

# SEC NEWS DIGEST

Issue 99-165

August 26, 1999

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## COMMISSION ANNOUNCEMENTS

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### COMMISSION MEETINGS

#### CLOSED MEETING - THURSDAY, SEPTEMBER 2, 1999 - 11:00 A.M.

The subject matter of the closed meeting scheduled for Thursday, September 2, at 11:00 a.m. will be: Institution and settlement of administrative proceedings of an enforcement nature; and Institution of injunctive actions.

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.

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## ENFORCEMENT PROCEEDINGS

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### DECISION SANCTIONING ROBERT SCHULMAN FINAL

The decision of an administrative law judge imposing sanctions on Robert Schulman has become final. The law judge's order bars Schulman from participating in any penny stock offering and orders Schulman to cease and desist from committing or causing violations and any future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. (Rel. 34-41790; File No. 3-9162)

### SINGAPORE BUSINESSMAN RAYMOND LUM TO PAY \$2.25 MILLION TO SETTLE INSIDER TRADING CASE

The Commission has settled its civil insider trading case against Raymond Lum Kwan Sung (Lum), the Executive Chairman and a substantial shareholder of Singapore-based Lum Chang Holdings Limited. In its complaint, filed on April 25, 1997, the Commission alleges that Lum bought approximately \$4.4 million of APL Limited common stock while in possession of material, nonpublic information concerning APL's acquisition by Neptune Orient Lines Ltd. (NOL), a

shipping company based in Singapore. After the acquisition was announced on April 13, 1997, the value of Lum's APL shares increased by more than \$1.25 million.

Without admitting or denying the Commission's allegations, Lum consented to the entry of a final judgment permanently enjoining him from violating Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5, requiring him to disgorge alleged unlawful trading profits of \$1,257,343, ordering him to pay prejudgment interest of \$96,251, and ordering him to make an additional payment of \$900,000 pursuant to Section 21A of the Exchange Act. The settlement, which is subject to judicial approval, was filed with the court today. [SEC v. Raymond Lum Kwan Sung, 97 Civ. 2664, USDC, SDNY, RMB] (LR-16260)

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## INVESTMENT COMPANY ACT RELEASES

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### SCUDDER NEW EUROPE FUND, INC.

An order has been issued on an application filed by Scudder New Europe Fund, Inc. (Fund) granting an exemption from Section 17(a) of the Investment Company Act to permit redemptions in-kind of shares of the Fund held by certain affiliated shareholders of the Fund. (Rel. IC-23964 - August 24)

### CAISSE DES DEPOTS ET CONSIGNATIONS

An order has been issued on an application filed by Caisse des Depots et Consignations (CDC) exempting CDC, any registered investment company other than an investment company registered under Section 7(d) of the Investment Company Act (a U.S. Investment Company), and any custodian or subcustodian for a U.S. Investment Company, from Section 17(f) of the Act. The order permits U.S. Investment Companies to maintain their assets in the custody of CDC consistent with the requirements of Rule 17f-5 under the Act. (Rel. IC-23965; International Series Rel. 1203 - August 24)

### MITCHELL HUTCHINS SERIES TRUST

A notice has been issued giving interested persons until September 20, 1999, to request a hearing on an application filed by Mitchell Hutchins Series Trust (Fund) and Mitchell Hutchins Asset Management Inc. (Mitchell Hutchins). Applicants seek an order pursuant to Section 6(c) of the Investment Company Act granting exemptive relief from Sections 9(a), 13(a), 15(a), and 15(b) of the Act, and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder to the extent necessary to permit shares of the Fund and similar investment companies for which Mitchell Hutchins, its parent, or any of their affiliates serve, now or in the future, as investment adviser, administrator, manager, principal underwriter or sponsor, and which offer their shares only to insurance company separate accounts, to be sold to and held by:

(a) variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated life insurance companies; and  
(b) qualified pension and retirement plans outside of the separate account context. (Rel. IC-23966 - August 24)

#### **TARGET/UNITED FUNDS**

A notice has been issued giving interested persons until September 17, 1999, to request a hearing on an application filed by Target/United Funds, Inc. and Waddell & Reed Investment Management Company (Applicants). Applicants seek an order pursuant to Section 6(c) of the Investment Company Act for exemptions from the provisions of Sections 9(a), 13(a), 15(a) and 15(b) of the Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder to the extent necessary to permit shares of Target/United Funds, Inc. and any other similar investment company or investment company series that Waddell & Reed Investment Management Company or any of its affiliates serve, now or in the future, as investment adviser, administrator, manager, principal underwriter or sponsor to be offered and sold to and held by (1) separate accounts funding variable annuity and variable life insurance contracts issued by both affiliated and unaffiliated life insurance companies and (2) qualified pension and retirement plans outside of the separate account context. (Rel. IC-23967 - August 24)

#### **THE UNION CENTRAL LIFE INSURANCE COMPANY, ET AL.**

A notice has been issued giving interested persons until September 20, 1999, to request a hearing on an application filed by the Union Central Life Insurance Company, Carillon Account, and Carillon Life Account. Applicants seek an order pursuant to Section 26(b) of the Investment Company Act, approving the substitution of: (a) shares of the Balanced Index Portfolio of Carillon Fund for shares of the Capital Portfolio of Carillon Fund; and (b) shares of the AIM V.I. Capital Appreciation Fund of the AIM Fund for shares of the American Century VP Capital Appreciation Portfolio of American Century Fund. (Rel. IC-23968 - August 24)

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#### **HOLDING COMPANY ACT RELEASES**

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#### **NEW CENTURY ENERGIES, INC., ET AL.**

A supplemental order has been issued authorizing New Century Energies, Inc. (New Century Energies), a registered holding company, Public Service Company of Colorado, an electric and gas utility subsidiary company of New Century Energies, and NC Enterprises, Inc., an intermediate holding company for nonutility subsidiaries, extending the effective period of an order issued on May 28, 1999, through October 31, 1999, subject to the terms and conditions prescribed in Rule 24 under the Act. (Rel. 35-27068)

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## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGES

The Municipal Securities Rulemaking Board filed a proposed rule change (SR-MSRB-99-7) that will amend Rule G-16 to change the requirements for periodic examinations. Publication of the proposal is expected in the Federal Register during the week of August 23. (Rel. 34-41773)

The Pacific Exchange filed a proposed rule change (SR-PCX-99-24) related to automated opening rotations. The notice is expected to be published in the Federal Register during the week of August 23. (Rel. 34-41774)

### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change (SR-Amex-99-28) filed by the American Stock Exchange to revise the settlement value calculation methodology for Nasdaq/NMS component stocks in the Morgan Stanley High Technology 35 Index has become immediately effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the notice is expected in the Federal Register during the week of August 23. (Rel. 34-41775)

### APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change and issued notice of filing and granted accelerated approval to Amendment No. 3 to the proposed rule change submitted by the Philadelphia Stock Exchange (SR-PHLX-99-07) pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 and Rule 19b-4 requiring off-floor traders for which the Phlx is the Designated Examining Authority to successfully complete the General Securities Representative Examination Series 7. Publication of the order is expected in the Federal Register during the week of August 23. (Rel. 34-41776)

The Commission approved a proposed rule change (SR-MCC-99-01) filed by the Midwest Clearing Corporation under Section 19(b)(1) of the Securities Exchange Act of 1934. The proposal will increase the minimum contribution that sponsored participants are required to make to MCC's sponsored account fund. Publication of the proposal is expected in the Federal Register during the week of August 30. (Rel. 34-41781)

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## SECURITIES ACT REGISTRATIONS

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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-3    ESPIRITO SANTO OVERSEAS LTD, ANSBACHER HOUSE - JANETT ST, GEORGE TOWN T,  
GRAND CAYMAN CAYMAN ISLANDS, E9 (809) 949-8655 - 6,000,000 (\$150,000,000)  
FOREIGN PREFERRED STOCK. (FILE 333-10696 - AUG. 17) (BR. 7)
  
- S-8    HAHN AUTOMOTIVE WAREHOUSE INC, 415 W MAIN ST, ROCHESTER, NY 14608  
(716) 235-1595 - 550,000 (\$902,000) COMMON STOCK. (FILE 333-85533 -  
AUG. 19) (BR. 5)
  
- S-8    SAGA COMMUNICATIONS INC, 73 KERCHEVAL AVE, GROSSE POINTE FARMS, MI 48236  
(313) 886-7070 - 1,000,000 (\$22,062,500) COMMON STOCK. (FILE 333-85535 -  
AUG. 19) (BR. 7)
  
- S-4    ST MARY LAND & EXPLORATION CO, 1776 LINCOLN ST STE 1100, DENVER, CO  
80203 (303) 861-8140 - 2,666,252 (\$46,782,000) COMMON STOCK. (FILE  
333-85537 - AUG. 19) (BR. 4)
  
- N-2    MUNI HOLDINGS INSURED FUND IV INC, MERRILL LYNCH ASSET MANAGEMENT,  
P O BOX 9011, PRINCETON, NJ 08543 - 7,705,000 (\$115,575,000) COMMON STOCK.  
(FILE 333-85539 - AUG. 19) (BR. 17)
  
- S-8    AVANT CORP, 46871 BAYSIDE PKWY, FREMONT, CA 94538 (408) 738-8881 -  
3,450,000 (\$235,340) COMMON STOCK. (FILE 333-85541 - AUG. 19) (BR. 3)
  
- S-1    IBASIS INC, 20 SECOND AVE, BURLINGTON, MA 01803 (781) 505-7500 -  
\$86,250,000 COMMON STOCK. (FILE 333-85545 - AUG. 19) (BR. 8 - NEW ISSUE)
  
- SB-2   SUITE 101 COM INC, 1122 MAINLAND STREET SUITE 390,  
VANCOUVER B C CANADA, A1 V6B 5 (604) 689-1428 - 3,000,000 (\$7,940,000)  
COMMON STOCK. (FILE 333-85547 - AUG. 19) (BR. 3)
  
- S-8    NEW PLAN EXCEL REALTY TRUST INC, 1120 AVENUE OF THE AMERICAS 12TH FL,  
NEW YORK, NY 10036 (212) 869-3000 - 42,100 (\$781,481) COMMON STOCK (FILE  
333-85549 - AUG. 19) (BR. 8)
  
- S-8    REYNOLDS & REYNOLDS CO, 115 S LUDLOW ST, DAYTON, OH 45402 (937) 485-2000  
- 100,000 (\$1,896,875) COMMON STOCK. (FILE 333-85551 - AUG. 19) (BR. 5)
  
- S-8    DEVON DELAWARE CORP, 20 N BROADWAY, STE 1500, OKLAHOMA CITY, OK 73102  
(405) 235-3611 - 9,786,071 (\$413,425,358) COMMON STOCK. (FILE 333-85553 -  
AUG. 19) (BR. 4)
  
- S-8    PRINTON THENET COM INC, 7700 N W 37TH AVENUE, MIAMI, FL 33147  
(305) 691-2800 - 4,000,000 (\$6,240,000) COMMON STOCK. (FILE 333-85555 -  
AUG. 19) (BR. 8)
  
- S-8    GEERLINGS & WADE INC, 960 TURNPIKE ST, CANTON, MA 02021 (617) 821-4152  
- 150,000 (\$1,045,350) COMMON STOCK. (FILE 333-85557 - AUG. 19) (BR. 2)
  
- S-8    NSTAR, 800 BOYLSTON STREET, 3RD FL, BOSTON, MA 02199 (617) 424-2000 -  
525,000 (\$22,002,750) COMMON STOCK. (FILE 333-85559 - AUG. 19) (BR. 2)
  
- S-8    AVX CORP /DE, 801 17TH AVE S, MYRTLE BEACH, SC 29577 (803) 449-9411 -  
650,000 (\$19,312,550) COMMON STOCK. (FILE 333-85561 - AUG. 19) (BR. 5)

S-3 BAKER J INC, 555 TURNPIKE ST, CANTON, MA 02021 (617) 828-9300 -  
1,200,000 (\$9,000,000) COMMON STOCK. (FILE 333-85563 - AUG. 19) (BR. 2)

S-8 COMVERSE TECHNOLOGY INC/NY/, 170 CROSSWAYS PARK DR, WOODBURY, NY 11797  
(516) 677-7200 - 39,561 (\$3,035,119.92) COMMON STOCK. (FILE 333-85565 -  
AUG. 19) (BR. 7)

S-3 VERITAS DGC INC, 3701 KIRBY DR, STE 112, HOUSTON, TX 77098  
(713) 512-8300 - 2,423,003 (\$15,095,667) COMMON STOCK. (FILE 333-85569 -  
AUG. 19) (BR. 4)

S-8 USA TALKS COM INC, 4180 LA JOLLA VILLAGE DRIVE SUITE 570, LA JOLLA, CA  
92037 (517) 767-4760 - 1,500,000 (\$937,500) COMMON STOCK. (FILE 333-85571  
- AUG. 19) (BR. 4)

S-8 AFFYMETRIX INC, 3380 CENTRAL EXPRESSWAY, SANTA CLARA, CA 95051  
(408) 522-6000 - 1,000,000 (\$67,060,000) COMMON STOCK. (FILE 333-85575 -  
AUG. 19) (BR. 1)

S-8 MTI TECHNOLOGY CORP, 4905 E LA PALMA AVE, ANAHEIM, CA 92807  
(714) 970-0300 - 857,803 (\$16,461,240) COMMON STOCK. (FILE 333-85579 -  
AUG. 19) (BR. 3)

S-4 EXODUS COMMUNICATIONS INC, 2831 MISSION COLLEGE BLVD, SANTA CLARA, CA  
95054 (408) 346-2200 - 75,000,000 (\$75,000,000) STRAIGHT BONDS. (FILE  
333-85583 - AUG. 19) (BR. 8)

S-4 INTERWEST BANCORP INC, 275 S E KITTITAS WAY, OAK HARBOR, WA 98277  
(360) 679-4181 - 681,608 (\$5,367,695) COMMON STOCK. (FILE 333-85585 -  
AUG. 19) (BR. 7)

S-8 CONNECTICUT ENERGY CORP, 855 MAIN STREET, BRIDGEPORT, CT 06604  
(800) 760-7776 - 1,000,000 (\$37,660,000) COMMON STOCK (FILE 333-85587 -  
AUG. 19) (BR. 2)

S-8 PC SERVICE SOURCE INC, 2350 VALLEY VIEW LANE, STE 105, DALLAS, TX 75234  
(972) 481-4000 - 500,000 (\$2,000,000) COMMON STOCK. (FILE 333-85589 -  
AUG. 19) (BR. 9)

S-8 CADENCE DESIGN SYSTEMS INC, 2655 SEELY ROAD BLDG 5, SAN JOSE, CA 95134  
(408) 943-1234 - 280,331 (\$659,080) COMMON STOCK. 1,738,522 (\$11,961,031)  
PREFERRED STOCK. (FILE 333-85591 - AUG. 19) (BR. 3)

N-2 GABELLI UTILITY TRUST, 1 CORPORATE CENTER, RYE, NY 10580 (914) 921-5083  
- 1,000,000 (\$7,500,000) COMMON STOCK. (FILE 333-85593 - AUG. 19) (BR. 17)

S-1 MIAMI CRUISELINE SERVICES HOLDINGS I B V,  
C/O BERKSHIRE CRUISE HOLDINGS LLC, ONE BOSTON PLACE, BOSTON, MA 02108  
(617) 227-0050 - \$125,000,000 COMMON STOCK. (FILE 333-85595 - AUG. 19)  
(NEW ISSUE)

S-1 ALLIED RISER COMMUNICATIONS CORP, 1700 PACIFIC AVE, STE 400, DALLAS, TX  
75201 (214) 210-3000 - \$250,000,000 COMMON STOCK. (FILE 333-85597 -  
AUG. 19) (NEW ISSUE)

S-4 DUPONT E I DE NEMOURS & CO, 1007 MARKET ST, WILMINGTON, DE 19898  
(302) 774-1000 - 126,463,630 (\$6,125,225,260) COMMON STOCK. (FILE  
333-85599 - AUG. 19) (BR. 6)