

SEC NEWS DIGEST

Issue 97-32

February 18, 1997

COMMISSION ANNOUNCEMENTS

COMMISSION MEETINGS

CHANGE IN THE MEETING: ADDITIONAL ITEMS

The followings items were considered at an open meeting held on Tuesday, February 18, 1997, at 10:00 a.m.:

- (1) whether to issue a release proposing additional amendments to Rule 144 that primarily are intended to make Rule 144 easier to understand and apply, as well as to eliminate unnecessary requirements. Additional amendments proposed would further revise the Rule 144 holding periods and eliminate the trading volume tests. FOR FURTHER INFORMATION, PLEASE CONTACT: Martin P. Dunn or Elizabeth M. Murphy, Office of Chief Counsel, Division of Corporation Finance, at (202) 942-2900.
- (2) whether to issue a release proposing amendments to expand Rule 430A to provide additional timing flexibility to smaller reporting companies conducting registered offerings, if certain conditions are satisfied. FOR FURTHER INFORMATION, PLEASE CONTACT: Barbara Jacobs, Office of Small Business, Division of Corporation Finance, at (202) 942-2950.

Commissioner Wallman, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

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 (202) 942-7070.

ENFORCEMENT PROCEEDINGS

TEMPORARY RESTRAINING ORDER, ASSET FREEZE, AND OTHER RELIEF ISSUED AGAINST EMANUEL PINEZ

On February 14, the Commission filed a complaint in United States District Court for the District of Massachusetts seeking an ex parte Temporary Restraining Order, asset freeze and other relief against Emanuel Pinez (Pinez), who was dismissed on February 11, 1997 as the Chief Executive Officer of Centennial Technologies, Inc. (Centennial). The complaint alleges that, on February 7 and 10, 1997, while in possession of material, nonpublic information regarding Centennial, Pinez purchased at least 1955 "put" option contracts, and sold approximately 2400 "call" option contracts on Centennial stock. The complaint further alleges that, while at Centennial, Pinez caused the issuer to record fictitious sales by arranging the purchase Centennial products and secretly paying for those products with his own funds, funding these transactions through margin loans on his personal holdings of Centennial stock. The complaint further alleged that Pinez's motive for these transactions was to ensure that Centennial's reported results met analyst's expectations. [SEC v. Emanuel Pinez, Civil Action. No. 97-10353 PBS, D. MA] (LR-15258; AAE Rel. 883)

FIRST CONVICTION OF DERIVATIVES SALESMAN

The Commission announced that on February 11 a federal District Court jury sitting in Cleveland, Ohio returned guilty verdicts on all counts of an indictment against Kenneth J. Schulte (Schulte) charging him with fraudulently offering and selling derivative securities to various municipalities and school districts in the State of Ohio.

The indictment charged Schulte with two counts of wire fraud, three counts of mail fraud and one count of securities fraud. The indictment alleged that Schulte engaged in a scheme to defraud various Ohio municipalities and school districts through the offer and sale of derivative securities, primarily Interest Only securities (IO's), by misrepresenting and failing to disclose the true nature and risks of these securities. The indictment further charged that from January, 1990 through May, 1994 Schulte fraudulently offered and sold at least \$39.4 million of these securities to Ohio municipalities and school districts. As a result of Schulte's scheme, investors incurred losses in excess of \$6 million.

The Commission filed a complaint against Schulte on December 24, 1994 and subsequently an Order of Permanent Injunction by Default was entered against Schulte on April 16, 1996, along with an Order for Disgorgement in the amount of \$398,787.62. [U.S. v. Kenneth J. Schulte, Defendant, USDC, ND Ohio, Case No. 1:96CR305] (LR-15259)

INVESTMENT COMPANY ACT RELEASES

KANSAS FARM BUREAU LIFE VARIABLE ACCOUNT

A notice has been issued giving interested persons until March 10 to request a hearing on an application filed by Kansas Farm Bureau Life Variable Account for an order under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-22509 - February 13)

COUNSELLORS TANDEM SECURITIES FUND, INC.

A notice has been issued giving interested persons until March 10 to request a hearing on an application filed by Counsellors Tandem Securities Fund, Inc. (formerly Counsellors Dual Purpose Utility Fund, Inc.) for an order under Section 8(f) of the Investment Company Act declaring that applicant has ceased to be an investment company. (Rel. IC-22510 - February 13)

PRINCIPAL MUTUAL LIFE INSURANCE COMPANY, ET AL.

An order has been issued pursuant to Section 11(a) of the Investment Company Act approving an exchange offer proposed by Principal Mutual Life Insurance Company (Principal Mutual), Principal Mutual Life Insurance Company Variable Life Separate Account (Account), and Princor Financial Services Corporation. Under the exchange offer, certain variable universal life insurance policies issued by Principal Mutual and made available through the Account may be exchanged for new variable universal life insurance policies issued by Principal Mutual and made available through the Account. (Rel. IC-22511 - February 13)

SIERRA PRIME INCOME FUND, ET AL.

A notice has been issued giving interested persons until March 11 to request a hearing on an application filed by Sierra Prime Income Fund, et al. for an order under Section 6(c) of the Investment Company Act for an exemption from Sections 18(c) and 18(i) of the Act, and under Section 17(d) of the Act and Rule 17d-1 thereunder permitting certain joint transactions. The order would permit certain closed-end investment companies to issue multiple classes of shares in the same portfolio of securities and impose distribution fees on one or more classes of shares. (Rel. IC-22512 - February 14)

HOLDING COMPANY ACT RELEASES

NORTHEAST UTILITIES, ET AL.

A notice has been issued giving interested persons until March 10 to

request a hearing on a proposal by Northeast Utilities (NU), a registered holding company, and its wholly owned subsidiary companies, Charter Oak Energy, Inc. (Charter Oak) and COE Development Corporation, to authorize certain intermediate subsidiary companies, exempt wholesale generators and foreign utility companies to pay dividends to their parent companies, from time to time out of capital or unearned surplus, and for Charter Oak to use such funds to pay dividends to NU, to the extent permitted by applicable corporate law. (Rel. 35-26668)

CENTRAL AND SOUTH WEST CORPORATION, ET AL.

A notice has been issued giving interested persons until March 10 to request a hearing on a proposal by Central and South West Corporation (CSW), a registered holding company, and four of its utility subsidiaries (Subsidiaries) to amend the Subsidiaries respective Articles of Incorporation to eliminate a provision limiting the issuance of debt securities, authorize CSW to acquire shares of preferred stock of the Subsidiaries pursuant to a cash tender offer, authorize CSW and the Subsidiaries to issue and sell junior subordinated debentures and tax deductible preferred securities through December 31, 2001, and related transactions. (Rel. 35-26668)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

The Depository Trust Company filed a proposed rule change (SR-DTC-96-24), which became effective upon filing, amending DTC's schedule of fees to establish a 3.5 percent surcharge on all service fees DTC charges to its participants and users. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38272)

The Participants Trust Company filed a proposed rule change (SR-PTC-96-09), which became effective upon filing, declaring a dividend payable on January 21, 1997, to PTC's stockholders of record as of December 31, 1996. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38280)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-PSE-96-48) filed by the Pacific Stock Exchange to codify certain existing procedures relating to a.m.-settled index options. (Rel. 34-38279)

The Commission approved a proposed rule change (SR-NSCC-96-19) filed by the National Securities Clearing Corporation that discontinues the operation of the Securities Clearing Group's data base. (Rel. 34-38283)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGES

The Commission granted accelerated approval to a proposed rule change (SR-Philadep-96-15-96-15) filed by the Philadelphia Depository Trust Company. The proposed rule change amends and clarifies certain same-day funds settlement procedures. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38281)

The Commission granted accelerated approval to a proposed rule change filed by the Stock Clearing Corporation of Philadelphia that amends and clarifies certain same-day funds settlement procedures. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38282)

The Options Clearing Corporation filed a proposed rule change (SR-OCC-96-15) to obtain permanent approval for OCC's modifications to its standards for letters of credit deposited with OCC as a form of margin. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38284)

PROPOSED RULE CHANGES

The American Stock Exchange, Boston Stock Exchange, Chicago Stock Exchange, Cincinnati Stock Exchange, National Association of Securities Dealers, New York Stock Exchange, and Pacific Stock Exchange have filed proposed rule changes (SR-AMEX-97-07, SR-BSE-96-11, SR-CHX-96-34, SR-CSE-97-03, SR-NASD-97-09, SR-NYSE-97-03, and SR-PSE-97-05, respectively) to amend Pre-Opening Application in the Intermarket Trading System. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38285)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-96-12) to amend GSCC rules regarding interdealer repo transactions. Publication of the proposal is expected in the Federal Register during the week of February 17. (Rel. 34-38287)

DELISTING GRANTED

An order has been issued granting the application of the Pacific Stock Exchange to strike from listing and registration Good Ideas Enterprises, Inc., Common Stock, \$.001 Par Value. (Rel. 34-38288)

WITHDRAWAL GRANTED

An order has been issued granting the application of Pacific Gulf Properties, Inc. to withdraw from listing and registration its Common Stock, \$.01 Par Value, on the American Stock Exchange. (Rel. 34-38289)

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-1 IONA TECHNOLOGIES LTD, IONA BLDG, 8-10 LOWER PEMBROKE ST,
DUBLIN 2 IRELAND, L2 (011) 662-5255 - 8,793,935 (\$145,099,927.50)
FOREIGN COMMON STOCK. (FILE 333-6396 - FEB. 05) (BR. 3 - NEW ISSUE)
- F-1 RAMCO ENERGY PLC, 4 RUBISLAW PLACE, ABERDEEN AB10 1XN, UNITED KINGDOM,
X0 - 5,160,000 (\$100,000,800) FOREIGN COMMON STOCK. (FILE 333-6398 -
FEB 06) (BR 4 - NEW ISSUE)
- S-2 NATIONAL MERCANTILE BANCORP, 1840 CENTURY PARK EAST, LOS ANGELES, CA
90067 (310) 277-2265 - 650,000 (\$6,500,000) PREFERRED STOCK (FILE
333-21455 - FEB 10) (BR. 7)
- SB-2 ROYAL SILVER MINES INC, 10220 N NEVADA, STE 230, SPOKANE, WA 99218
(509) 838-5111 - 1,416,000 (\$1,120,125) COMMON STOCK. (FILE 333-21457 -
FEB. 10) (BR. 4)
- S-1 HARTFORD LIFE INC, HARTFORD LIFE INC, 200 HOPMEADOW STREET, SIMSBURY, CT
06089 (860) 843-7716 - \$10,000,000 COMMON STOCK (FILE 333-21459 -
FEB 10) (NEW ISSUE)
- S-3 VIASOFT INC /DE/, 3033 NORTH 44TH ST, PHOENIX, AZ 85018 (602) 952-0050
- 2,300,000 (\$103,224,000) COMMON STOCK. (FILE 333-21461 - FEB. 10)
(BR. 3)
- S-3 EQUISURE INC, 600 SOUTH CONKLIN AVE, SIOUX FALLS, SD 57103
(605) 335-1942 - 111,516 (\$892,128) COMMON STOCK. (FILE 333-21463 -
FEB. 10) (BR 5)
- S-3 GRIFFON CORP, 100 JERICHO QUADRANGLE, JERICHO, NY 11753 (516) 938-5544
- 226,413 (\$3,070,726) COMMON STOCK. (FILE 333-21465 - FEB. 10) (BR. 6)
- S-8 MYCOGEN CORP, 5501 OBERLIN DR, SAN DIEGO, CA 92121 (619) 453-8030 -
2,000,000 (\$52,000,000) COMMON STOCK. (FILE 333-21467 - FEB. 10) (BR. 2)
- S-3 LIN TELEVISION CORP, FOUR RICHMOND SQUARE, SUITE 200, PROVIDENCE, RI
02906 (401) 454-2880 - 1,673,975 (\$71,980,925) COMMON STOCK. (FILE
333-21471 - FEB. 10) (BR. 3)
- S-8 CU BANCORP, 16030 VENTURA BLVD, ENCINO, CA 91436 (818) 907-9122 -
750,000 (\$9,375,000) COMMON STOCK. (FILE 333-21473 - FEB. 10) (BR. 7)
- S-3 MEDPARTNERS INC, 3000 GALLERIA TOWER, STE 1000, BIRMINGHAM, AL 35244
(205) 733-8996 - 4,555,227 (\$88,553,612.88) COMMON STOCK. (FILE 333-21475
- FEB. 10) (BR. 1)
- S-8 CONNECT INC, 515 ELLIS STREET, MOUNTAIN VIEW, CA 94043 (415) 254-4000 -
4,594,738 (\$15,101,738) COMMON STOCK. (FILE 333-21477 - FEB. 10) (BR. 3)
- S-3 RENAISSANCE ENTERTAINMENT CORP, 4440 ARAPAHOE RD SUITE 200, BOULDER, CO
80303 (303) 444-8273 - 64,350 (\$384,089) COMMON STOCK. (FILE 333-21479 -
FEB 10) (BR. 9)
- S-6 EQUITY SECURITIES TRUST SERIES 11, C/O REICH & TANG DISTRIBUTORS LP,

600 FIFTH AVE, NEW YORK, NY 10020 (212) 830-5200 - INDEFINITE SHARES.
(FILE 333-21481 - FEB. 10) (BR 16 - NEW ISSUE)

S-1 PEREGRINE SYSTEMS INC, 12670 HIGH BLUFF DRIVE, SAN DIEGO, CA 92130
(619) 481-5000 - 3,450,000 (\$41,400,000) COMMON STOCK. (FILE 333-21483 -
FEB. 10) (NEW ISSUE)

S-3 SUPERIOR BANK FSB, ONE LINCOLN CENTRE, OAKBROOK TERRACE, IL 60181
(708) 916-4000 - 1,000,000,000 (\$1,000,000,000)
EQUIPMENT TRUST CERTIFICATES. (FILE 333-21485 - FEB. 10) (BR. 8)

S-8 BUTTON GWINNETT FINANCIAL CORP, P O BOX 1230, LAWRENCEVILLE, GA 30246
(770) 963-6665 - 250,000 (\$3,630,000) COMMON STOCK. (FILE 333-21487 -
FEB. 10) (BR. 7)

S-8 GLOBAL DIRECTMAIL CORP, 22 HARBOR PARK DR, PORT WASHINGTON, NY 11050
(516) 625-1555 - 100,000 (\$3,143,750) COMMON STOCK. (FILE 333-21489 -
FEB. 10) (BR. 2)

S-8 GLOBAL DIRECTMAIL CORP, 22 HARBOR PARK DR, PORT WASHINGTON, NY 11050
(516) 625-1555 - 2,000,000 (\$62,875,000) COMMON STOCK. (FILE 333-21491 -
FEB. 10) (BR. 2)

S-3 I FLOW CORP /CA/, 2532 WHITE RD, IRVINE, CA 92714 (714) 553-0888 -
4,835,271 (\$25,240,114) COMMON STOCK (FILE 333-21493 - FEB 10) (BR 1)

S-3 ZIONS BANCORPORATION /UT/, ONE SOUTH MAIN STREET, SUITE 1380,
SALT LAKE CITY, UT 84111 (801) 524-4787 - 20,250 (\$2,500,875) COMMON STOCK.
(FILE 333-21495 - FEB. 10) (BR. 7)

S-3 FLORIDA GAMING CORP, 1750 S KINGS HIGHWAY, FORT PIERCE, FL 34945
(407) 464-7500 - 279,814 (\$1,888,744.50) COMMON STOCK. (FILE 333-21497 -
FEB 10) (BR. 5)

S-3 DATAWORKS CORP, 5910 PACIFIC CENTER BLVD STE 300, SAN DIEGO, CA 92121
(619) 546-9600 - 250,000 (\$4,875,000) COMMON STOCK. (FILE 333-21499 -
FEB 10) (BR. 3)

S-8 ATLANTIC INTERNATIONAL ENTERTAINMENT LTD, 2200 CORPORATE BOULEVARD,
SUITE 317, BOCA RATON, FL 33431 (407) 99-5 21 - 250,000 (\$2,437,500)
COMMON STOCK. (FILE 333-21501 - FEB 10) (BR. 4)

S-8 GRIFFON CORP, 100 JERICHO QUADRANGLE, JERICHO, NY 11753 (516) 938-5544
- 2,000,000 (\$27,125,000) COMMON STOCK. (FILE 333-21503 - FEB 10)
(BR. 6)

S-3 PARADIGM TECHNOLOGY INC /DE/, 71 VISTA MONTANA, SAN JOSE, CA 95134
(408) 954-0500 - 2,554,300 (\$5,031,971) COMMON STOCK (FILE 333-21505 -
FEB 10) (BR 6)

S-3 AMERICAN FINANCIAL GROUP INC /OH/, ONE E FOURTH ST, SUITE 919,
CINCINNATI, OH 45202 (513) 579-6600 (FILE 333-21507 - FEB 10) (BR 1)

S-4 HEARTLAND WIRELESS COMMUNICATIONS INC, 200 CHISOLM PLACE, SUITE 200,
PLANO, TX 75075 ((97) 2) -423- - 125,000,000 (\$125,000,000) STRAIGHT BONDS.
(FILE 333-21509 - FEB 10) (BR 3)

S-3 BENEFICIAL MORTGAGE SERVICES INC, ONE CHRISTINA CENTRE,
301 NORTH WALNUT STREET, WILMINGTON, DE 19801 (302) 425-2500 - 1,000,000
(\$1,000,000) EQUIPMENT TRUST CERTIFICATES. (FILE 333-21511 - FEB. 11)
(NEW ISSUE)

S-1 CHAMPION MORTGAGE HOLDINGS CORP, 20 WATERVIEW BOULEVARD, PARSIPPANY, NJ
07054 (201) 402-7700 - 4,025,000 (\$88,550,000) COMMON STOCK. (FILE
333-21513 - FEB. 10) (NEW ISSUE)

S-3 HARKEN ENERGY CORP, 5605 N MACARTHUR STE 400, IRVING, TX 75038
(214) 753-6900 - 477,026 (\$1,699,405) COMMON STOCK. (FILE 333-21515 -
FEB. 10) (BR. 4)

S-1 PARANET INC, 1776 YORKTOWN ST, STE 300, HOUSTON, TX 77056 (713) 626-4800
- \$86,250,000 COMMON STOCK. (FILE 333-21517 - FEB 10) (NEW ISSUE)

S-4 BARNETT BANKS INC, 50 N LAURA ST, P.O. BOX 40789, JACKSONVILLE, FL 32202
(904) 791-7720 - 14,285,000 (\$548,186,875) COMMON STOCK. (FILE 333-21519 -
FEB 10) (BR. 7)