

SEC NEWS DIGEST

Issue 2001-249

December 31, 2001

COMMISSION ANNOUNCEMENTS

COMMISSION MEETINGS

CLOSED MEETINGS – TUESDAY, JANUARY 8, AND THURSDAY, JANUARY 10, 2002 – 10:00 A.M.

The subject matter of the closed meetings scheduled for Tuesday, January 8, 2002, and Thursday, January 10, 2002, will be: Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; Amicus consideration; and Adjudicatory matters.

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.

ENFORCEMENT PROCEEDINGS

SEC INSTITUTES PROCEEDINGS AGAINST W.J. NOLAN TO SUSPEND THE EFFECTIVE DATE OF ITS FORM BDW

The Commission announced that on December 28 the Commission issued an Order Instituting Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 15b6-1(b) promulgated thereunder against W.J. Nolan & Company, Inc. to suspend the effective date of W.J. Nolan's Form BDW filed on October 31, 2001.

In the Order, the Division of Enforcement alleges that on September 24, 2001 the Commission issued an Order against W.J. Nolan pursuant to its consent and without admitting or denying findings that the firm willfully violated Sections 15(b)(7) and 15(g) of the Exchange Act and Rules 15b7-1, 15g-2, 15g-3 and 15g-6 thereunder, and failed reasonably to supervise. The September 24th Order required, among other things, that W.J. Nolan pay disgorgement of \$153,218.12 plus prejudgment interest of \$38,810.17.

The Division of Enforcement goes on to allege that W.J. Nolan filed a Form BDW with the Commission on October 31, 2001 seeking to withdraw its registration with the Commission. The Division of Enforcement further alleges that W.J. Nolan has not paid the disgorgement and prejudgment interest as required by the Commission's September 24th Order.

The Order institutes public administrative proceedings to determine whether to delay the effective date of W.J. Nolan's withdrawal from registration with the Commission or to impose terms and conditions upon such a withdrawal. (Rel. 35-45208; File No. 3-10662)

INVESTMENT COMPANY ACT RELEASES

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:

- Vanguard Preferred Stock Fund [File No. 811-2601]
(Rel. IC-25327 - December 27, 2001)
- Solanus Funds [File No. 811-10311]
(Rel. IC-25328 - December 27, 2001)
- The Baupost Fund [File No. 811-6138]
(Rel. IC-25329 - December 27, 2001)
- Pilgrim Government Securities Fund [File No. 811-4432]
(Rel. IC-25330 - December 27, 2001)
- Pilgrim Balance Sheet Opportunities Fund [File No. 811-4433]
(Rel. IC-25331 - December 27, 2001)
- Federated Exchange Fund, Ltd. [File No. 811-2626]
(Rel. IC-25332 - December 27, 2001)
- Fortress Utility Fund, Inc. [File No. 811-4530]
(Rel. IC-25333 - December 27, 2001)
- Fiduciary Management Associates [File No. 811-1897]
(Rel. IC-25334 - December 27, 2001)
- Equitable Government Securities Account, Inc. [File No. 811-3684]
(Rel. IC-25335 - December 27, 2001)
- Alliance Corporate Cash Reserves [File No. 811-3973]
(Rel. IC-25336 - December 27, 2001)
- Alliance Regent Sector Opportunity Fund, Inc. [File No. 811-7709]
(Rel. IC- 25337 - December 27, 2001)

Bullock Insured New York Tax Exempt Shares, Inc. [File No. 811-4360]
(Rel. IC-25338 - December 27, 2001)
Equitable Capital High Yield Plus Fund [File No. 811-5814]
(Rel. IC-25339 - December 27, 2001)
American Energy Resources Fund, Inc. [File No. 811-6326]
(Rel. IC-25340 - December 27, 2001)
Alliance Developing Markets Fund, Inc. [File No. 811-8806]
(Rel. IC-25341 - December 27, 2001)
Money Shares, Inc. [File No. 811-2780]
(Rel. IC-25342 - December 27, 2001)
Value Trend Large Cap Fund [File No. 811-9041]
(Rel. IC-25343 - December 27, 2001)
Tax Free Fund of Vermont, Inc. [File No. 811-6328]
(Rel. IC-25344 - December 27, 2001)
Prudential Developing Markets Fund [File No. 811-8753]
(Rel. IC-25345 - December 27, 2001)

NOTICES OF DEREGISTRATIONS UNDER THE INVESTMENT COMPANY ACT

For the month of December 2001, a notice has been issued giving interested persons until January 22, 2002, to request a hearing on any of the following applications for an order under Section 8(f) of the Investment Company Act declaring that the applicant has ceased to be an investment company:

Somerset Exchange Fund [File No. 811-7703]
Kemper National Tax-Free Income Series [File No. 811-2353]
Kemper Income Trust [File No. 811-8983]
Kemper Asian Growth Fund [File No. 811-7731]
Kemper International Fund [File No. 811-3136]
PaineWebber Investment Series [File No. 811-5259]
Scudder California Tax Free Trust [File No. 811-3729]
Farmers Investment Trust [File No. 811-9085]
AARP Tax Free Income Trust [File No. 811-4050]
AARP Managed Investment Portfolios Trust [File No. 811-7933]
Scudder GNMA Fund [File No. 811-3699]
Kemper Global Income Fund [File No. 811-5829]
Mercury Internet Strategies Fund, Inc. [File No. 811-9853]
Master Internet Strategies Trust [File No. 811-9851]
Kemper Income and Capital Preservation Fund [File No. 811-2305]
Kemper Short-Term U.S. Government Fund [File No. 811-5195]

Kemper Horizon Fund [File No. 811-7365]
Kemper Securities Trust [File No. 811-8393]
MCG Capital Corporation [File No. 811-10587]
AARP Cash Investment Funds [File No. 811-3650]
Trust for Financial Institutions [File No. 811-7067]
Merrill Lynch Internet Strategies Fund, Inc. [File No. 811-9783]
Mercury Senior Floating Rate Fund, Inc. [File No. 811-10023]
Blue Ridge Total Return Fund [File No. 811-8391]
Mentor Funds [File No. 811-6550]
Cash Resource Trust [File No. 811-7862]
(Rel. IC-25346 - December 28)

JACKSON NATIONAL LIFE INSURANCE COMPANY, ET AL.

An order has been issued on an application filed by Jackson National Life Insurance Company (Jackson National), Jackson National Separate Account – I (the JNL Separate Account), Jackson National Life Insurance Company of New York (JNL New York), JNLNY Separate Account I (the JNLNY Separate Account), and Jackson National Life Distributors, Inc. granting exemptions from the provisions of Sections 2(a)(32) and 27(i)(2)(A) of the Investment Company Act and Rule 22c-1 thereunder, to the extent necessary to permit the recapture, under specified circumstances, of certain credit enhancements applied to purchase payments made under the flexible premium, deferred variable annuity contract described in the application that Jackson National will issue through the JNL Separate Account and the JNL New York will issue through the JNLNY Separate Account (collectively, the Contracts), as well as other contracts that Jackson National and JNL New York may issue in the future through their existing or future separate accounts that are substantially similar in all material respects to the Contracts. (Rel. IC-25348 - December 28)

FIRST ALLMERICA FINANCIAL LIFE INSURANCE COMPANY, ET AL.

An order has been issued pursuant to Section 26(c) of the Investment Company Act to First Allmerica Financial Life Insurance Company (First Allmerica), Fulcrum Separate Account of First Allmerica Financial Life Insurance Company (First Allmerica Separate Account), Allmerica Financial Life Insurance and Annuity Company (Allmerica Financial Life), Fulcrum Separate Account of Allmerica Financial Life Insurance and Annuity Company (Allmerica Financial Life Separate Account), Allmerica Investment Trust (AIT), The Fulcrum Trust (Fulcrum), and Gabelli Capital Series Funds, Inc. (Gabelli) (collectively, the Applicants) approving the substitution of shares of three series of AIT and one series of Gabelli for shares of series of Fulcrum held by the First Allmerica Separate Account and the Allmerica Financial Life Separate Account to support variable life insurance contracts or variable annuity contracts issued by First Allmerica or Allmerica Financial Life. The order also exempts Applicants from Section 17(a) of the Act to the extent necessary to permit the Applicants, by means of in-kind

redemptions and purchases, to carry out the above-referenced substitutions of securities.
(Rel. IC-25349 – December 28)

HOLDING COMPANY ACT RELEASES

DOMINION RESOURCES, INC.

A supplemental order has been issued authorizing a proposal by Dominion Resources, Inc., (DRI), a registered holding company. The supplemental order increases the amount that DRI may invest in exempt wholesale generators and foreign utility companies from the proceeds of authorized financings to the sum of 100% of DRI's consolidated retained earnings plus \$4.5 billion. (Rel. 35-27485 - December 28)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed by the Philadelphia Stock Exchange (SR-Phlx-2001-98) relating to the establishment of a remote specialist program. (Rel. 34-45184)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Municipal Securities Rulemaking Board regarding changes to Rule A-4, on meetings of the Board (SR-MSRB-2001-09) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of December 31. (Rel. 34-45199)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission approved on an accelerated basis a proposed rule change and Amendment No. 1 thereto filed by the National Association of Securities Dealers amending NASD Rules 4510, 4520 and 4530 which relate to issuer entry and annual fee schedules (SR-NASD-2001-76). Publication of the proposal is expected in the Federal Register during the week of December 31. (Rel. 34-45206)

PROPOSED AMENDMENT TO OPTIONS PRICE REPORTING AUTHORITY'S NATIONAL MARKET SYSTEM PLAN

A proposed amendment to the National Market System Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information (Plan), (SR-OPRA-2001-03) has been filed by the Options Price Reporting Authority to exclude foreign currency options from the calculation of capacity allocation provided for in the Plan. Publication of the proposal is expected in the Federal Register during the week of December 31. (Rel. 34-45207)

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.
- Item 8. Change in Fiscal Year.
- Item 9. Regulation FD Disclosure.

The following companies have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. 8-K reports 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.gov>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

NAME OF ISSUER	STATE	8K ITEM NO.									DATE	COMMENT	
	CODE	1	2	3	4	5	6	7	8	9			
ACT MANUFACTURING INC	MA			X	X	X						12/21/01	
ADVANCEPCS	DE					X						12/17/01	
AFFYMETRIX INC	DE					X						12/21/01	
ALLEGHENY ENERGY INC	MD							X	X			09/30/01	
AMC ENTERTAINMENT INC	DE					X	X					12/21/01	
AMERICAN REAL ESTATE PARTNERS L P	DE					X						12/28/01	
AMERIQUEST MORT SEC INC FLO RATE MO RT PAS THR CERT SER 01 3	DE		X			X	X					12/27/01	
AMFAC JMB HAWAII INC	IL		X									12/14/01	
AMSOUTH AUTO TRUST 2000-1	NY					X	X					12/17/01	
APCO ARGENTINA INC/NEW						X	X					12/28/01	
APPLE HOSPITALITY TWO INC	VA						X					09/28/01	AMEND
AZUL HOLDINGS INC	DE					X						12/28/01	
BALLY TOTAL FITNESS HOLDING CORP	DE					X	X					12/28/01	
BEAR STEARNS ASSET BACKED SECURITIE S INC	DE		X					X				12/20/01	
BENNION CORP	NV					X						12/28/01	
BETHLEHEM STEEL CORP /DE/	DE								X			12/20/01	
BRM HOLDINGS INC	DE		X				X					12/13/01	
CARDIOGENESIS CORP /CA	CA					X	X					12/21/01	

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NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
CC MASTER CREDIT CARD TRUST II	MD								X		06/15/01	AMEND
CHELL GROUP CORP	NY	X							X		12/13/01	
CLIMACHEM INC	OK				X	X					10/01/01	
COMPUCREDIT CORP	GA				X	X					12/17/01	
COORS ADOLPH CO	CO				X						12/24/01	
CORE MATERIALS CORP	DE								X		12/28/01	AMEND
CORECOMM LTD /DE/	DE				X	X					12/28/01	
CORNERSTONE PROPANE PARTNERS LP	DE				X	X					11/30/01	
COUNTY BANK CORP	MI				X						12/28/01	
COVAD COMMUNICATIONS GROUP INC	DE	X	X						X		12/13/01	
CREDIT SUISSE FIRST BOSTON MORTGAGE SECURITIES CORP	DE				X	X					12/26/01	
CWMBS INC	DE								X		12/28/01	
DATA SYSTEMS & SOFTWARE INC	DE	X							X		12/13/01	
DIAL THRU INTERNATIONAL CORP	DE								X		10/12/01	AMEND
EBANK COM INC	GA				X	X					12/28/01	
ENERGY CORP OF AMERICA	WV				X	X					12/28/01	
ENVIRONMENTAL POWER CORP	DE				X	X		X			11/20/01	
EQUITY ONE ABS INC	DE				X						12/26/01	
EQUITY ONE ABS INC	DE				X						12/26/01	
EQUITY ONE ABS INC	DE				X						12/26/01	
ESCAGENETICS CORP	DE			X					X		12/24/01	
FIELDPOINT PETROLEUM CORP	CO	X							X		10/17/01	AMEND
FROZEN FOOD EXPRESS INDUSTRIES INC	TX					X					12/31/01	
GENEVA STEEL HOLDINGS CORP						X	X				12/21/01	
GLAS-AIRE INDUSTRIES GROUP LTD	NV					X	X				10/01/01	AMEND
GLOBAL CROSSING LTD						X	X				12/28/01	
GREATAMERICA LEASING RECEIVABLES 20 00-1 LLC	DE					X	X				12/20/01	
GREENPOINT HELOC 2001-1						X	X				12/17/01	
GREENPOINT HOME EQUITY LOAN TRUST 2 000-3						X	X				12/17/01	
HEARST ARGYLE TELEVISION INC	DE					X	X				12/20/01	
HOTJOBS COM LTD	DE					X	X				12/27/01	
I A EUROPE INC		X									12/21/01	
IEXALT INC	NV					X					12/28/01	
INCYTE GENOMICS INC	DE					X					12/21/01	
INFORMATION HOLDINGS INC	DE					X	X				12/27/01	
INSIGNIA FINANCIAL GROUP INC /DE/	DE	X							X		12/19/01	
INTERCHANGE FINANCIAL SERVICES CORP /NJ/	NJ					X					12/28/01	
INVESTMENT PROPERTIES ASSOCIATES	NY					X					12/21/01	
J2 COMMUNICATIONS /CA/	CA					X	X				12/21/01	
KITTY HAWK INC	DE					X	X				12/28/01	
LACLEDE STEEL CO /DE/	DE	X							X		12/18/01	
LASER VISION CENTERS INC	DE					X	X				12/27/01	
LIQUENT INC	DE					X	X				12/27/01	
LSB INDUSTRIES INC	DE					X	X				10/01/01	
LUXTEC CORP /MA/	MA					X					12/21/01	
MCMORAN EXPLORATION CO /DE/	DE					X					12/28/01	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
MORTGAGE PASS-THROUGH CERTIFICATES SERIES 2000-7	DE					X	X				12/26/01	
NEOPHARM INC	DE					X	X				12/20/01	
NESS ENERGY INTERNATIONAL INC /NV/	WA					X					12/03/01	
NEW CENTURY HOME EQUITY LOAN TRUST SERIES 2001-NC2	DE					X	X				12/25/01	
NEW SYSTEMS INC	NV	X									12/12/01	AMEND
NEW YORK REGIONAL RAIL CORP	DE	X									02/24/01	AMEND
NORTH EUROPEAN OIL ROYALTY TRUST	DE						X				12/31/01	
NORTHWESTERN STEEL & WIRE CO	IL	X					X				12/28/01	
NOVOSTE CORP /FL/	FL					X	X				12/28/01	
OLD SECOND BANCORP INC	DE					X	X				12/28/01	
OPTION ONE MORT ACC CORP ASSET BACK ED CERT SER 2001-4	DE	X				X	X				12/27/01	
PACIFIC GAS & ELECTRIC CO	CA					X	X				12/28/01	
PANTHER TELECOMMUNICATIONS CORP	FL			X							12/19/01	AMEND
PARTS COM INC	NV			X							12/21/01	
PG&E CORP	CA					X	X				12/28/01	
PHONETEL TECHNOLOGIES INC	OH			X			X				12/21/01	
PILLOWTEX CORP	TX					X	X				12/28/01	
PIONEER COMPANIES INC	DE		X				X				11/28/01	
POPULAR INC	PR					X	X				12/21/01	
POWERBRIEF INC/TX/	TX					X	X				12/20/01	
QUEPASA COM INC	NV					X	X				12/28/01	
RADIANT SYSTEMS INC	GA						X	X			12/28/01	
RAZORFISH INC	DE					X	X				12/28/01	
RESIDENTIAL ASSET MORTGAGE PRODUCTS INC	DE					X	X				12/25/01	
SALOMON BROTHERS COMMERCIAL MORTGAG E TRUST 2001-C1	DE					X	X				12/18/01	
SEQUOIA MORTGAGE FUNDING CORP	MD					X	X				11/19/01	
STANDARD PACIFIC CORP /DE/	DE					X	X				12/28/01	
STROUDS INC	DE					X					12/19/01	
STRUCTURED ASSET SEC CORP MORT PAS THR CERT SER 01 16H	DE					X	X				11/25/01	
STRUCTURED ASSET SEC CORP MORT PAS THR CERT SER 01 16H	DE					X	X				11/25/01	
SUNRISE TECHNOLOGIES INTERNATIONAL INC	DE					X	X				12/21/01	
SYMPHONY TELECOM CORP	UT					X					12/24/01	
SYMPHONY TELECOM CORP	UT	X					X				12/27/01	AMEND
T-3 ENERGY SERVICES INC	TX	X	X			X	X				12/17/01	
TAIWAN FUND INC	DE							X			11/01/01	
TINTIC GOLD MINING CO	NV					X					12/20/01	
TLC LASER CENTER INC	A6					X	X				12/27/01	
TOUCHTUNES MUSIC CORP	NV					X	X				12/28/01	
TOWER AUTOMOTIVE INC	DE							X			12/28/01	
TOYOTA MOTOR CREDIT CORP	CA					X					12/28/01	
TRANSMATION INC	OH					X					12/26/01	
TXU CORP /TX/	TX					X					12/28/01	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
TXU ELECTRIC CO	TX					X					12/28/01	
TYLER TECHNOLOGIES INC	DE					X					12/20/01	
UNIDYN CORP	NV	X				X					12/01/01	
UNIFIED FINANCIAL SERVICES INC	DE							X			12/17/01	
UNIONBANCORP INC	DE					X		X			12/28/01	
UNIVERSAL BROADBAND COMMUNICATIONS INC	NV					X					12/31/01	
UNIVISION COMMUNICATIONS INC	DE					X		X			12/28/01	
US XPRESS ENTERPRISES INC	NV					X		X			12/21/01	
USA DIGITAL INC	NV	X						X			10/15/01	AMEND
VALENTIS INC	DE					X		X			12/26/01	
VANDERBILT MOR & FI INC HO CO SE SU PS THR CER SER 2001-B	TN					X		X			12/07/01	
VANDERBILT MORTGAGE & FI IN MA HO C O SR SU PA TH C SE 2001A	TN					X		X			12/07/01	
VENTIV HEALTH INC	DE					X		X			12/28/01	
WASHINGTON GROUP INTERNATIONAL INC	DE					X					12/13/01	
WATERFORD GAMING FINANCE CORP	DE					X					09/30/01	
WATERFORD GAMING LLC	DE					X					09/30/01	
WEST COAST REALTY INVESTORS INC	DE								X		12/19/01	
WILSHIRE TECHNOLOGIES INC	CA					X		X			12/17/01	
XEROX CORP	NY					X					12/28/01	
ZILOG INC	CA			X				X			12/21/01	