

SEC NEWS DIGEST

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ENFORCEMENT PROCEEDINGS

SAN FRANCISCAN ALEXANDER LUSHTAK SANCTIONED FOR FRAUD

Alexander Lushtak, of the San Francisco, California, area, has been barred from association with any investment adviser and ordered to cease and desist from antifraud violations and to disgorge \$239,000. The sanctions were ordered in an administrative proceeding before an administrative law judge.

Lushtak was convicted of money laundering, for which he is serving a seventy-one month sentence. The wrongdoing that led to his conviction included affinity fraud, in which he targeted immigrants from Russia and neighboring countries. Some lost their life savings.

Lushtak had also been one of three co-owners of an investment adviser to a hedge fund. During 1997, Lushtak arranged for the fund to purchase shares he controlled in a Lithuanian bank. Pursuant to his instructions, the fund paid \$239,000 to an account, which, unbeknownst to the fund, Lushtak also controlled. Lushtak kept the payment and did not deliver the shares. His actions violated the antifraud provisions of the federal securities laws.

Lushtak declined to defend the administrative proceeding. Accordingly, based on his conviction and violations of the antifraud provisions, the law judge barred him from association with any investment adviser, and ordered him to cease and desist from antifraud violations and to disgorge \$239,000, plus interest. (Rel. IA-1968; File No. 3-10336)

INVESTMENT COMPANY ACT RELEASES

JNL SERIES TRUST, ET AL.

An order has been issued on an application filed by JNL Series Trust, et al. for an order under Section 12(d)(1)(J) of the Investment Company Act granting an exemption from Sections 12(d)(1)(A) and (B) of the Act, under Sections 6(c) and 17(b) of the Act

granting an exemption from Section 17(a) of the Act, and under Section 17(d) of the Act and rule 17d-1 under the Act permitting certain joint transactions. The order permits certain registered management investment companies to invest uninvested cash and cash collateral in affiliated money market funds. (Rel. IC-25109 – August 15)

THE GABELLI EQUITY TRUST INC., ET AL.

An order has been issued on an application filed by The Gabelli Equity Trust Inc., et al. under Section 6(c) for an exemption from Section 19(b) of the Act and Rule 19b-1 under the Act. The order permits certain registered closed-end management investment companies to make periodic distributions of long-term capital gains, as often as monthly, on their outstanding common stock and as often as distributions are specified in the terms of any preferred stock outstanding. The order supersedes a prior order. (Rel. IC-25110 – August 15)

BARCLAYS GLOBAL FUND ADVISORS, ET AL.

An order has been issued on an application filed by Barclays Global Fund Advisors, et al. The order permits an open-end management investment company, whose portfolios will consist of the component securities of certain foreign equity securities indices, to issue shares of limited redeemability that will trade in the secondary market at negotiated prices. The order also permits certain affiliated persons of the portfolios to deposit securities into, and receive securities from, the portfolios and permits certain portfolios to pay redemption proceeds more than seven days after the tender of shares for redemption under certain circumstances. (Rel. IC-25111 – August 15)

THE PILLAR FUNDS, ET AL.

An order has been issued on an application filed by The Pillar Funds, et al. exempting applicants from Section 17(a) of the Investment Company Act. The order permits certain series of The Galaxy Fund and Galaxy Fund II to acquire all of the assets and liabilities of certain series of The Pillar Funds. Because of certain affiliations, applicants may not rely on Rule 17a-8 under the Act. (Rel. IC-25112 – August 15)

SELF-REGULATORY ORGANIZATIONS

DELISTING GRANTED

An order has been issued granting the application of the New York Stock Exchange to strike from listing and registration the \$2.00 Cumulative Preferred Stock, Series B, of Litton Industries, Inc., effective at the opening of business on August 15, 2001. (Rel. 34-44699)

WITHDRAWAL GRANTED

An order has been issued granting the application of Opinion Research Corporation to withdraw its Common Stock, \$.01 par value, from listing and registration on the American Stock Exchange, effective at the opening of business on August 16, 2001. (Rel. 34-44701)

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

S-3 BIOSPHERE MEDICAL INC, 1050 HINGHAM STREET, ROCKLAND, MA 02370
(781) 681-7900 - 40,000 (\$481,200) COMMON STOCK. (FILE 333-67138 -
AUG. 09) (BR. 1)

S-3 WASHINGTON MUTUAL MORTGAGE SECURITIES CORP, 75 N FAIRWAY DR,
VERNON HILLS, IL 60061 (847) 549-6500 - 10,000,000,000
PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 333-67140 - AUG. 09)
(BR. 8)

S-3 HARKEN ENERGY CORP, 16285 PARK TEN PLACE SUITE 600, HOUSTON, TX
77084
(281) 717-1300 - 3,968,920 (\$8,295,043) COMMON STOCK. (FILE 333-67156
-
AUG. 09) (BR. 4)

S-3 SAXON ASSET SECURITIES CO, 4880 COX ROAD SUITE 100, GLEN ALLEN, VA
23060
(804) 967-7400 - 1,000,000 (\$1,000,000)
PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 333-67170 - AUG. 09)
(BR. 8)

S-3 WORLDPORT COMMUNICATIONS INC, 975 WEILAND ROAD, BUFFALO GROVE, IL
60089
(770) 792-8735 - 4,100,000 (\$4,469,000) COMMON STOCK. (FILE 333-67178
-
AUG. 09) (BR. 7)

S-2 SPORTS RESORTS INTERNATIONAL INC, 951 AIKEN RD, OWOSSO, MI 48867
(517) 423-4800 - 33,361,475 (\$556,135,788) COMMON STOCK. (FILE 333-
67182 -
AUG. 09) (BR. 5)

S-3 CONEXANT SYSTEMS INC, 4311 JAMBOREE RD, NEWPORT BEACH, CA 92660
(949) 221-4600 - 4,463,607 (\$42,761,355) COMMON STOCK. (FILE 333-67190
-
AUG. 09) (BR. 5)

S-3 MELLON RESIDENTIAL FUNDING CORP, ONE MELLON BANK CENTER, ROOM 410,
PITTSBURGH, PA 15258 (412) 236-6559 - 1,000,000 (\$1,000,000)
PASS-THROUGH MORTGAGE-BACKED CERTIFICATE. (FILE 333-67192 - AUG. 09)
(BR. 8)

S-8 SUPERCONDUCTIVE COMPONENTS INC, 1145 CHESAPEAKE AVE, COLUMBUS, OH
43212
(614) 486-0261 - 600,000 (\$750,000) COMMON STOCK. (FILE 333-67212 -
AUG. 10) (BR. 5)

S-8 NOVAMED EYECARE INC, 980 N MICHIGAN AVENUE, SUITE 1620, CHICAGO, IL
60611 (312) 664-4100 - 2,200,000 (\$7,535,152) COMMON STOCK. (FILE
333-67214 - AUG. 10) (BR. 8)

S-3 ACTUATE CORP, 701 GATEWAY BLVD, SOUTH SAN FRANCISCO, CA 94080
(650) 425-2300 - 615,609 (\$5,629,744) COMMON STOCK. (FILE 333-67220 -
AUG. 10) (BR. 3)

S-8 BE FREE INC, 154 CRANE MEADOW RD SUITE 100, MARLBOROUGH, MA 01752
(508) 357-8888 - 2,705,521 (\$3,868,895) COMMON STOCK. (FILE 333-67224
-
AUG. 10) (BR. 3)