 (313) 994-0591 - 506,330 (\$3,512,664.30) COMMON STOCK. (FILE 333-15959 - NOV. 12) (BR. 3)
- S-8 VALUE CITY DEPARTMENT STORES INC /OH, 3241 WESTERVILLE RD, COLUMBUS, OH 43224 (614) 471-4722 - 80,000 (\$985,000) COMMON STOCK. (FILE 333-15961 - NOV. 12) (BR. 2)
- S-3 CYCOMM INTERNATIONAL INC, 1420 SPRINGHILL RD, STE 420, MCLEAN, VA 22102 (703) 903-9548 - 1,386,978 (\$5,070,892) COMMON STOCK. 500,000 (\$2,375,000) WARRANTS, OPTIONS OR RIGHTS. 5,000 (\$18,750) COMMON STOCK. (FILE 333-15963 - NOV. 12) (BR. 3)
- S-11 GOLF TRUST OF AMERICA INC, C/O INLAND GROUP INC #606, 3501 LAMBOREE RD S. TOWER, NEWPORT BEACH, CA 92660 (714) 856-2200 - 3,191,250 (\$67,016,250) COMMON STOCK. (FILE 333-15965 - NOV. 12) (NEW ISSUE)
- SB-2 ADVANCED ELECTRONIC SUPPORT PRODUCTS INC, 1810 N E 144TH STREET, NORTH MIAMI, FL 33181 (305) 944-7710 - 882,500 (\$4,312,500) COMMON STOCK. 75,000 (\$75) WARRANTS, OPTIONS OR RIGHTS. 75,000 (\$450,000) COMMON STOCK. (FILE 333-15967 - NOV. 12) (NEW ISSUE)
- S-3 INTELLIGENT ELECTRONICS INC, 411 EAGLEVIEW BLVD, EXTON, PA 19341 (610) 458-5500 - 6,000,000 (\$50,040,000) COMMON STOCK. (FILE 333-15971 - NOV. 12) (BR. 3)
- N-2 MERRILL LYNCH SR FLOAT RATE FD, 800 SCUDDERS MILL RD, PLAINSBORO, NJ 08536 (609) 282-2800 - 100,000,000 (\$998,000,000) COMMON STOCK. (FILE 333-15973 - NOV. 12) (BR. 17)
- S-1 MILLENNIUM AMERICA INC, WEIL GOTSHAL & MANGES LO, 99 WOOD AVENUE SOUTH, ISELIN, NJ 08830 (908) 603-6600 - 750,000,000 (\$750,000,000) STRAIGHT BONDS. (FILE 333-15975 - NOV. 12) (NEW ISSUE)
- S-8 SILICON GRAPHICS INC /CA/, 2011 N SHORELINE BLVD P O BOX 7311, MS 6U-710, MOUNTAIN VIEW, CA 94039 (415) 960-1980 - 8,800,000 (\$166,100,000) COMMON STOCK. (FILE 333-15977 - NOV. 12) (BR. 3)
- S-8 MAGNUM PETROLEUM INC /NV/, 600 EAST LAS COLINAS BLVD, STE 1200, IRVING, TX 92260 (619) 341-1520 - 1,200,000 (\$5,700,000) COMMON STOCK. (FILE 333-15979 - NOV. 12) (BR. 4)
- S-8 STAGE STORES INC, 10201 MAIN ST, HOUSTON, TX 77025 (713) 667-5601 - 3,021,922 (\$57,416,518) COMMON STOCK. (FILE 333-15981 - NOV. 12) (BR. 2)
- S-4 SOLECTRON CORP, 777 GILBRALTAR DR, MILPITAS, CA 95035 (408) 957-8500 - 5,155,348 (\$23,326,000) COMMON STOCK. (FILE 333-15983 - NOV. 12) (BR. 6)
- S-8 EXTEN INDUSTRIES INC, 9625 BLACK MOUNTAIN RD STE 218, SAN DIEGO, CA 92126 (619) 578-9784 - 1,893,940 (\$170,455) COMMON STOCK. (FILE 333-15985 - NOV. 12) (BR. 8)

- S-3 NEOPROBE CORP, 425 METRO PLACE N, STE 400, DUBLIN, OH 43017
(614) 793-7500 - 125,805 (\$1,674,779.06) COMMON STOCK. (FILE 333-15989 -
NOV. 13) (BR. 1)
- S-8 REAL GOODS TRADING CORP, 555 LESLIE STREET, UKIAH, CA 95482
(707) 468-9294 - 700,000 (\$4,200,000) COMMON STOCK. (FILE 333-15991 -
NOV. 13) (BR. 2)
- S-3 CIRCUIT CITY STORES INC, 9950 MAYLAND DR, RICHMOND, VA 23233
(804) 527-4000 - \$300,000,000 COMMON STOCK. (FILE 333-15995 - NOV. 13)
(BR. 2)