

SEC NEWS DIGEST

Issue 2000-9

January 13, 2000

COMMISSION ANNOUNCEMENTS

INTERNATIONAL ACCOUNTING STANDARDS COMMITTEE NOMINATING COMMITTEE

IASC Nominating Committee Begins Trustee Selection Process; SEC Chairman Arthur Levitt Named Committee Chair

The Nominating Committee formed by the International Accounting Standards Committee (IASC) had its first meeting and initiated its search and selection process for 19 individuals who will serve as Trustees of the restructured IASC. The Trustees will be responsible for selection of members of the IASC Board, oversight of the organization and fundraising, among other duties. Arthur Levitt was named Chairman of the Nominating Committee.

The Nominating Committee's members are:

- * Dr. Karl H. Baumann, Chairman of the Supervisory Board, Siemens, and Deputy Chairman of the German Accounting Standards Board;
- * Mr. James E. Copeland, Jr., Chief Executive Officer, Deloitte Touche Tohmatsu;
- * Mr. Howard Davies, Chairman, UK Financial Services Authority;
- * Mr. Arthur Levitt, Chairman, US Securities and Exchange Commission;
- * Mr. Michel Prada, Chairman, French Commission des Operations de Bourse;
- * Mr. Andrew Sheng, Chairman, Hong Kong Securities and Futures Commission; and
- * Mr. James Wolfensohn, President, The World Bank

The Nominating Committee affirmed its intention to seek 19 individuals whose independence and commitment to the public interest are unquestioned, who have the profile and standing to attract a high level of support for the IASC in its work, and who have the ability to obtain commitments for the significant financial resources needed.

The wide ranging and in-depth selection process will include solicitation of nominations from international and regional organizations with an interest in financial reporting, as well as consultation with several organizations that currently are members of the IASC Board.

The Committee established a timetable to complete its work prior to the May 2000 meeting of the membership of the IASC, when the constitutional amendments to implement the restructuring must be approved.

Chairman Arthur Levitt said, "We are committed to providing the IASC with the best possible leadership for the 21st century. While this is an aggressive timetable for such a significant responsibility, I am confident that with the outstanding individuals who are members of the Nominating Committee, we will be able to fulfill our responsibilities and provide the IASC with a superb group of Trustees."

BACKGROUND NOTES

The IASC's Restructuring

The Board of the IASC recently approved proposals for its restructuring, based on recommendations of a Strategy Working Party (SWP) set up in 1997. As a result, significant changes to the IASC are planned, subject to confirmation by the IASC's membership, that include creation of a board of Trustees, and substantial revision to the IASC's main operating body, the Board. The duties of the Trustees will include selection and appointment of the IASC Board members, oversight of the organization and fundraising. These changes are described more fully in the SWP paper, available at the IASC's website (www.iasc.org.uk/docs.swp_rep/pdf).

Implementation of the restructuring proposal began with the appointment of a Nominating Committee. This Committee is responsible for appointing the initial group of Trustees, after which the Committee will be disbanded. A further description of the Committee and its responsibilities, including its membership, is available in a December 17, 1999 IASC news release, also posted by the IASC on its website.

Description of Trustee Appointments

Each Trustee appointment will be of an individual, rather than an organization, and all the Trustees will be charged to act in the public interest. Eight Trustees will be selected by the Committee after consultation with international bodies identified by the SWP. The remaining eleven Trustees are to be "at large" members. To ensure a broad international base, Trustees will be appointed so that there will be six from North America, six from Europe, four from Asia Pacific, and three others from any area, as long as geographic balance is maintained. The details of the Trustees' appointment and responsibilities, including the criteria for

appointment, are set out in paragraphs 24-35 of the SWP report.

Trustee Nomination and Evaluation

Nominations will be sought from international, regional, and national organizations that have an identified interest in financial reporting, including current members of the IASC, its Consultative and Advisory groups. Nominations also are welcomed from individuals and groups not contacted directly by the Nominating Committee.

The Nominating Committee has developed a candidate information sheet that should be completed to submit a nomination for its consideration. Copies of this sheet are available on the IASC website. The completed nomination forms are requested by 31 January 2000.

COMMISSION MEETINGS

CLOSED MEETING - THURSDAY, JANUARY 20, 2000 - 11:00 A.M.

The subject matters of the closed meeting scheduled for Thursday, January 20, 2000, will be: A litigation matter; Institution and settlement of injunctive actions; and Institution and settlement of administrative proceedings of an enforcement nature.

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 at (202) 942-7070.

RULES AND RELATED MATTERS

ADOPTION OF UPDATED EDGAR FILER MANUAL

A revised EDGAR Filer Manual will become effective on January 24, 2000. This new version of EDGAR and the EDGAR Filer Manual (Release 6.75) incorporates new Williams Act submission types to accommodate the new rules that will become effective January 24, 2000. We are also deleting eight old form types.

We also have added a new section to the appendix that groups several new and existing submission types used by investment companies to make filings under Securities Act Rules 425, 473, 477, and 482. In addition, EDGAR will add the submission's accession number to all acceptance and suspension messages sent to filers and EDGARLink will allow filers to perform a version verify upgrade while in a Windows environment.

Filers may continue to obtain paper copies of the updated Filer Manual from our Public Reference Room and Disclosure Incorporated (the paper and microfiche contractor for the Commission) in addition

to electronic copies on the SEC's Web Site. The SEC's Web Site address for the Filer Manual is <http://www.sec.gov/asec/ofis/filerman.htm>. (Refs. 33-7789; 34-42327; 35-27123; 39-2380; IC-24235)

ENFORCEMENT PROCEEDINGS

IN THE MATTER OF MGSI SECURITIES, INC., ET AL.

In a decision issued today, Administrative Law Judge William J. Cowan ordered that the registration of MGSI Securities, Inc., a broker-dealer, be revoked because of its failure to answer charges that it violated the antifraud provisions of the federal securities laws. Charges against two registered representatives of MGSI, Connie L. Bally and Larry J. Bagwell, were dismissed. Bally and Bagwell had been charged with fraudulent conduct in violation of federal securities laws in connection with sales of volatile collateralized mortgage obligations (CMOs) to municipalities during 1993-94. Two other representatives of MGSI who were similarly charged, Bradford A. Orosey and Joseph O. Fallin, reached settlements that were approved by the Commission. A settlement is pending with another former MGSI representative, James W. Ogg. (Initial Decision Rel. No. 156; File No. 3-9702)

ADMINISTRATIVE AND CEASE AND DESIST PROCEEDINGS SETTLED AGAINST OLIVER WILLIAMS

On January 12, the Commission entered an Order Making Findings and Imposing Sanctions and A Cease-and-Desist Order (Order) against Oliver Williams (Williams) of Miami, FL. The Commission accepted Williams' Offer of Settlement, pursuant to which Williams consented to a suspension from association with any broker, dealer or municipal securities dealer for a period of twelve months. Williams consented to the entry of the Order without admitting or denying the allegations of the Commission's complaint.

Previously, on August 20, 1998, the Commission instituted administrative and cease and desist proceedings pursuant to Section 8A of the Securities Act of 1933 (Securities Act) and Sections 15(b), 15B(c)(4), 19(h) and 21C of the Securities Exchange Act of 1934 (Exchange Act), against Williams. The Order Instituting Proceedings alleged that Williams operated as a non-registered principal of a municipal securities broker-dealer and that Williams was the president and sole owner of that broker-dealer. The Order further alleged that from February through April 1996, while unregistered, the broker-dealer, through Williams, executed underwriting agreements which contained misrepresentations regarding the broker-dealer's registration and capitalization status.

Williams was ordered to cease and desist from committing violations of Section 17(a) of the Securities Act, Sections 10(b), 15(c)(1),

15B(a)(1) and 15B(c)(1) of the Exchange Act, and Rules 10b-5 and 15c1-2, thereunder; and Rules G-2 and G-17 of the Municipal Securities Rulemaking Board. (Rel. 33-7791; 34-42333; File No. 3-9681)

COMMISSION BARS JOHN SEBASTIAN RAGAZZO FROM ASSOCIATION WITH ANY BROKER OR DEALER

In an administrative proceeding, the Commission barred John Sebastian Ragazzo (Ragazzo) from associating with any broker/dealer. The bar is based on an injunction ordered in a federal lawsuit based on his alleged participation in a Ponzi scheme (SEC v. John Sebastian Ragazzo, 97 CIV 7140, CD Cal). The injunction was based on allegations that, from December 1994 to December 1995, Ragazzo raised approximately \$240,000 by selling unregistered securities in a company he owned and operated called Arista Capital Corporation to twenty-four different investors. Ragazzo made numerous misrepresentations and omissions regarding the use of proceeds, the rate of return and the risk of the investment. Investors were told that their funds would be used to fund a marketing operation that would solicit applications for credit cards on behalf of participating banks. Instead of using the investors' money as represented, Ragazzo misappropriated a majority of the approximately \$240,000 of investor funds for his own personal purposes.

Ragazzo consented to the entry of the injunction without admitting or denying the facts alleged in the SEC's complaint. Ragazzo also consented to the bar. Ragazzo, formerly of Balboa Island, California, is currently serving a 41 month prison term, for other criminal activities, at the federal correctional facility in Lompoc, California. (Rel. 34-42334; File No. 3-10131)

INVESTMENT COMPANY ACT RELEASES

PACIFIC LIFE INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until February 2, 2000, to request a hearing on an application filed by Pacific Life Insurance Company (Pacific Life), Pacific Life Insurance Company Separate Account A (Separate Account A), Pacific Life Insurance Company Separate Account B (Separate Account B), Pacific Select Fund (Select Fund), and Pacific Innovations Trust (Innovations Trust). The applicants seek an order under Section 26(b) of the Investment Company Act, to permit each subaccount of Separate Account B, a segregated asset account of Pacific Life that serves as a funding vehicle for the Innovations Trust variable annuity contracts, to replace shares of each portfolio of Innovations Trust with shares of a designated portfolio of Select Fund. The applicants also seek an exemption from Section 17(a) of the Act to the extent necessary: (i) to permit the consolidation of Separate Account A, a segregated asset account of Pacific Life that serves as a funding vehicle for certain variable annuity contracts issued by Pacific Life, and

Separate Account B, by transferring the assets and liabilities of Separate Account B to Separate Account A; and (ii) to permit the applicants to carry out the substitutions described in the application by way of in-kind redemptions and purchases. (Rel. IC-24237 - January 11)

SECURITY EQUITY FUND, ET AL.

An order has been issued on an application filed by Security Equity Fund, et al. under Section 6(c) of the Investment Company Act exempting applicants from Section 15(a) of the Act and Rule 18f-2 under the Act. The order permits applicants to enter into and materially amend investment management agreements with subadvisers without shareholder approval. (Rel. IC-24239 - January 12)

ORDERS OF DEREGISTRATION UNDER THE INVESTMENT COMPANY ACT

Orders have been issued under Section 8(f) of the Investment Company Act declaring that each of the following has ceased to be an investment company:

Empirical Growth Fund

[File No. 811-8493]

(Rel. IC-24240 - January 12, 2000)

American Association of Homes for the Aging Tax-Free Trust, High Income Series 1

[File No. 811-5249]

(Rel. IC-24241 - January 12, 2000)

WPG Growth Fund

[File No. 811-4446]

(Rel. IC-24242 - January 12, 2000)

Bear Stearns Investment Trust

[File No. 811-7290]

(Rel. IC-24243 - January 12, 2000)

LifeUSA Funds, Inc.

[File No. 811-7865]

(Rel. IC-24244 - January 12, 2000)

IAI Investment Funds V, Inc.

[File No. 811-4463]

(Rel. IC-24245 - January 12, 2000)

The Alabama Tax-Exempt Bond Trust, Series 5

[File No. 811-5044]

(Rel. IC-24246 - January 12, 2000)

The Fahnestock Funds

[File No. 811-6166]

(Rel. IC-24247 - January 12, 2000)

Lexington Convertible Securities Fund

[File No. 811-4925]

(Rel. IC-24248 - January 12, 2000)

Lexington Strategic Investments Fund, Inc.

[File No. 811-2506]

(Rel. IC-24249 - January 12, 2000)

HOLDING COMPANY ACT RELEASES

CINERGY CORP., ET AL. NEW CENTURY ENERGIES, INC., ET AL.

An order has been issued authorizing Cadence Network LLC, a nonutility subsidiary of Cinergy Corp. and New Century Energies, Inc., both registered holding companies, to offer certain energy management services and consulting services outside the United States through January 31, 2005. Cadence also has been authorized to provide these services directly or indirectly through one or more special-purpose subsidiaries. The Commission has reserved jurisdiction over the provision of the services outside of the U.S., except for Canada and Mexico, pending completion of the record. (Rel. 35-27124)

SELF-REGULATORY ORGANIZATIONS

JOINT INDUSTRY PLANS

The Commission granted accelerated approval to a proposed Plan amendment submitted pursuant to Rule 11Aa3-2(c)(3)(i) under the Securities Exchange Act of 1934 by the Options Price Reporting Authority (SR-OPRA-00-01) adopting a temporary capacity allocation plan, scheduled to expire on January 30, 2000. (Rel. 34-42328)

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: <publicinfo@sec>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

S-8 FLORIDA PROGRESS CORP, ONE PROGRESS PLAZA, SUITE 2600, ST PETERSBURG,
FL 33701 (727) -82-0-51 - 500,000 (\$20,645,000) COMMON STOCK (FILE
333-94143 - JAN 06) (BR 2)

S-8 VECTOR ENERGY CORP /TEXAS/, 5599 SAN FELIPE, SUITE 620, HOUSTON, TX
77056 (713) 850-9993 - 6,000,000 (\$2,229,000) COMMON STOCK. (FILE
333-94145 - JAN 06) (BR 4)

SB-2 INTELLIQUIS INTERNATIONAL INC, 352 WEST 12300 SOUTH SUITE 300, DRAPER,
UT 84020 (801) 990-2600 - 14,193,104 (\$10,039,086) COMMON STOCK (FILE
333-94149 - JAN 06) (BR. 4)

S-3 PER SE TECHNOLOGIES INC, 2840 MT WILKINSON PARKWAY, SUITE 300, ATLANTA,
GA 30339 (770) 444-5300 - 333,331 (\$2,583,315) COMMON STOCK. (FILE
333-94151 - JAN 06) (BR. 1)

S-8 WILSHIRE REAL ESTATE INVESTMENT TRUST INC, 1310 S W 17TH ST. PORTLAND,
OR 97201 (503) 721-6500 - 3,500,000 (\$7,656,250) COMMON STOCK. (FILE
333-94153 - JAN. 06) (BR. 8)

S-8 ALLERGAN INC, 2525 DUPONT DRIVE, IRVINE, CA 92612 (714) 246-4500 -
500,000 (\$24,687,500) COMMON STOCK. (FILE 333-94155 - JAN. 06) (BR. 1)

S-8 ALLERGAN INC, 2525 DUPONT DRIVE, IRVINE, CA 92612 (714) 246-4500 -
12,500,000 (\$12,500,000) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE
333-94157 - JAN 06) (BR. 1)

S-8 CHESAPEAKE UTILITIES CORP, 909 SILVER LAKE BLVD, PO BOX 615, DOVER, DE
19904 (302) 734-6799 - 200,000 (\$3,718,750) COMMON STOCK. (FILE 333-94159
- JAN. 06) (BR. 2)

S-3 INHALE THERAPEUTIC SYSTEMS INC, 150 INDUSTRIAL RD., SAN CARLOS, CA 94070
(650) 631-3100 - 93,625,000 (\$93,625,000) STRAIGHT BONDS. (FILE 333-94161
- JAN 06) (BR 1)

S-8 SCIQUEST COM INC, 5151 MCCRIMMON PARKWAY, SUITE 208, MORRISVILLE, NC
27560 (919) 659-2100 - 4,911,058 (\$190,745,493) COMMON STOCK (FILE
333-94163 - JAN 06) (BR. 8)

S-8 AVID TECHNOLOGY INC, METROPOLITAN TECHNOLOGY PARK, ONE PARK WEST,
TEWKSBURY, MA 01876 (978) 640-6789 - 1,250,000 (\$16,484,375) COMMON STOCK
(FILE 333-94167 - JAN 06) (BR. 5)

S-8 INCARA PHARMACEUTICALS CORP, 3200 E HIGHWAY STE 300,
PO BOX 14287 CAPE FEAR BLDG STE 101, RESEARCH TRIANGLE PA, NC 27709
(919) 558-8688 - 1,400,000 (\$2,012,500) COMMON STOCK. (FILE 333-94169 -
JAN 06) (BR 1)

S-8 EMARKETPLACE INC, 255 WEST JULIAN STREET, SUITE 100, SAN JOSE, CA 95110
(408) 295-6500 - 2,742,833 (\$12,576,959.44) COMMON STOCK. (FILE 333-94171
- JAN 06) (BR 3)

S-3 CROSSWALK COM, 4100 LAFAYETTE CENTER DR, STE 110, CHANTILLY, VA 20151
(703) 968-4808 - 250,000 (\$1,281,250) COMMON STOCK. (FILE 333-94173 -
JAN. 06) (BR 9)

S-3 SBA COMMUNICATIONS CORP, ONE TOWN CENTER RD, THIRD FLOOR, BOCA RATON, FL
33486 (561) 995-7670 - \$100,000,000 COMMON STOCK. (FILE 333-94175 -
JAN 06) (BR 6)

S-4 WWW HOLDINGS INC, 3100 NEW YORK DRIVE, PASADENA, CA 91107 (626) 296-2483
- \$3,536,130,906 PREFERRED STOCK (FILE 333-94177 - JAN 06) (NEW ISSUE)

S-3 CORDANT TECHNOLOGIES INC, 15 W. SOUTH TEMPLE, SUITE 1600,
SALT LAKE CITY, UT 84101 (801) 933-4000 (FILE 333-94179 - JAN. 06) (BR 5)

S-8 GENTA INCORPORATED /DE/, 99 HAYDEN AVE, SUITE 200, LEXINGTON, MA 02421
(781) 860-5150 - 6,750,000 (\$18,605,898 70) COMMON STOCK. (FILE 333-94181
- JAN 06) (BR. 1)

S-8 TALK CITY INC, 307 ORCHARD CITY DRIVE, STE 304, CAMPBELL, CA 95008
(408) 871-3200 - 5,787,706 (\$64,301,413.66) COMMON STOCK (FILE 333-94183
- JAN 06) (BR 8)

S-8 GENTA INCORPORATED /DE/, 99 HAYDEN AVE, SUITE 200, LEXINGTON, MA 02421
(781) 860-5150 - 3,000,000 (\$8,438,600) COMMON STOCK. (FILE 333-94185 -
JAN. 06) (BR 1)

S-3 GENZYME TRANSGENICS CORP, 175 CROSSING BLVD, FRAMINGHAM, MA 01701
(508) 620--970 - 3,450,000 (\$38,812,500) COMMON STOCK (FILE 333-94187 -
JAN. 06) (BR. 1)

SB-2 NORTHERN STAR FINANCIAL INC, 1650 MADISON AVENUE, SUITE 510, MANKATO, MN
56001 (507) 388-4855 - 1,000,000 (\$12,000,000) COMMON STOCK (FILE
333-94189 - JAN 07) (BR 7)

S-3 SUNSHINE MINING & REFINING CO, 877 WEST MAIN STREET, SUITE 600, BOISES,
ID 83702 (208) 345-0660 - 2,500,000 (\$3,515,625) COMMON STOCK (FILE
333-94193 - JAN 07) (BR 4)