

SEC NEWS DIGEST

Issue 99-177

September 14, 1999

COMMISSION ANNOUNCEMENTS

CHAIRMAN LEVITT TO TESTIFY

Chairman Arthur Levitt will testify before the Senate Permanent Subcommittee on Investigations on Thursday, September 16. The subject matter of the hearing concerns day trading in securities. The hearing will begin at 9:30 a.m. in Room 628 of the Dirksen Senate Office Building.

COMMISSIONER ISAAC HUNT, JR. TO TESTIFY

Commissioner Isaac C. Hunt, Jr. will testify before the House Subcommittee on Finance and Hazardous Materials on Thursday, September 16. This hearing concerns the future of the Public Utility Holding Company Act of 1935. The hearing will begin at 10:00 a.m. in Room 2123 of the Rayburn House Office Building.

ENFORCEMENT PROCEEDINGS

CIVIL INJUNCTION ISSUED AGAINST KEVIN SAMSON AND SAMSON FINANCIAL GROUP, INC.

On September 10, the United States District Court for the District of Columbia ordered the entry of a permanent injunction against Kevin C. Samson (Samson) and Samson Financial Group, Inc. (SFG), thus settling the Commission's civil action against them. Without admitting or denying the Commission's allegations, Samson and SFG consented to the entry of the judgment which permanently enjoins them from violating Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 (Securities Act), Sections 10(b) and 15(a)(1) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 thereunder. The judgment also requires Samson and SFG to pay disgorgement and prejudgment interest, but waives payment of these amounts, and does not impose a civil penalty based on their demonstrated inability to pay. The Commission alleged that, between October 1988 and November 1993, SFG and Samson fraudulently offered and sold more than \$20 million worth of securities in the form of investment contracts representing interests in pools of promissory

notes secured by residential real estate. The securities were sold to approximately 450 investors in the Washington, D.C. metropolitan area through 12 successive offerings.

Samson also agreed to settle a proposed administrative proceeding pursuant to Section 15(b)(6) of the Exchange Act, to be based on the entry of the injunction, that will bar him from association with any broker or dealer. On September 13, the Commission issued an order instituting the proposed administrative proceeding against Samson, accepting his offer of settlement, and barring him from association with any broker or dealer. (Rel. 34-41865; File No. 3-10011)

SIXTH DEFENDANT SETTLES SEC'S LOTUS INSIDER TRADING CHARGES BY AGREEING TO PAY MORE THAN \$71,000 IN DISGORGEMENT AND PENALTIES

The Commission today announced that Joseph Petrosino of Brooklyn, New York, settled the Commission's charges that he engaged in illegal insider trading before IBM's takeover of Lotus Development Corporation. Petrosino has consented to the entry of a final judgment requiring him to pay \$29,698 in disgorgement, \$11,979 in prejudgment interest and a civil penalty of \$29,698. The judgment also permanently enjoins him from future violations of the insider trading provisions of the federal securities laws. The Commission filed this matter on May 26, 1999, charging a total of twenty-five individuals with insider trading in Lotus call options and common stock on the basis of inside information misappropriated from IBM by one of its secretaries. Petrosino is the sixth defendant to settle. The Commission is continuing to litigate against the remaining defendants. For further information, see LR-16185 and 16161. [SEC v. Lorraine K. Cassano, Civil Action No. 99-CV-3822, SDNY] (LR-16278)

COMMISSION SEEKS EMERGENCY RELIEF IN CONNECTION WITH FRAUDULENT SALE OF NOTES TO JAPANESE INVESTORS

The Commission announced that on September 13 in the United States District Court for the Southern District of New York, it sought a temporary restraining order against Princeton Economics International., Ltd. (Princeton Economics), Princeton Global Management, Ltd. (Princeton Global) and Martin A. Armstrong (collectively, Defendants). The complaint seeks to freeze the defendants' assets, temporarily restrain the defendants from violating the antifraud provisions of the securities laws and appoint a Receiver for the two corporate defendants.

The complaint alleges that the defendants made false and misleading statements to Japanese corporate investors in soliciting purchases of approximately \$3 billion in notes issued by subsidiaries of Princeton Economics, including that the proceeds of the sales would be deposited into segregated accounts and invested conservatively when in fact they were commingled in a Princeton Global account and subjected to huge trading losses in risky currency transactions. The complaint also alleges that defendants caused reports to be issued that concealed these trading losses and inflated the value

of accounts underlying the notes.

In the complaint, the Commission also seeks preliminary and permanent injunctive relief against the Defendants from violating the antifraud provisions of the securities laws, an accounting from all Defendants, disgorgement of their unjust enrichment plus prejudgment interest, as well as civil penalties from the Defendants. [SEC v. Princeton Economics International, Ltd., Princeton Global Management, Ltd. and Martin A. Armstrong, 99 Civ. 9667, RO, SDNY] (LR-16279)

HOLDING COMPANY ACT RELEASES

APPALACHIAN POWER COMPANY

A supplemental order has been issued authorizing a proposal by Appalachian Power Company (Appalachian), an electric public-utility subsidiary company of American Electric Power Company, Inc., a registered holding company. Appalachian is proposing to effect the refunding of up to \$30 million of pollution control revenue bonds issued in connection with the financing of pollution control facilities. (Rel. 35-27072)

INDIANA MICHIGAN POWER COMPANY

A notice has been issued giving interested persons until September 27 to request a hearing on a proposal by Indiana Michigan Power Company (I&M), an electric utility subsidiary of American Electric Power Company, Inc., a registered holding company. I&M is proposing to effect the refunding of up to \$50 million of pollution control revenue bonds issued in connection with the financing of pollution control facilities, prior to June 30, 2000. (Rel. 35-27073)

NATIONAL FUEL GAS COMPANY, ET AL.

A notice has been issued giving interested persons until October 5, 1999, to request a hearing on a proposal by National Fuel Gas Company, a public utility holding company registered under the Act, and its nonutility subsidiaries National Fuel Gas Supply Corporation, National Fuel Resources, Inc. (Resources), Seneca Resources Corporation, and Upstate Energy, Inc. (Upstate Energy) to acquire through December 31, 2003 up to \$300 million in equity and debt securities of companies engaged in nonutility gas-related operations outside the United States. These operations would be substantially similar to those that the subsidiaries now engage in directly in the United States, i.e., natural gas and oil exploration and production, energy commodity brokering and marketing, and construction and operation of gas pipeline and storage facilities. In addition, Resources and Upstate Energy request authority to engage directly in energy commodity marketing, brokering, and related activities in Canada. (Rel. 35-27073)

SELF-REGULATORY ORGANIZATIONS

DELISTINGS GRANTED

An order has been issued granting the application of the American Stock Exchange to strike from listing and registration Soligen Technologies, Inc., Common Stock without par value. (Rel. 34-41859)

An order has been issued granting the application of the Boston Stock Exchange to strike from listing and registration Northeast Digital Networks, Inc., Common Stock, \$.60 par value. (Rel. 34-41860)

An order has been issued granting the application of the Philadelphia Stock Exchange to strike from listing and registration The Options Clearing Corporation, call and put option contracts relating to certain underlying securities. (Rel. 34-41861)

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>.

- F-6 TRINTECH GROUP PLC /ADR/, ONE WALL STREET, NEW YORK, NY 10286 -
10,000,000 (\$500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK (FILE
333-10742 - AUG. 31) (BR. 99 - NEW ISSUE)
- F-1 RADWARE LTD, ATIDIM TECHNOLOGICAL PARK BUILDING 4,
TEL AVIV 61131 ISRAEL, J3 00000 - 4,025,000 (\$60,375,000)
FOREIGN COMMON STOCK. (FILE 333-10752 - SEP 01) (BR. 8 - NEW ISSUE)
- F-3 AMDOCS LTD, C/O TOWER HILL HOUSE, LE BORDAGE GYL 3QT, ST PETER PORT, E7
00000 (314) 821-3242 - 20,700,000 (\$545,445,000) FOREIGN COMMON STOCK.
(FILE 333-86609 - SEP. 07) (BR. 3)
- S-4 JOHNSON & JOHNSON, ONE JOHNSON & JOHNSON PLZ, NEW BRUNSWICK, NJ 08933
(908) 524-0400 - 61,011,098 (\$5,087,294,301.10) COMMON STOCK. (FILE
333-86611 - SEP. 07) (BR. 1)

S-4 TRENWICK GROUP INC, ONE CANTERBURY GREEN, STAMFORD, CT 06901
(203) 353-5500 - 7,971,887 (\$161,853,458) COMMON STOCK. (FILE 333-86613 -
SEP. 07) (BR. 1)

S-3 IBM CREDIT CORP, NORTH CASTLE DR MS NCA-306, ROOM 3C2108, ARMONK, NY
10504 (914) 642-3000 - 10,000,000,000 STRAIGHT BONDS. (FILE 333-86615 -
SEP. 07) (BR. 7)

S-3 INTERNATIONAL REMOTE IMAGING SYSTEMS INC /DE/, 9162 ETON AVE,
CHATSWORTH, CA 91311 (818) 709-1244 - 1,485,000 (\$1,438,593 75)
COMMON STOCK. (FILE 333-86617 - SEP 07) (BR. 5)

N-2 NUVEEN SENIOR INCOME FUND, JOHN NUVEEN & CO INC, 333 WEST WACKER DRIVE,
CHICAGO, IL 60606 - 100,000 (\$1,000,000) COMMON STOCK. (FILE 333-86619 -
SEP. 07)

S-4 BAY VIEW CAPITAL CORP, 1840 GATEWAY DRIVE, SAN MATEO, CA 94404
(650) 573-7300 - 4,750,000 (\$65,549,189) COMMON STOCK. (FILE 333-86621 -
SEP 03) (BR 7)

S-1 PROFESSIONAL VETERINARY PRODUCTS LTD /MO/, 10100 J ST, OMAHA, NE 68127
(402) 331-4440 - 500 (\$1,500,000) COMMON STOCK. (FILE 333-86629 - SEP. 07)
(BR. 2)

S-3 MELLON BANK N A, ONE MELLON BANK CTR, ROOM 4040, PITTSBURGH, PA 15258
(412) 234-5000 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES
(FILE 333-86639 - SEP. 07) (BR. 8)

S-8 HARTCOURT COMPANIES INC, 2049 CENTURY PARK EAST, SUITE 3760,
LOS ANGELES, CA 90067 (310) 788-2634 - 2,137,623 (\$1,924,781 21)
COMMON STOCK (FILE 333-86641 - SEP 07) (BR 4)

SB-2 PRECIS SMART CARD SYSTEMS INC, 11032 QUAIL CREEK ROAD, SUITE 108,
OKLAHOMA CITY, OK 73120 (405) 752-5550 - 1,265,000 (\$7,935,000)
COMMON STOCK. (FILE 333-86643 - SEP. 07)

S-3 FIFTH THIRD BANCORP, 38 FOUNTAIN SQ PLZ, FIFTH THIRD CENTER, CINCINNATI,
OH 45263 (513) 579-5300 - 72,082 (\$4,654,334 74) COMMON STOCK (FILE
333-86645 - SEP. 07) (BR. 7)

S-8 HARMONIC INC, 549 BALTIC WAY, SUNNYVALE, CA 94089 (408) 542-2500 -
780,000 (\$82,631,250) COMMON STOCK. (FILE 333-86649 - SEP. 07) (BR 7)

S-1 VISTA MEDICAL TECHNOLOGIES INC, 5451 AVENIDA ENCINAS, SUITE A, CARLSBAD,
CA 92008 (619) 603-9120 - 7,000,000 (\$4,410,000) COMMON STOCK. (FILE
333-86651 - SEP. 07) (BR 5)

S-8 WESTERN SIERRA BANCORP, 4011 PLAZA GOLDORADO CIRCLE, CAMERON PARK, CA
95682 (530) 677-5600 - 506,253 (\$7,309,027 69) COMMON STOCK. (FILE
333-86653 - SEP. 07) (BR. 7)

S-8 3DFX INTERACTIVE INC, 4435 FORTTRAN DR, SAN JOSE, CA 95134 (408) 935-4400
- 1,000,000 (\$10,750,000) COMMON STOCK. (FILE 333-86661 - SEP 07)
(BR. 3)

S-8 GREENLAND CORP, 1935 AVENIDA DEL ORO, SUITE D, OCEANSIDE, CA 92056
(619) 458-4226 - 561,640 (\$140,410) COMMON STOCK (FILE 333-86663 -
SEP 07) (BR. 9)

S-8 INTERVU INC, 6815 FLANDERS DRIVE, SAN DIEGO, CA 92121 ((61) 9)3-50-1 -
192,276 (\$319,178 16) COMMON STOCK. (FILE 333-86665 - SEP 07) (BR. 3)

S-8 COBALT GROUP INC, 2030 FIRST AVE STE 300, SEATTLE, WA 98121
(206) 386-7535 - 3,941,000 (\$12,760,419) COMMON STOCK. (FILE 333-86667 -
SEP. 07) (BR. 3)

S-8 NEWBRIDGE NETWORKS CORP, 600 MARCH ROAD PO BOX 13600,
KANATA ONTARIO CANADA, K2K 2E6, A6 (613) 591-3600 - 500,000 (\$13,437,500)
FOREIGN COMMON STOCK (FILE 333-86669 - SEP. 07) (BR 7)

S-8 NEWBRIDGE NETWORKS CORP, 600 MARCH ROAD PO BOX 13600,
KANATA ONTARIO CANADA, K2K 2E6, A6 (613) 591-3600 - 10,000,000
(\$268,750,000) FOREIGN COMMON STOCK (FILE 333-86671 - SEP 07) (BR 7)

- S-3 ALZA CORP, 950 PAGE MILL RD, PO BOX 10950, PALO ALTO, CA 94303
(650) 494-5000 - 20,000 (\$1,300,000) COMMON STOCK. (FILE 333-86673 -
SEP. 07) (BR. 1)
- S-3 SAFEGUARD SCIENTIFICS INC ET AL, 435 DEVON PARK DR,
800 THE SAFEGUARD BLDG, WAYNE, PA 19087 (610) 293-0600 - 200,000,000
(\$200,000,000) STRAIGHT BONDS. (FILE 333-86675 - SEP. 07) (BR. 3)
- S-8 REHABCARE GROUP INC, 7733 FORSYTH BLVD 17TH FLR, SUITE 1700, ST LOUIS,
MO 63105 (314) 863-7422 100,000 (\$2,062,500) COMMON STOCK (FILE
333-86679 - SEP 07) (BR 1)
- S-8 POLYCOM INC, 2584 JUNCTION AVE, SAN JOSE, CA 95134 (408) 526-9000 -
2,000,000 (\$68,060,284.07) COMMON STOCK (FILE 333-86681 - SEP 07)
(BR. 7)
- S-8 NEWBRIDGE NETWORKS CORP, 600 MARCH ROAD PO BOX 13600,
KANATA ONTARIO CANADA, K2K 2E6, A6 (613) 591-3600 - 18,745,273
(\$487,377,698) FOREIGN COMMON STOCK. (FILE 333-86683 - SEP 07) (BR 7)
- S-4 HARBOR BANCORP INC, 300 E MARKET STREET, ABERDEEN, WA 98520
(206) 533- - 230,588 (\$29,976,440) COMMON STOCK (FILE 333-86687 -
SEP. 08) (NEW ISSUE)
- S-8 SALON INTERNET INC, 706 MISSION ST, SAN FRANCISCO, CA 94103
(415) 882-8720 - 2,866,183 (\$11,330,304.80) COMMON STOCK. (FILE 333-86689
- SEP 08) (BR. 3)