

SEC NEWS DIGEST

Issue 98-235

December 8, 1998

RULES AND RELATED MATTERS

PROPOSED AMENDMENTS REGARDING DEREGISTRATION OF REGISTERED INVESTMENT COMPANIES

The Commission has issued a release proposing amendments to Form N-8F and Rule 8f-1 under the Investment Company Act, the form and rule that govern the deregistration of certain investment companies. The proposed amendments are designed to simplify and reorganize Form N-8F and would expand the circumstances in which investment companies may use the form. The release also contains proposed amendments to Regulation S-T to require that investment companies file Form N-8F on EDGAR. FOR FURTHER INFORMATION, contact Robin Gross Lehv at (202) 942-0690. (Rel. IC-23588; File No. S7-31-98)

ENFORCEMENT PROCEEDINGS

FINAL JUDGMENT ISSUED IN SEC v. HAHN TRUONG, ET AL.

On November 30, 1998, the Honorable Spencer Williams, Senior United States District Judge for the Northern District of California, entered a final judgment against Mike Pirbazari (Pirbazari) permanently enjoining him from violating the antifraud provisions of the federal securities laws. The final judgment also sets disgorgement of Pirbazari's ill-gotten gains, plus prejudgment interest, at \$6,194.62 and imposes a civil penalty of \$5,125.00.

The Commission's complaint, filed on November 16, 1998, alleges that Hahn Truong used confidential corporate information in selling shares in his then-employer, Molecular Dynamics, Inc. (Molecular), and tipped his brothers Hieu Truong (Hieu) and Hen Truong, and his friend Christopher Nguyen, each of whom sold all of his Molecular shares and sold short additional Molecular shares. The Commission's complaint further alleges that Hieu in turn tipped his sister-in-law, Nina Vinh (Nina), who sold all of her Molecular shares, sold short additional Molecular shares and tipped her sister and her friend, Pirbazari, each of whom sold all of her/his Molecular shares. The defendants and Nina's sister avoided losses totaling \$294,151 and made short selling profits of \$134,985. [SEC v. Hahn Truong, Hieu Truong, Hen Truong, Nina Vinh, Mike Pirbazari and Christopher Nguyen, Civil Action No. C-98-21137 SW, ND Cal.] (LR-15994)

INVESTMENT COMPANY ACT RELEASES

COVA FINANCIAL SERVICES LIFE INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until December 29 to request a hearing on an application filed by Cova Financial Services Life Insurance Company, First Cova Life Insurance Company, Cova Financial Life Insurance Company, Cova Variable Annuity Account One, Cova Variable Life Account One, First Cova Variable Annuity Account One, Cova Variable Annuity Account Five, Cova Series Trust, Lord Abbett Series Fund, Inc., and General American Capital Company (collectively, Applicants). Applicants seek an order pursuant to Section 26(b) of the Investment Company Act approving the proposed substitution of securities, and pursuant to Section 17(b) of the Act exempting related transactions from Section 17(a) of the Act. (Rel. IC-23589 - December 4)

HOLDING COMPANY ACT RELEASES

AMEREN CORPORATION

A notice has been issued giving interested persons until December 28 to request a hearing on a proposal by Ameren Corporation (Ameren), a registered holding company. Ameren requests authority to implement a shareholder rights plan that gives Ameren's board of directors the right to issue additional shares of stock in the event of a takeover attempt. (Rel. 35-26948)

SELF-REGULATORY ORGANIZATIONS

PROPOSED RULE CHANGE

The Boston Stock Exchange filed a proposed rule change (SR-BSE-98-7) that would modify performance measures under the Exchange's Specialist Performance Evaluation Program pilot and would make the pilot permanent. Publication of the proposal is expected in the Federal Register during the week December 7. (Rel. 34-40746)

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change (SR-AMEX-98-29) and issued notice of filing and granted accelerated approval to Amendment No. 2 to the proposed rule change submitted by the American Stock Exchange relating to the listing under Rules 1000A et seq. of Select Sector SPDRSSM and Technology 100 Index Fund Shares. Publication of the order is expected in the Federal Register during the week of December 7. (Rel. 34-40749)

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-B GENERALITAT DE CATALUNYA, DEPARTAMENT D EDONOMIA I FINANCES,
RAMBLA DE CATALUNYA 19-21, BARCELONA SPAIN, U3 - 200,000,000
(\$200,000,000) STRAIGHT BONDS. (FILE 333-9666 - NOV. 24) (BR. 99)
- F-10 IMAX CORP, 2525 SPEAKMAN DRIVE, MISSISSAUGA L5K1B1, TORONTO ONTARIO, A6
M4Y1S (905) 403-6500 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE
333-9670 - NOV. 24) (BR. 5)
- F-3 INSTRUMENTARIUM CORP, ELIMAENKATU 22, SF-00510 HELSINKI, FINLAND, H9 -
800,000 (\$32,632,000) WARRANTS, OPTIONS OR RIGHTS. (FILE 333-9674 -
NOV. 25) (BR. 5)
- S-8 ARCH COAL INC, CITY PLACE ONE STE 300, ARCH MINERAL CORP, ST LOUIS, MO
63141 (314) 994-2700 - 10,000,000 (\$10,000,000)
OTHER SECURITIES INCLUDING VOTING TRUST. (FILE 333-68131 - DEC. 01)
(BR. 4)
- S-4 NEW PLAYBOY INC, 680 NORTH LAKE SHORE DRIVE, CHICAGO, IL 60611
(312) 751-8000 - 23,716,394 (\$320,459,261) COMMON STOCK. (FILE 333-68139 -
DEC. 01) (NEW ISSUE)
- S-3 PC QUOTE INC, 300 S WACKER DR, STE 300, CHICAGO, IL 60606 (312) 913-2800
- 118,000 (\$199,125) COMMON STOCK. (FILE 333-68141 - DEC. 01) (BR. 7)
- S-8 FFP MARKETING CO INC, 2801 GLENDA AVE, FT WORTH, TX 75243 (817) 838-4767
- 234,333 (\$695,666.48) COMMON STOCK. (FILE 333-68143 - DEC. 01) (BR. 2)
- S-3 ENHANCE FINANCIAL SERVICES GROUP INC, 335 MADISON AVE, NEW YORK, NY
10017 (212) 983-3100 - 1,656,394 (\$23,454,539) COMMON STOCK. (FILE
333-68145 - DEC. 01) (BR. 1)
- S-8 PERKIN ELMER CORP, 761 MAIN AVE, NORWALK, CT 06859 (203) 762-1000 -
25,000 (\$2,269,532.50) COMMON STOCK. (FILE 333-68147 - DEC. 01) (BR. 5)
- S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262
(513) 459-1200 - 18,346 (\$987,254) COMMON STOCK. (FILE 333-68149 -
DEC. 01) (BR. 2)
- S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262
(513) 459-1200 - 19,348 (\$1,041,174) COMMON STOCK. (FILE 333-68151 -
DEC. 01) (BR. 2)
- S-8 FLEET FINANCIAL GROUP INC, ONE FEDERAL STREET, BOSTON, MA 02211
(617) 346-4000 - 200,000 (\$8,432,000) COMMON STOCK. (FILE 333-68153 -
DEC. 01) (BR. 7)
- S-8 RURAL METRO CORP /DE/, 8401 EAST INDIAN SCHOOL RD, SCOTTSDALE, AZ 85251
(602) 944-3886 - 4,000 (\$39,750) COMMON STOCK. (FILE 333-68161 - DEC. 01)
(BR. 5)

SB-2 CARDIA INC, 501 EAST HIGHWAY 13, BURNSVILLE, MN 55337 (612) 890-1123 - 500,000 (\$500,000) COMMON STOCK. (FILE 333-68167 - DEC. 01) (NEW ISSUE)

S-8 NEW ERA OF NETWORKS INC, 7400 E ORHARD RD, STE 230, ENGLEWOOD, CO 80111 (303) 694-3933 - 51,475 (\$677,925.75) COMMON STOCK. (FILE 333-68173 - DEC. 01) (BR. 3)

S-3 NBH INC, 1440 KIEWIT PLZ, OMAHA, NE 68131 (402) 346-1400 - 700,000 (\$1,157,796,274) COMMON STOCK. (FILE 333-68175 - DEC. 01)

S-8 SCHOLASTIC CORP, 555 BROADWAY, NEW YORK, NY 10012 (212) 343-6100 - 200,000 (\$9,570,000) COMMON STOCK. (FILE 333-68181 - DEC. 01) (BR. 5)

S-3 SONIC AUTOMOTIVE INC, 5401 EAST INDEPENDENCE BLVD, PO BOX 18747, CHARLOTTE, NC 28026 (704) 532-3354 - 720,281 (\$19,245,908) COMMON STOCK. (FILE 333-68183 - DEC. 01) (BR. 2)

S-8 SCHOLASTIC CORP, 555 BROADWAY, NEW YORK, NY 10012 (212) 343-6100 - 150,000 (\$7,177,500) COMMON STOCK. (FILE 333-68185 - DEC. 01) (BR. 5)

S-8 LADD FURNITURE INC, 4620 GRANDOVER PARKWAY, P O BOX 26777, GREENSBORO, NC 27417 (336) 294-5233 - 7,500,000 (\$7,500,000) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE 333-68189 - DEC. 01) (BR. 6)

S-8 FIRSTWORLD COMMUNICATIONS INC, 9333 GENESEE AVE, SUITE 200, SAN DIEGO, CA 92121 (619) 552-8010 - 2,805,000 (\$16,830,000) COMMON STOCK. (FILE 333-68195 - DEC. 01) (BR. 7)

S-3 DAOU SYSTEMS INC, 5120 SHOREHAM PL, SAN DIEGO, CA 92122 (619) 452-2221 - 2,116,732 (\$8,202,337) COMMON STOCK. (FILE 333-68197 - DEC. 01) (BR. 9)

S-3 SOUTHERN CALIFORNIA WATER CO, 630 E FOOTHILL BLVD, SAN DIMAS, CA 91773 (909) 394-3600 - \$60,000,000 STRAIGHT BONDS. (FILE 333-68201 - DEC. 01) (BR. 2)

SB-2 PARADIGM ADVANCED TECHNOLOGIES INC, 270 DRUMLIN CIRCLE L4K 3E2, CONCORD ONTARIO, NORTCANADA, A6 (416) 929-6565 - 20,428,333 (\$1,916,177.64) COMMON STOCK. (FILE 333-68203 - DEC. 01) (BR. 9)

S-8 GADZOOKS INC, 4121 INTERNATIONAL PKWY, CARROLLTON, TX 75007 (972) 307-5555 - 200,000 (\$1,487,500) COMMON STOCK. (FILE 333-68205 - DEC. 01) (BR. 2)

SB-2 FIRST COASTAL BANCSHARES, 275 MAIN STREET, EL SEGUNDO, CA 90245 (310) 322-2222 - 660,000 (\$9,075,000) COMMON STOCK. (FILE 333-68207 - DEC. 01) (NEW ISSUE)

S-3 AMR CORP, 4333 AMON CARTER BLVD, FORT WORTH, TX 76155 (817) 963-1234 - 500,000,000 (\$500,000,000) STRAIGHT BONDS. (FILE 333-68211 - DEC. 01) (BR. 5)

SB-2 SARATOGO HOLDINGS I INC, 301 CONGRESS SUITE 1550, AUSTIN, TX 78701 (512) 478-5717 - 3,565,292 (\$10,695.88) COMMON STOCK. (FILE 333-68213 - DEC. 01) (NEW ISSUE)