

Update

Second Quarter '98

NASD Board Approves OTC Rule

On May 7, 1998, the National Association of Securities Dealers, Inc. (NASD®) Board of Governors approved a series of proposed rule changes for the OTC Bulletin Board® (OTCBB) and the OTC market.

These rules, which will now be sent to the Securities and Exchange Commission (SEC) for approval, will ensure that current financial information about domestic companies that are quoted on the OTCBB is publicly available. Presently, NASD rules require foreign issuers to file with the SEC. The rules also will require brokers to take additional steps before they recommend a transaction in any OTC security, and provide investors in all OTC transactions with increased disclosure. The rules approved will:

OTC Bulletin Board Eligibility Rule – Permit only those domestic companies that report their current financial information to the SEC, or U.S. bank or insurance regulators, to be quoted on the OTCBB. If an issuer is delinquent in its reports, there will be a grace

period of 30 days during which Market Makers may continue to quote the security. Non-reporting companies whose securities are already quoted on the OTCBB will have 6-12 months to comply with the new requirements once the rule becomes effective.

Recommendation Rule – Require brokerage firms to review current financial statements (i.e., put out in the last 12 months) about the issuer before they recommend a transaction in any OTC security (a security that is not listed on Nasdaq® or any registered national securities exchange). Additionally, firms must designate a qualified registered individual to review the information required by the rule.

Disclosure Rule – Require brokerage firms to provide investors with written disclosure of the differences between OTC securities and those that trade on a listed market. The disclosure statement will be provided on each customer's confirmation following any trade in an OTC security.

Under the new OTC Bulletin

Board Eligibility Rule, any company that does not make current filings with the SEC, or U.S. bank or insurance regulators, will be eliminated from the OTCBB after the phase-in period. Companies that are not eligible to be quoted on the OTCBB would be eligible to be quoted in other quotation mediums, such as the Pink Sheets.

The proposed Recommendation and Disclosure rules would not apply to transactions in securities of banks and insurance companies, or to companies with more than \$100 million in assets and \$10 million in shareholder equity. Transactions with institutional investors will also be exempt.

In December 1997, the NASD Board agreed on the importance of the reform proposals and sought public comment on them. During more than two months of public comment, the NASD received numerous comment letters, all of which were reviewed prior to developing these final revised proposals. The rule changes will now be filed with the SEC, and will subsequently be published for public comment in the *Federal Register*.

Rule 15c2-11 Comment Period Closed

The public comment period for the rule filing that proposes amendments to Rule 15c2-11 has now closed. This rule governs the publication of quotations for securities that are traded over-the-counter (i.e., not on Nasdaq or a national securities exchange). The amendments to that rule, which were published by the SEC in February of 1998, would:

- require all broker/dealers to review information about the issuer when they first publish or resume publishing a quotation for a security subject to Rule

15c2-11, document that review, annually update the information if they publish priced quotations, and make the information available to others upon request;

- eliminate the existing piggyback provision, which permits broker/dealers to publish quotations for a security without filing a Form 211 if any other broker/dealer has published regular and frequent quotations for that security; and,
- change the information requirements for

quotations for the securities of non-reporting issuers and the recordkeeping requirements when broker/dealers have electronic access to information about reporting issuers.

The public comment period for these amendments ended on April 27, 1998. The SEC has not yet responded to the proposal. The OTCBB, and the OTC market, now will wait to hear the SEC's decision on the proposed amendments.

Thanks for a Smooth Transition on April 1st!

As you know, foreign equities and American Depositary Receipts (ADRs) not registered with the SEC under Section 12 of the Exchange Act are now ineligible for quotation on the OTCBB and were removed, effective April 1, 1998. The same day, OTCBB traders were able to update their quotations in eligible foreign and ADR securities on a real-time basis throughout the day.

Additionally, last sale transaction reports for eligible OTCBB foreign equities and ADRs began to be disseminated on a real-time basis, as domestic OTC equity securities are.

Nasdaq would like to extend our appreciation to all market participants who made the transition on April 1 a successful one. Thank you for your cooperation.



OTCBB Foreign Issues & ADRs Registered with the SEC as of 4/1/98

SYMBOL	NAME	SYMBOL	NAME
ACTYF	APPLIED CARBON TECHNOLOGY INC	MIYNF	MILL CITY INTL INC
AGCFF	AGC AMERICAS GOLD CORP (F)	MNEAF	MINERA ANDES (CDA)
AGOYF	ARGOSY MINING CORP	MNEFF	MINEFINDERS LTD
ALVEF	ALEXA VENTURES INC	MNTCF	MIRTRONICS INC (F)
ANAF	A & A INTERNATIONAL INDS	NAXOF	NAXOS RESOURCES LTD
APMLF	AMERICAN PACIFIC MINERALS LTD	NDTVF	NDT VENTURES LTD
ARLRF	ARIEL RESOURCES LTD	NTRDF	NORTRAN PHARMACEUTICALS INC
AROYF	AG ARMENO MINES&MINERALS INC	NUDNF	NU DAWN RES INC
ARYTF	ARYT INDUSTRIES LTD-ORD-	NYBDY	NEW YORK BRKR DEUTSCHLAND ADR
ASTHF	ATS WHEEL INC	OMMDY	OMNI MEDIA PLC SP
BIOHF	BIOTECH HOLDINGS LTD	PMDTF	PARK MEDITECH INC (F)
BTIOF	BATTERY TECHNOLOGIES INC (F)	PRMKF	PROMARK SOFTWARE INC
BWLRF	BREAKWATER RES LTD(NEW)	PSGQF	PEGASUS GOLD INC
CGLDF	CORAL GOLD CORP (F)	PTIDY	PT INTL INDORAYON UTAMA SP ADR
CLPWY	CHINA LIGHT&POWER LTD SPR ADR	QSRTF	QSR LTD
CMTTF	COMET SOFTWARE INTL LTD-ORD	QZMRF	QUARTZ MOUNTAIN RESOURCES LTD
COCBF	COASTAL CARRIBEAN O&M LTD US	RBMXF	ROBOMATIX TECHS LTD -ORD-
CRCUF	CANARC RESOURCE CORP	RCEPF	RECEPTAGEN LTD
CRTCF	CURRENT TECHNOLOGY CORP	REGRF	REG TECHNOLOGIES INC
DPHIF	DELPHI INTL LTD	RPAPF	REPAP ENTERPRISES CORP
EGNHY	EGANA INTL HOLDINGS LT NEW ADR	SKIMF	PHARMA PATCH PLC LTD WT-C 99
EGPSF	ENGINEERING POWER SYS GRP INC	SKIWF	PHARMA PATCH PLC WTS-A 99
FFRXF	FAIRFAX FINL HLD CVR	SKIZF	PHARMA PATCH PLC LTD WTS-B 99
FOTDF	FLOTEK INDUSTRIES INC	SNLMF	SUNCOM TELECOMMUNICATIONS INC
GANDF	GANDALF TECHNOLOGIES INC (F)	SPPPF	SPI SUSPNSN&PARTS IND(ISL)NEW
GBTXF	GLOBALTEX INDUSTRIES INC	TCXUF	TRACER PETROLEUM UT-9/99
GLDUF	GOLDEN RULE RESOURCES LTD	TEPUF	TRANS-ORIENT PETROLEUM LTD
GLXIF	GLENEX INDUSTRIES INC	TFOBF	TELEFONICA DE ARGENTINA B ORD
GRHRF	GRESHAM RESOURCES INC	TGPAF	TECHNIGEN CORP CL A
GRPFF	GRUPO TELEVISIA SA CV ORD PT CT	THLLF	THRILLTIME ENTERTAINMENT INTL
HNFNY	HENG FUNG HLDS CO LTD ADR	TNKRF	T N K RESOURCES INC (F)
HRSNF	HARISTON CORP	TNTTF	TRIAINT TECHNOLOGIES INC
HSDMF	HEMISPHERE DEVELOPMENT CRP(F)	TPPPF	TRIPLE P, N.V.
HTAVF	HERITAGE AMERICAN RESOURCES	TVTGF	TREND VISION TECHNOLOGIES INC
IGRLF	INTER GLOBE RESOURCES LTD	UCCAF	UNICAP COMML CORP CL A
IITCF	IITC HOLDING LTD	UJSAF	URBAN JUICE & SODA CO LTD
IMOBF	IMPERIAL OIL LTD CV CL-B	UVICF	UNILENS VISION INC (F)
IPNRF	INTL PANORAMA RESOURCE CORP	VDCLF	V D C CORPORATION LTD
JECXF	JET ENERGY CORP	VSOGF	VASOGEN INC (F)
KIXXF	KERKHOFF INDS INC	XARPF	ARTAGRAPH REP TECH .12 CV PFDA
KMGCF	KEMGAS LTD (F)	XARTF	ARTAGRAPH REPRODUCTN TECHN INC
LPDUF	LEOPARDUS RES LTD		
LVNVF	LEVON RESOURCES LTD		
MAYNY	MAYNE NICKLESS LTD ADR		
MDSEF	MADISON ENTERPRISES CORP (F)		
MINSF	MINISTOR PERIPHERALS INTL LTD		
MINWF	MINISTOR PERPHRLS INTL WT6/99		

For a list of unregistered securities, please go to the Web site at www.otcbb.com. Click on "General News" and then click on the news story, "SEC Provides List of Registered and Unregistered OTCBB Foreign Equities and ADRs."

OTC Bulletin Board - Top 100 Issues April 1998

AVERAGE DAILY VOLUME

SYMBOL	NAME	SHARE VOLUME	DOLLAR VOLUME	CLOSE PRICE 4/30/98	SYMBOL	NAME	SHARE VOLUME	DOLLAR VOLUME	CLOSE PRICE 4/30/98
CVIA	CORPORATE VISION INC	3,669,408.00	54,927.00	0.01	TNRG	TIANRONG BLDNG MATRL HLDGS LTD	420,901.00	92,127.00	0.15
PRWT	PUREWATER SCIENCES INTL INC	3,540,149.00	33,341.00	0.005	PAAN	PAN AM CORP (NEW)	410,214.00	294,153.00	0.37
HCCA	HEALTHCARE CENTERS OF AMERICA	2,315,656.00	22,963.00	0.01	SALV	SALIVA DIAGNOSTIC SYSTEMS INC	405,573.00	133,082.00	0.4
ADGI	AMERICAN DIVERSIFIED GROUP INC	1,630,172.00	51,814.00	0.02	MTCH	MEDITECH PHARMACEUTICALS	404,479.00	13,639.00	0.02
GLOW	GLOBAL GAMES CORP	1,557,903.00	176,420.00	0.19	REDI	REDDI BRAKE SUPPLY CORP	395,665.00	3,513.00	0.0075
GLCP	GREENLAND CORPORATION	1,553,667.00	213,379.00	0.19	BNEZ	BEN EZRA WEINSTEIN & CO	388,074.00	65,182.00	0.14
PKGP	PACKAGING PLUS SVCS INC NEW	1,506,083.00	68,322.00	0.03	TMMI	T M M INC NEW	365,639.00	6,052.00	0.01
PLFM	PLATFORMS INTL CORP	1,369,200.00	753,235.00	1.37	IDSI	INTELLIGENT DECISION SYS INC	364,491.00	20,010.00	0.06
NAMX	NORTH AMERN EXPLORATION CORP	1,340,599.00	71,125.00	0.05	COII	COMPUTERIZED THERMAL IMAGING	357,147.00	255,284.00	0.94
TSIG	TELESERVICES INTL GROUP INC	1,270,758.00	281,439.00	0.26	EPEA	E-PRIME AEROSPACE CORP	352,713.00	9,630.00	0.02
PNLK	PRO NET LINK CORP	1,264,249.00	3,217,726.00	3.2	ACCR	ACCESS POWER INC	348,179.00	1,119,388.00	3.18
SCTI	SC & T INTL INC	1,164,082.00	281,349.00	0.18	PICK	PICK COMMUNICATION CORP	345,741.00	296,722.00	0.81
FAMH	FIRAMADA INC	1,122,232.00	605,713.00	0.44	FTCFQ	FRUEHAUF TRAILER CORP	342,352.00	7,439.00	0.01
LOCH	LOCH HARRIS INC	1,084,612.00	171,825.00	0.12	TREY	TREASURY INTL INC	342,183.00	10,822.00	0.04
BAAT	B A T INTERNATIONAL INC	892,025.00	735,703.00	0.72	NCII	NORRIS COMMUNICATION INC	338,595.00	27,921.00	0.07
WAVC	WAVERIDER COMMUNICATIONS INC	883,857.00	2,464,603.00	3.06	BRLYQ	BRADLEES INC	334,487.00	84,431.00	0.25
LTGL	LITEGLOW IND INC	874,104.00	60,596.00	0.05	OKOK	OKLAHOMA ENERGY CORP	330,355.00	15,919.00	0.04
TVSI	TRAVIS INDS INC (NEW)	843,789.00	27,710.00	0.02	EXSO	CONS ECO-SYSTEMS INC	325,030.00	25,055.00	0.04
AGTI	ADVANCED GAMING TECHNOLOGY INC	820,141.00	53,905.00	0.05	TEKC	TEKKNOWLEDGE CORP	309,043.00	513,503.00	1.76
MPTV	MPTV INC	816,718.00	6,717.00	0.008	DMEC	DIAMOND ENTERTAINMENT CORP	296,587.00	26,200.00	0.06
EUTO	EUTRO GROUP HOLDING INC	760,709.00	24,352.00	0.02	MEGH	MEGALITH CORP	294,438.00	62,738.00	0.22
ADVR	ADVANCED VIRAL RESEARCH CORP	757,565.00	236,252.00	0.28	COTG	CONS TECHNOLOGY GROUP LTD	291,190.00	75,515.00	0.29
TGSK	TIGERSHARK ENTERPRISES INC	735,720.00	811,923.00	1.24	CHTL	CHANTAL PHARMACEUTICAL CORP	284,950.00	22,334.00	0.06
TSIS	INTERACTIVE TELESIS INC (NEW)	721,487.00	368,243.00	0.52	PTHR	PANTHER RESOURCES LTD	284,644.00	123,980.00	0.53
AETTQ	ALLIANCE ENTERTAINMENT CORP	706,251.00	107,082.00	0.16	POKR	CASINO AIRLINK INC	284,340.00	95,791.00	0.28
DGIV	DIGITCOM INTERACTIVE VIDEO NWK	681,512.00	3,343,170.00	7	LGOV	LARGO VISTA GROUP LTD	282,548.00	55,833.00	0.25
GTMI	GLOBAL TELEMEDIA INTL INC	667,942.00	319,800.00	0.36	IECS	INDUSTRIAL ECOSYSTEMS INC	280,718.00	91,053.00	0.39
TPII	TRANSFORMATION PROCESSING INC	662,527.00	902,413.00	1.46	ABCP	AMBASE CORP	273,400.00	1,045,260.00	3.7
ARET	AMERIRESOURCE TECHNOLOGIES INC	648,823.00	9,144.00	0.01	NTAH	NEVTAH CAPITAL MGMT CORP	272,376.00	110,457.00	0.3
SIDT	SI DIAMOND TECHNOLOGY INC	631,724.00	87,331.00	0.13	WINA	WINNERS ALL INTL INC	269,225.00	85,966.00	0.41
MDIN	MEDINAH ENERGY INC NEW	617,415.00	238,698.00	0.44	ETPI	ENTERTAINMENT TECHN&PROGS INC	269,178.00	194,681.00	0.64
SNRS	SUNRISE TECHNOLOGIES INTL INC	610,984.00	4,813,668.00	8.46	EGNS	EGAN SYSTEMS INC	268,421.00	645,862.00	2.46
GNNX	GENESIS MEDIA GROUP INC	604,969.00	1,075,823.00	2.03	DREV	DRAGON ENVRMNTL (UK) LTD	266,718.00	96,649.00	0.33
FNTN	FINANCIAL INTRANET INC	602,029.00	343,973.00	0.8	FLNK	FUTURELINK DISTRIBUTION CORP	263,874.00	918,400.00	3.18
NETZ	NETMASTER GROUP INC	600,314.00	318,256.00	0.52	JBRD	J-BIRD MUSIC GROUP LTD	262,675.00	273,016.00	1
MCYX	MICROLYTICS INC	564,300.00	14,251.00	0.02	HABE	HABER INC	261,599.00	23,642.00	0.08
CSHK	CASHCO MNGMT INC	540,351.00	245,929.00	0.37	GKIS	GK INTELLIGENT SYSTEMS INC	259,486.00	968,235.00	4.87
SFAD	SAFE TECHNOLGS INTL INC	496,137.00	33,058.00	0.06	WLFN	WOLF INDUSTRIES INC	258,090.00	159,539.00	0.76
AVBC	AQUA VIE BEVERAGE CORP	495,937.00	169,431.00	0.27	CAWS	CAI WIRELESS SYSTEMS INC	257,654.00	87,828.00	0.4
HOPR	HOLLY HOLDINGS INC	491,548.00	3,698.00	0.0075	AMDD	AMDL INC	256,415.00	49,963.00	0.2
RPAPF	REPAP ENTERPRISES CORP	485,883.00	124,080.00	0.23	DACQ	DYNAMIC AMERN CORP	252,018.00	1,908.00	0.008
ENZH	ENZYMES AMERICAN HOLDING CORP	478,820.00	2,873.00	0.002	ALYA	ALYA INTERNATIONAL INC	250,637.00	225,304.00	1.43
ABMI	AMERICAN BIOMED INC	472,292.00	314,801.00	0.7	KMGG	KALEIDOSCOPE MEDIA GROUP INC	248,255.00	397,584.00	1.59
NHLT	NATIONAL HEALTH & SAFETY CORP	467,592.00	124,039.00	0.44	MDCE	MEDIACONCEPTS INC	247,696.00	41,005.00	0.2
ICVI	INTL CASINO CRUISES	462,796.00	33,364.00	0.06	MPIX	MICROELECTRONIC PACKAGING INC	244,430.00	173,187.00	0.76
MINE	GOLDEN EAGLE INTL INC	455,064.00	61,674.00	0.13	TOWVQ	STRATOSPHERE CORP	242,198.00	29,272.00	0.1
NPEC	NP ENERGY CORP NEW	451,235.00	22,849.00	0.05	ATCO	AMERICAN TECHNOLOGY CORP	239,324.00	1,682,598.00	11.37
VTEH	VENTURE TECH INC	445,791.00	460,538.00	1.28	INGO	INTL INDIGO INDS INC	232,865.00	51,916.00	0.1
XLCY	EXCEL LEGACY CORP	438,841.00	2,426,491.00	5.25	MVEE	1ST MIRACLE GROUP INC	232,440.00	29,420.00	0.12
CHUR	CHURCHILL TECHNOLOGY INC	432,897.00	6,835.00	0.008					
NYRR	NEW YORK REGIONAL RAIL CORP	427,803.00	83,704.00	0.19					

SOURCE: NASDAQ TRADING & MARKET SERVICES

Web Site Launch a Success

The OTCBB launched its new Web site on March 31, 1998 with great success. Prior to the date, launch packages—complete with a detailed brochure depicting the homepage and explaining the site—were sent out to market participants so they could navigate the new site with ease.

The Web site, www.otcbb.com, is designed for Market Makers, issuers, investors, and market data vendors who currently use the

OTCBB or who are interested in learning about the service. Individuals requiring trading data are able to access the daily list, current statistics, historical data, and information about the research services that the OTCBB provides.

Beyond such data, the Web site is a cost- and time-saving tool because it allows users to access forms, books, and more without calling Nasdaq for hard copies. For example, OTCBB traders and

compliance officers are able to download and print Form 211s and other exemption forms directly from the site. Additionally, all of the components of the *OTC Bulletin Board Handbook* have been integrated into the site, including a user guide. Current and past issues of the *OTC Bulletin Board Update* and the most current *Fact Book and Company Directory* are available as well.

Fact Book Will be On-Line Only

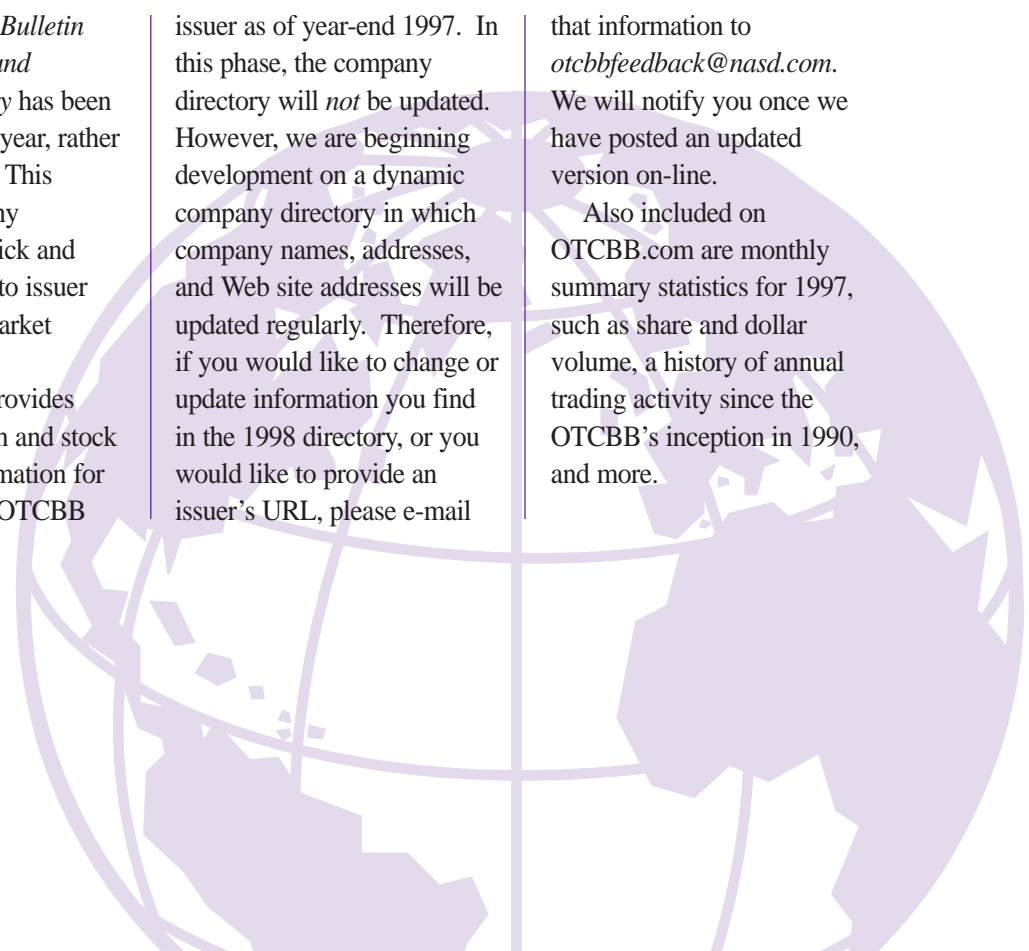
The 1998 *OTC Bulletin Board Fact Book and Company Directory* has been issued on-line this year, rather than in hard copy. This change provides any interested party quick and convenient access to issuer information and market statistics.

The directory provides contact information and stock performance information for each participating OTCBB

issuer as of year-end 1997. In this phase, the company directory will *not* be updated. However, we are beginning development on a dynamic company directory in which company names, addresses, and Web site addresses will be updated regularly. Therefore, if you would like to change or update information you find in the 1998 directory, or you would like to provide an issuer's URL, please e-mail

that information to otcbbfeedback@nasd.com. We will notify you once we have posted an updated version on-line.

Also included on OTCBB.com are monthly summary statistics for 1997, such as share and dollar volume, a history of annual trading activity since the OTCBB's inception in 1990, and more.



Contact List

Director

(202) 728-8832
Adena T. Friedman
friedmaa@nasdaq.com

Legal Contact

(202) 728-8869
Andrew S. Margolin
margolia@nasdaq.com

Research Service

(202) 728-8477
Liz Parker
Greg Wolfgram
Paul Zaremba
research@nasdaq.com

Form 211 Application Information

(301) 208-2802
OTC Compliance Unit

Symbol Change, Name Change, or Stock Split

(203) 375-9609
Market Data Integrity

Using the OTCBB Service

(203) 378-0284
Market Operations

The OTC Bulletin Board Update is a quarterly publication which provides information on developments and policies affecting OTCBB Market Makers and issuers. The OTCBB welcomes your comments or suggestions for future issues.

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