RULES AND RELATED MATTERS

PROPOSED AMENDMENT TO RULE 504 OF REGULATION D

The Commission released today for public comment a proposed rule change to Rule 504 of Regulation D, which would require all securities issued under Rule 504 to be "restricted securities" as the term is used in Rule 144 and thus could only be resold after meeting certain criteria. This proposal is part of the Commission's agenda to deter microcap fraud. For further information, please contact Richard K. Wulff or Barbara C. Jacobs of the Division of Corporation Finance at (202) 942-2950. (Rel. 33-7541; File No. S7-14-98)

ENFORCEMENT PROCEEDINGS

PROCEEDINGS AGAINST PAUL KETTLER DISMISSED

The Commission has dismissed disciplinary proceedings against Paul C. Kettler of Chicago, Illinois. In its order instituting proceedings, issued in October 1993, the Commission had alleged that Kettler, doing business as Kettler & Company, had failed reasonably to supervise one of his branch managers during July 1988. Kettler moved to dismiss the proceedings based on the five-year statute of limitations contained in 28 U.S.C. Section 2462. The Commission's Division of Enforcement did not oppose Kettler's motion, but expressly declined to address its merits. The Commission concluded that, under the circumstances, and without reaching the question of the application of Section 2462, it was appropriate to dismiss the matter. (Rel. 34-40011; File No. 3-8206)

ORDER MAKING FINDINGS, IMPOSING REMEDIAL SANCTIONS, AND IMPOSING A CEASE-AND-DESIST ORDER ENTERED AGAINST KERRIGAN SEAN WEBER

The Commission entered an Order Making Findings, Imposing Remedial Sanctions, and Imposing a Cease and Desist Order (The Order) against Kerrigan Sean Weber (Weber).
Pursuant to Weber's Offer of Settlement, in which he neither admitted nor denied the findings, the Commission's Order finds that Weber violated Section 17(a) of the Securities Act of 1933 (Securities Act) and Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 by engaging in the following conduct: From approximately 1988 to November 1993, Weber misdirected investors' checks while he was employed as a registered representative at a Smith Barney Inc. branch office. From June 1989 to November 1993, Weber misdirected over thirty-one checks totalling over $245,459.47 from at least twenty-two customers to the accounts of at least twenty-seven other customers. Weber's customers gave him checks which were to be deposited into their Smith Barney accounts for the purpose of purchasing securities, which Weber instead deposited into other customers' accounts, without the customers' authorization. Weber also made misrepresentations and omitted to disclose material facts to his customers, concerning transactions in their accounts, and engaged in unauthorized trading.

The Commission ordered that: (1) Weber cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder; and (2) effective immediately Weber is barred from associating with any broker, dealer, municipal securities dealer, investment adviser, or investment company. (Rel. 33-7540; 34-40012; File No. 3-9523)

BOLESŁAW WOLNY APPEAL DISMISSED

On May 20, the Commission dismissed the appeal of Boleslaw Wolny from the denial by the National Association of Securities Dealers, Inc. (NASD) of his request to remain employed with a member firm and from the NASD's determination to revoke his registration with the NASD because of a felony conviction for money laundering.

The NASD based its denial of Wolny's application on his conviction by the United States District Court for the District of Utah for money laundering. Wolny's violation took place while he was a registered representative with Kingston Securities Corp. He went to Salt Lake City, Utah and met an unknown, prospective client who wanted to open a securities account with a large amount of cash. The "client" was in fact a government agent engaged in a "sting" operation designed to capture two attorneys attempting to launder drug money. Wolny was convicted for his part in the transaction. The U.S. Court of Appeals for the 10th Circuit affirmed the conviction on January 6, 1998.

The Commission rejected Wolny's arguments that his conviction was not a valid basis for statutory disqualification, noting that it was clearly covered by Section 3(a)(39(F) of the Securities Exchange Act. Further, the Commission rejected Wolny's arguments that the proceeding violated the Double Jeopardy Clause of the Fifth Amendment. The Commission observed that the Double Jeopardy Clause does not apply to actions by a private party such as the NASD. Further, even if the Double Jeopardy Clause applied to actions by
the NASD, it was not implicated in this proceeding because the NASD was seeking remedial sanctions against Wolny and the Double Jeopardy Clause applies only to criminal sanctions. (Rel. 34-40013; File No. 3-9241)

INSIDER TRADING CHARGES SETTLED AGAINST MARY ANN SHANK, KENNETH ROOP AND DONALD SCHWARTZ

The Commission announced today that on May, 18, the Honorable James Ware, United States District Judge, entered Final Judgments against defendants Mary Ann Shank, Kenneth R. Roop, and Donald M. Schwartz. Each of the defendants consented to the entry of the Final Judgments without admitting or denying the allegations contained in the Commission's complaint. The entry of the Final Judgments ends the Commission's case concerning insider trading in Affymax N.V. stock as to all defendants.

The Final Judgment as to Shank (i) permanently restrains and enjoins her from committing future violations of the antifraud provisions of the federal securities laws and (ii) orders her to pay disgorgement in the amount of $147,500, which represents the gains of another individual who traded in Affymax N.V. stock, plus prejudgment interest thereon in the amount of $32,721, but waives payment of such amounts based upon Shank's demonstrated inability to pay. Neither Shank nor Roop themselves bought or sold any Affymax securities.

The Final Judgment as to Roop (i) permanently restrains and enjoins him from committing future violations of the antifraud provisions of the federal securities laws and (ii) orders him to pay disgorgement in the amount of $151,100, plus prejudgment interest thereon in the amount of $33,520, but waives payment of such amounts based upon Roop's demonstrated inability to pay.

The Final Judgment as to Schwartz (i) permanently restrains and enjoins him from committing future violations of the antifraud provisions of the federal securities laws, (ii) orders him to pay disgorgement in the amount of $83,625, plus prejudgment interest thereon in the amount of $22,405, and (iii) orders him to pay a civil penalty of $83,625.

The Commission's complaint, which was filed on September 12, 1996, alleged that Shank passed material, nonpublic information relating to a proposed tender offer for Affymax stock, which she obtained while working on the transaction as an executive assistant to the general counsel of an Affymax subsidiary, to Roop, and to her mother. According to the complaint, Roop tipped his brother-in-law, who was the subject of a separate Commission action, and a friend and business associate, defendant Donald Schwartz, who in turn allegedly passed information relating to the tender offer to a close friend of his. The Commission alleged that by engaging in such conduct, the defendants violated Sections 10(b) and 14(e) of the Securities Exchange Act of 1934 and Rules 10b-5 and 14e-3 thereunder. The Commission's investigation of trading in Affymax securities is continuing. [SEC v. Mary Ann Shank, Kenneth R. Roop, 

NEWS DIGEST, May 21, 1998
PONZI SCHEME HALTED BY TEMPORARY RESTRAINING ORDER

The Commission announced today that it had obtained an emergency restraining order halting the fraudulent money raising efforts of Lauren D. Baumann, Accelerated Funding Mortgage Corp. (Accelerated Funding), Bali Financial, Inc. (Bali Financial), and Odyssey Financial Group, Inc. (Odyssey Financial). According to the Commission’s complaint, Ms. Baumann and the other defendants raised at least $5 million from the sale of promissory notes and investment contracts to investors in at least four states. Investors were told that their investments would earn rates of return ranging from 101-273%, depending on the amount invested, and that their investment was "low-risk." The complaint also alleges that the defendants are engaged in a Ponzi scheme whereby monies received from new investors are being used to pay high rates of return to earlier investors. Moreover, instead of using investors' funds to purchase secondary deeds of trust as represented, the complaint alleges that defendant Baumann misappropriated at least $300,000 of investor funds for her personal use.

The temporary restraining order entered on May 19 by Judge Sidney A. Fitzwater, enjoins the defendants and their principals from violating the securities laws, freezes their assets, requires them to account for investor monies, and provides for the appointment of a receiver. The order also freezes the assets of relief defendants Balance Enterprises, L.L.C. and Balance Enterprises, J.V.

In its complaint, the Commission alleges that defendants have violated Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder. The Commission also seeks an order permanently enjoining Accelerated Funding, Baumann, Bali Financial, and Odyssey Financial, an order requiring disgorgement of all wrongfully obtained profits, with prejudgment interest, and civil penalties against each defendant, as well as disgorgement with prejudgment interest against the relief defendants. [SEC v. Accelerated Funding Mortgage Corp., Lauren D. Baumann, Bali Financial, Inc., and Odyssey Financial Group, Inc., 3:98CV1190-D, USDC, ND/TX, Dallas Division] (LR-15751)

INVESTMENT COMPANY ACT RELEASES

STEIN ROE INCOME TRUST, ET AL.

A notice has been issued giving interested persons until June 15, 1998, to request a hearing on an application filed by Stein Roe Income Trust, et al., for an order under Section 17(d) of the Investment Company Act and Rule 17d-1, to permit certain registered
investment companies to deposit uninvested cash balances in a joint account that invests in certain short-term investments. (Rel. IC-23192 - May 19)

COWEN & CO. AND SOCIETE GENERALE SECURITIES CORPORATION

A notice has been issued giving interested persons until June 15, 1998, to request a hearing on an application filed by Cowen & Co. and Societe Generale Securities Corporation for an order under Section 6(c) of the Investment Company Act exempting applicants from Section 15(a) of the Act. The order would permit the implementation, without prior shareholder approval, of new advisory agreements with certain registered investment companies 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 would permit 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-23193 - May 19)

UBS INVESTOR PORTFOLIOS TRUST, ET AL.

A notice has been issued giving interested persons until June 15, 1998, to request a hearing on an application filed by UBS Investor Portfolios Trust, Union Bank of Switzerland (UBS), UBS Asset Management (New York) Inc., and UBS International Investment London Limited for an order under Section 6(c) of the Investment Company Act exempting applicants from Section 15(a) of the Act. The order would permit the implementation, without prior shareholder approval, of new investment advisory and sub-advisory agreements (New Advisory Agreements) in connection with the merger of UBS and Swiss Bank Corporation (Merger). The order would cover a period of up to 150 days following the later of: i) the date on which the Merger is consummated, or (ii) the date upon which the requested order is issued (but in no event later than December 31, 1998) (Interim Period). The order also would permit, following shareholder approval, the payment of all fees earned under the New Advisory Agreements during the Interim Period. (Rel. IC-23194 - May 20)

TCW/BQA ENHANCED 500 LIMITED PARTNERSHIP, ET AL.

An order and errata has been issued on an application filed by TCW/BQA Enhanced 500 Limited Partnership, et al. under Section 17(b) of the Investment Company Act granting relief from Section 17(a). The order permits certain limited partnerships to transfer their assets to corresponding series of TCW Galileo Funds, Inc. in exchange for the series’ shares. (Rel. IC-23195 - May 20)

THE AMERICAS GROWTH FUND, INC., ET AL.

An order has been issued on an application filed by The Americas Growth Fund, Inc., et al. under Section 57(c) of the Investment Company Act. The order permits a business development company to
complete a merger with an affiliated person. (Rel. IC-23196 - May 20)

MITCHELL HUTCHINS PORTFOLIOS, ET AL.

A notice has been issued giving interested persons until June 15, 1998, to request a hearing on an application filed by Mitchell Hutchins Portfolios, et al. for an order under Section 17(d) of the Investment Company Act and Rule 17d-1 under the Act to permit certain registered open-end management investment companies relying on Section 12(d)(1)(G) of the Act to enter into a special servicing agreement. (Rel. IC-23197 - May 20)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF EXTENSION PERIOD FOR COMMENTS

The NASD Regulation has consented to an extension of time, until June 19, 1998, to accept comments on proposed rule change (SR-NASD-98-18) regarding Qualified Immunity in Arbitration Proceedings for statements made on forms U-4 and U-5. Publication in the Federal Register is expected during the week of May 25. (Rel. 34-40005)

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  ESTEE LAUDER COMPANIES INC, 767 FIFTH AVE, NEW YORK, NY 10153
     (212) 572-4200 - 9,651,515 ($626,769,384 10) COMMON STOCK (FILE
     333-52609 - MAY 14) (BR 2)

S-4  CAPITAL TRUST INC, 605 THIRD AVE, NEW YORK, NY 10016 (212) 856-7000
     18,229,650 ($185,760,123 50) COMMON STOCK 12,267,658 (558,639,405 24)
     PREFERRED STOCK (FILE 333-52619 - MAY 14) (BR 7 - NEW ISSUE)

S-8  MAVERICK TUBE CORPORATION, 400 CHESTERFIELD CNTR - 2ND FLR,
     CHESTERFIELD, MO 63017 (314) 537-1314 - 550,000 ($8,800,000) COMMON STOCK
     (FILE 333-52621 - MAY 14) (BR. 6)

S-8  NORTHERN TRUST CORP, 50 S LA SALLE ST, CHICAGO, IL 60675 (312) 630-6000

6  NEWS DIGEST, May 21, 1998
(FILE 333-52621 - MAY, 14) (BR 7)

S-8 E TRADE GROUP INC, FOUR EMBARCADERO PLACE 2400 GEORGE ROAD, PALO ALTO, CA 94303 (415) 842-2500 - 1,900,000 ($45,896,875) COMMON STOCK. (FILE 333-52631 - MAY, 14) (BR 7)

S-8 E TRADE GROUP INC, FOUR EMBARCADERO PLACE 2400 GEORGE ROAD, PALO ALTO, CA 94303 (415) 842-2500 - 1,900,000 ($45,896,875) COMMON STOCK. (FILE 333-52631 - MAY, 14) (BR 7)

S-8 CKE RESTAURANTS INC, 1200 N HARBOR BLVD, ANAHEIM, CA 92801 (714) 774-5796 - 4,500,000 ($147,105,000) COMMON STOCK (FILE 333-52633 - MAY, 14) (BR 5)

S-8 MODINE MANUFACTURING CO, 1500 DEKOVEN AVE, RACINE, WI 53403 (414) 636-1200 - 500,000 ($175,312,250) COMMON STOCK (FILE 333-52639 - MAY, 14) (BR 5)

S-8 CORT BUSINESS SERVICES CORP, 4401 FAIR LAKES CT STE 300, FAIRFAX, VA 22033 (703) 968-8500 - 632,573 ($25,263,384) COMMON STOCK (FILE 333-52641 - MAY, 14) (BR 6)

S-8 CORT BUSINESS SERVICES CORP, 4401 FAIR LAKES CT STE 300, FAIRFAX, VA 22033 (703) 968-8500 - 50,000 ($1,996,875) COMMON STOCK (FILE 333-52643 - MAY, 14) (BR 6)

S-8 LEUKOSITE INC, 215 FIRST ST, CAMBRIDGE, MA 02142 - 2,125,000 ($52,500,000) COMMON STOCK (FILE 333-52647 - MAY, 14) (BR 1)

S-8 DCI TELECOMMUNICATIONS INC, 611 ACCESS RD, STRATFORD, CT 06697 (203) 380-0910 - 162,000 ($32,400) COMMON STOCK (FILE 333-52649 - MAY, 14) (BR 7)

S-8 PIXTECH INC /DE/, AVENUE VICTOIRE 13790, ROUSSET FRANCE, 10 - 800,000 ($5,200,000) COMMON STOCK (FILE 333-52651 - MAY, 14) (BR 3)

S-8 PARK NATIONAL CORP /OH/, 50 NORTH THIRD ST, NEWARK, OH 43055 (614) 349-8451 - 500,000 ($47,125,000) COMMON STOCK (FILE 333-52653 - MAY, 14) (BR 7)

S-2 AMTRAN INC, 7337 W WASHINGTON ST, INDIANAPOLIS, IN 46231 (317) 247-4000 - 4,025,000 ($2,512,500) COMMON STOCK (FILE 333-52655 - MAY, 14) (BR 5)

S-3 WALT DISNEY CO/, 500 SOUTH BUENA VISTA ST, BURBANK, CA 91521 (818) 560-1000 (FILE 333-52659 - MAY, 14) (BR 5)

S-8 METTLER TOLEDO INTERNATIONAL INC/, IM LANCASTER, 65 E 55TH ST P O BOX 100 CH 8606, SWITZERLAND, VB 10022 (212) 644-5900 - 6,368,445 ($80,429,936 04) COMMON STOCK (FILE 333-52661 - MAY, 14) (BR 6)

S-1 POINTCAST INC, 501 MACARA AVE, 4TH FL, SUNNYVALE, CA 94086 (408) 990-7007 - 4,312,500 ($51,750,000) COMMON STOCK (FILE 333-52663 - MAY, 14)

S-8 PENNWOLD BANCORP INC, 683 LINCOLN AVE, PITTSBURGH, PA 15202 (412) 761-1234 - 52,013 ($911,001) COMMON STOCK (FILE 333-52665 - MAY, 14) (BR 7)

S-4 KIMCO REALTY CORP, 3333 NEW HYDE PARK RD, PO BOX 5020, NEW HYDE PARK, NY 11042 (516) 869-9000 - 12,636,279 ($596,274,415 31) COMMON STOCK (FILE
S-1 ENFINITY CORP, 400 LAKE RIDGE DRIVE, SMYRNA, GA 30082 - 9,200,000 ($133,400,000) COMMON STOCK. (FILE 333-52671 - MAY. 14) (NEW ISSUE)

S-1 GLOBAL VACATION GROUP INC, 1466 PENNSYLVANIA AVENUE N W, SUITE 350, WASHINGTON, DC 20004 (202) 371-0150 - $63,250,000 COMMON STOCK (FILE 333-52673 - MAY 14) (NEW ISSUE)

S-3 VOICE CONTROL SYSTEMS INC /DE/, 14140 MIDWAY RD SUITE 100, DALLAS, TX 75244 (972) 726-1200 - 2,120,920 ($10,731,856) COMMON STOCK (FILE 333-52679 - MAY 14) (NEW ISSUE)

S-2 AMERICAN REALTY TRUST INC, 10670 N CENTRAL EXPRESSWAY, STE 300, DALLAS, TX 75231 (214) -69-2-47 - 800,000 ($8,000,000) PREFERRED STOCK (FILE 333-52681 - MAY 14) (BR 3)

S-3 EASTWIND GROUP INC, 100 FOUR FALLS CORPORATE CENTER, SUITE 305, WEST CONSHOHOCKEN, PA 19428 (610) 828-6860 - 996,000 ($1,192,000) COMMON STOCK (FILE 333-52685 - MAY. 14) (BR 9)

S-1 UNITED STATES FINANCIAL GROUP INC /NY, 110 WALL STREET, 24TH FL, NEW YORK, NY 10005 (212) 785-4545 - 3,285,000 ($49,275,000) COMMON STOCK (FILE 333-52687 - MAY 14)

S-11 MACKLOWE PROPERTIES INC, 142 WEST 57TH ST, NEW YORK, NY 10019 - 29,900,000 ($598,000,000) COMMON STOCK. (FILE 333-52691 - MAY. 14) (NEW ISSUE)

SB-2 SOURCE INFORMATION MANAGEMENT CO, 11644 LILBURN PARK RD, ST LOUIS, MO 63146 (314) 995-9050 - 2,300,000 ($15,019,000) COMMON STOCK 200,000 ($1,436,000) WARRANTS, OPTIONS OR RIGHTS (FILE 333-52693 - MAY 14) (BR 2)

S-8 LEVEL 3 COMMUNICATIONS INC, 3555 FARNAM STREET, 14TH FLOOR, OMAHA, NE 68131 (402) 342-2052 - 425,000 ($1,491,750) COMMON STOCK (FILE 333-52697 - MAY 14) (BR 6)

S-8 AMERICAN EXPRESS CO, AMERICAN EXPRESS TWR WORLD FINANCIAL CN, 200 VESEY ST 49TH FLOOR, NEW YORK, NY 10285 (212) 640-2000 - 35,000,000 ($3,515,330,000) COMMON STOCK (FILE 333-52699 - MAY 14) (BR 7)

S-8 FROZEN FOOD EXPRESS INDUSTRIES INC, 1145 EMPIRE CENTRAL PLACE, DALLAS, TX 75247 (214) 630-8090 - 1,500,000 ($15,375,000) COMMON STOCK. (FILE 333-52701 - MAY 14) (BR 5)

S-3 JMAR INDUSTRIES INC, 3956 SORRENTO VALLEY BLVD STE D, SAN DIEGO, CA 92121 (619) 535-1706 - 1,298,479 ($3,350,076) COMMON STOCK (FILE 333-52703 - MAY 14) (BR 5)

S-3 NHANCEMENT TECHNOLOGIES INC, 39420 LIBERTY ST, STE 250, FREMONT, CA 94538 (303) 271-0505 - 1,638,375 ($4,761,527) COMMON STOCK (FILE 333-52709 - MAY 14) (BR 9)

S-4 UNITED STATES FILTER CORP, 40-004 COOK ST, PALM DESERT, CA 92211 (760) 340-0098 - 51,683,682 ($1,697,292,117) COMMON STOCK (FILE 333-52717 - MAY 14) (BR 6)

S-1 UNITED INFORMATION SYSTEMS INC, 10400 NW 33RD ST, STE 110, MIAMI, FL 33172 (305) 477-3050 - 4,330,729 ($25,724,530) COMMON STOCK (FILE 333-52719 - MAY 14) (BR 9)

SB-2 MICRO INTERCONNECT TECHNOLOGY INC, 70 HORIZON DRIVE, BEDFORD, NH 03110 (603) 472-7068 - 200,000 ($200,000) COMMON STOCK 750,000 ($750,000) WARRANTS, OPTIONS OR RIGHTS (FILE 333-52721 - MAY 14) (NEW ISSUE)

S-8 CUNNINGHAM GRAPHICS INTERNATIONAL INC, 629 GROVE STREET, JERSEY CITY, NJ 07310 (201) 217-1990 - 600,000 ($12,375,000) COMMON STOCK (FILE 333-52723 - MAY 14) (BR 5)

S-3 CASE CREDIT CORP, 233 LAKE AVENUE, RACINE, WI 53403 (414) 636-6011 - 729,200,000 ($729,200,000) STRAIGHT BONDS (FILE 333-52725 - MAY 14)

8 NEWS DIGEST, May 21, 1998
S-3 QUARTERDECK CORP, 13160 MINDANAO WAY, MARINA DEL REY, CA 90292
(310) 309-3700 - 9,141,703 ($14,855,267) COMMON STOCK (FILE 333-52727 - MAY. 14) (BR. 3)

S-4 CANDIES INC, 2975 WESTCHESTER AVE, PURCHASE, NY 10577 (914) 694-8600 - 2,968,099 ($17,595,993 84) COMMON STOCK. (FILE 333-52729 - MAY 14) (BR. 2)

S-1 GLOBAL TELESYSTEMS GROUP INC, 1751 PINNACLE DRIVE NORTH TOWER, MCLEAN, VA 22102 (703) 918-6500 - $460,000,000 CONVERTIBLE DEBENTURES AND NOTES (FILE 333-52735 - MAY 15) (BR. 7)