

# SEC NEWS DIGEST

Issue 98-226

November 24, 1998

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## COMMISSION ANNOUNCEMENTS

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### COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted under provisions of the Government in the Sunshine Act. Meetings will be scheduled according to the requirements of agenda items under consideration.

Meetings will be held in the Commission Meeting Room, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, N.W., Washington, D.C. Visitors are welcome at all open meetings, insofar as space is available. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

Any member of the public who requires auxiliary aids such as a sign language interpreter or material on tape to attend a public meeting should contact Rochelle Franks, Office of Administrative and Personnel Management, to make arrangements. Ms. Franks can be reached at TTY number (202) 942-9558. If you are calling from a non-TTY number, please call the Relay Service at 1-800-877-8339.

#### CLOSED MEETING - TUESDAY, DECEMBER 1, 1998 - 11:00 A.M.

The subject matter of the closed meeting scheduled for Tuesday, December 1, 1998, at 11:00 a.m., will be: Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; and Formal order of investigation.

#### OPEN MEETING - WEDNESDAY, DECEMBER 2, 1998 - 10:00 A.M.

The subject matter of the open meeting scheduled for Wednesday, December 2, 1998, at 10:00 a.m., will be:

The Commission will consider adopting rules regarding the regulation of alternative trading systems under the Securities Exchange Act. In addition, the Commission will consider adopting Rule 19b-5 and amendments to Rule 19b-4, under the Securities Exchange Act, that address the rule filing requirements for self-regulatory

organizations. For further information contact: Marianne H. Duffy, Special Counsel at (202) 942-4163 or Kevin Ehrlich, Staff Attorney at (202) 942-0778, Office of Market Supervision, Division of Market Regulation.

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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### **SETTLEMENT REACHED WITH DEFENDANT IN "PRIME BANK" SECURITIES FRAUD**

The Commission announced today that on November 12 the United States District Court for the Southern District of New York entered a Final Consent Judgment of Permanent Injunction and Other Relief against Vincent Setteducate, a 40 year old resident of Massapequa, New York. Without admitting or denying the allegations of the Commission's complaint, Setteducate consented to be permanently enjoined from violating Section 17(a) of the Securities Act of 1933 (Securities Act) and Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5.

The Commission's complaint alleged that Setteducate fraudulently obtained at least \$200,000 in a "prime bank" securities scheme. Setteducate pleaded guilty to wire fraud in connection with the transactions alleged in the Commission's complaint. On May 5, 1998, Setteducate was sentenced to two years probation and ordered to pay \$300,000 in restitution.

The Commission alleged that Setteducate violated the antifraud provisions of the federal securities laws, Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5. The Commission sought a permanent injunction against future violations of those antifraud provisions, disgorgement of Setteducate's ill-gotten gains plus prejudgment interest, and civil penalties. Setteducate was not required to pay disgorgement in this case because he had already been ordered to make restitution as part of his criminal sentence. Civil penalties were not imposed because of Setteducate's demonstrated inability to pay them. For more information, see Litigation Release No. 15561 (November 14, 1997). [SEC v. Vincent Setteducate, 97 Civ. 8472, SAS] (LR-15986)

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## **INVESTMENT COMPANY ACT RELEASES**

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## **SIXTY WALL STREET FUND, L.P., ET AL.**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on an application filed by Sixty Wall Street Fund, L.P., Sixty Wall Street SBIC Fund, L.P., and J.P. Morgan & Co. Incorporated (JP Morgan Group) for an order under Sections 6(b) and 6(e) of the Investment Company Act (Act) in connection with the formation of limited partnerships and limited liability companies (Partnerships) to be offered to certain key employees and qualified participants of JP Morgan Group. Each Partnership will be an "employees' securities company" within the meaning of Section 2(a)(13) of the Act. (Rel. IC-23543 - November 20)

## **HILLIARD-LYONS GROWTH FUND, INC., ET AL.**

An order has been issued on an application filed by Hilliard-Lyons Growth Fund, Inc., et al. under Section 6(c) of the Investment Company Act granting relief from Section 15(a) of the Act. The order permits the implementation, without prior shareholder approval, of new investment advisory agreements (the New Advisory Agreements) for a period of up to 60 days following the later of the date on which Hilliard-Lyons, Inc. consummates its merger with PNC Bank Corp., or the date on which the requested order is issued (but in no event later than January 31, 1999) (the Interim Period). The order also permits J.J.B. Hilliard, W.L. Lyons, Inc. to receive all fees earned under the New Advisory Agreements during the Interim Period following shareholder approval. (Rel. IC-23544 - November 23)

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## **HOLDING COMPANY ACT RELEASES**

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## **AMERICAN ELECTRIC POWER CO., INC., ET AL.**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on a proposal by American Electric Power Company, Inc. (AEP), a registered holding company, and AEP Resources, Inc. (Resources) a subsidiary of AEP (Applicants). Applicants request authority to make investments, through December 31, 2000, in exempt wholesale generators and foreign utility companies (collectively, Exempt Projects), directly or indirectly through one or more subsidiaries (Intermediate Subsidiaries). In addition, applicants request authority to engage directly or indirectly in providing project development and management services and related goods to third parties. Further, Applicants request an exemption from the cost standards of Section 13(b) for sales of certain services and goods to any subsidiary of Resources that is an Exempt Project or qualifying facility. Lastly, Applicants request authority to establish, through December 31, 2000, one or more financing subsidiaries that would lend to Intermediate Subsidiaries the proceeds of securities issued by the financing subsidiaries. (Rel. 35-26943)

#### **CMP GROUP, INC., ET AL.**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on a proposal by CMP Group Inc. (CMP Group), a Maine public utility holding company exempt under Section 3(a)(1) from all provisions of the Public Utility Holding Company Act (Act), except Section 9(a)(2). CMP Group requests authority to acquire up to 50% of the membership interests in CMP Natural Gas, L.L.C. (Maine GasCo), a Maine limited liability company that will construct, own and operate a local gas distribution system in Maine. CMP Group proposes to acquire its interests in Maine GasCo through a wholly owned subsidiary, New England Gas Development Corporation, which requests an order under Section 3(a)(1) exempting it from all provisions of the Act, except Section 9(a)(2), following the proposed acquisition. In addition, CMP Group requests an order under Section 3(a)(1) for an exemption from all provisions of the Act, except Section 9(a)(2), following the proposed acquisition. (Rel. 35-26943)

#### **ENERGY EAST CORPORATION, ET AL.**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on a proposal by Energy East Corporation (EEC), a New York public utility holding company exempt under Section 3(a)(1) from all provisions of the Public Utility Holding Company Act (Act), except Section 9(a)(2). EEC requests authorization to acquire at least 50% of the membership interests in CMP Natural Gas, L.L.C. (Maine GasCo), a Maine limited liability company which will construct, own and operate a local gas distribution system in Maine. EEC proposes to acquire its interests in Maine GasCo through a wholly owned subsidiary, Energy East Enterprises, Inc., which requests an order under Section 3(a)(1) exempting it from all provisions of the Act, except Section 9(a)(2), following the proposed acquisition. In addition, EEC requests an order under Section 3(a)(1) for an exemption from all provisions of the Act, except Section 9(a)(2), following the proposed acquisition. (Rel. 35-26943)

#### **EUA ENERGY INVESTMENT CORPORATION**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on a proposal by EUA Energy Investment Corporation, a nonutility subsidiary company of Eastern Utilities Associates, a registered holding company, to provide, through December 31, 2002, financial assistance to Separation Technologies, Inc. (STI), a nonassociate company, in the form of direct investments in STI and project financing for the installation and construction of STI fly ash separation projects, up to an aggregate principal amount of \$15 million. (Rel. 35-26943)

#### **THE SOUTHERN COMPANY**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on a proposal by The Southern Company

(Southern), a registered holding company, for Southern to acquire 7.3% of the outstanding common stock of Florida Public Utilities Company, an electric and gas utility company. (Rel. 35-26943)

#### **INTERSTATE ENERGY CORPORATION**

A notice has been issued giving interested persons until December 15, 1998, to request a hearing on a proposal by Interstate Energy Corporation (Interstate), a registered holding company, Alliant Industries (Alliant), a nonutility subsidiary of Interstate, and Whiting Petroleum Corporation (Whiting), a nonutility subsidiary of Alliant. Interstate requests authority to issue shares of its common stock and to exchange those shares to acquire all of the issued and outstanding common stock of Golden Gas Production Company, an independent oil and gas producer. In addition, Interstate proposes to contribute the Golden Gas Production Company stock to Alliant, which in turn would contribute these shares to Whiting. (Rel. 35-26943)

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#### **SELF-REGULATORY ORGANIZATIONS**

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#### **APPROVAL OF PROPOSED RULE CHANGES**

The Commission approved a proposed rule change submitted by the National Association of Securities Dealers (SR-NASD-98-70) relating to the establishment of a logon identification fee for Nasdaq's Mutual Fund Quotation System. (Rel. 34-40694)

The Commission approved a proposed rule change submitted by the New York Stock Exchange (SR-NYSE-98-27) relating to its arbitration rules. (Rel. 34-40695)

The Commission approved a proposed rule change filed by The Depository Trust Company (SR-DTC-98-16) that modifies DTC's Initial Public Offering tracking system with respect to reporting of resales of IPO shares by institutional customers and of stock loans of IPO shares. (Rel. 34-40700)

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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.

F-1 TFM SA DE CV, AV PERIFERICO SUR NO 4829 TTO PISO,  
COL PARQUES DEL PEDREGAL CP 14010, DELEGACION TIALPAN MEXICO DF, 05  
(525) 447-5836 - 6,000,000 (\$4,023,420) FOREIGN GOVERNMENT AND AGENCY DEBT.  
(FILE 333-9624 - NOV. 12) (BR. 5)

F-6 ABB AB /ADR/, CITIBANK NA, 111 WALL ST, NEW YORK, NY 10043 -  
100,000,000 (\$5,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE  
333-9628 - NOV. 10) (BR. 99 - NEW ISSUE)

S-4 LAIDLAW INC, 3221 N SERVICE RD, P O BOX 5028, BURLINGTON ONTARIO C, A6  
L7R 3 (905) 336-1800 - \$302,108,252 FOREIGN COMMON STOCK. (FILE 333-9632 -  
NOV. 13) (BR. 5)

S-8 SIGNET GROUP PLC, ZENITH HOUSE THE HYDE, COLINDALE,  
LONDON NW9 6EW ENGLA, X0 - 40,000,000 (\$21,200,000) FOREIGN COMMON STOCK.  
(FILE 333-9634 - NOV. 13) (BR. 2)

S-8 LIONS GATE ENTERTAINMENT CORP /CN/,  
3 BENTALL CENTER SUITE 3123 595 BURRARD, VANCOUVER, BRITISH COLUMBIA,  
CANADA, A1 V7K 1 - 8,000,000 (\$11,920,000) FOREIGN COMMON STOCK. (FILE  
333-9830 - NOV. 12) (BR. 5)

S-8 WENDT BRISTOL HEALTH SERVICES CORP, 280 NORTH HIGH STREET, SUITE 760,  
COLUMBUS, OH 43215 (614) 221-6000 - 250,000 (\$335,000) COMMON STOCK.  
(FILE 333-67375 - NOV. 17) (BR. 8)

S-8 FIRST FINANCIAL HOLDINGS INC /DE/, 34 BROAD STREET, SUITE 10,  
CHARLESTON, SC 29401 (803) 529-5800 - 46,240 (\$895,900) COMMON STOCK.  
(FILE 333-67387 - NOV. 17) (BR. 7)

S-8 CUMMINS ENGINE CO INC, 500 JACKSON ST, BOX 3005 MAIL CODE 60701,  
COLUMBUS, IN 47202 (812) 377-5000 - 500,000 (\$18,455,000) COMMON STOCK.  
(FILE 333-67391 - NOV. 17) (BR. 5)

S-8 ARXA INTERNATIONAL ENERGY INC, 530 WELLS FARGO DRIVE, SUITE 300,  
HOUSTON, TX 77090 ((28) 1)--444- - 300,000 (\$150,000) COMMON STOCK. (FILE  
333-67395 - NOV. 17) (BR. 4)

SB-2 COMPUTER LITERACY INC, 1308 ORLEANS DR, SUNNYVALE, CA 94089  
(408) 541-2020 - \$27,000,000 COMMON STOCK. (FILE 333-67397 - NOV. 17)  
(BR. 9)

S-3 ABR INFORMATION SERVICES INC, 34125 US HGHWY 19 N, PALM HARBOR, FL 34684  
(727) 785-2819 - 1,198,008 (\$19,395,749) COMMON STOCK. (FILE 333-67399 -  
NOV. 17) (BR. 3)

S-3 AMERICAN EDUCATIONAL PRODUCTS INC, 6550 GUNPARK DRIVE, SUITE 200,  
BOULDER, CO 80301 (303) 527-3230 - 75,757 (\$757,570) COMMON STOCK. (FILE  
333-67401 - NOV. 17) (BR. 5)

S-3 NATIONAL GOLF PROPERTIES INC, 2951 28TH ST, STE 3001, SANTA MONICA. CA  
90405 (310) 260-5500 - 2,800,616 (\$76,484,823) COMMON STOCK. (FILE  
333-67403 - NOV. 17) (BR. 8)

SB-2 NEWS COMMUNICATIONS INC, 174-15 HORACE HARDING EXPRY, FRESH MEADOWS, NY  
11365 (718) 357-3380 - 3,833,333 (\$5,750,000) COMMON STOCK. (FILE  
333-67407 - NOV. 17) (BR. 5)

S-8 TRUEVISION INC, 2500 WALSH AVE, SANTA CLARA, CA 95051 (408) 562-4200 -  
650,000 (\$446,907.50) COMMON STOCK. (FILE 333-67409 - NOV. 17)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262  
(513) 459-1200 - 19,808 (\$1,075,989) COMMON STOCK. (FILE 333-67411 -  
NOV. 17) (BR. 2)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262  
(513) 459-1200 - 33,293 (\$1,826,954) COMMON STOCK. (FILE 333-67413 -  
NOV. 17) (BR. 2)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262  
(513) 459-1200 - 92,994 (\$5,103,046) COMMON STOCK. (FILE 333-67415 -  
NOV. 17) (BR. 2)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262  
(513) 459-1200 - 21,194 (\$1,163,021) COMMON STOCK. (FILE 333-67417 -  
NOV. 17) (BR. 2)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262  
(513) 459-1200 - 263,543 (\$14,461,923) COMMON STOCK. (FILE 333-67419 -  
NOV. 17) (BR. 2)

S-8 SMITH CHARLES E RESIDENTIAL REALTY INC, 2345 CRYSTAL DR,  
CRYSTAL CITY ARLINGT, VA 22202 (703) 920-8500 - 1,400,000 (\$41,781,600)  
COMMON STOCK. (FILE 333-67421 - NOV. 17) (BR. 8)

S-8 UNITED STATES FILTER CORP, 40-004 COOK ST, PALM DESERT, CA 92211  
(760) 340-0098 - 2,500,000 (\$40,246,152) COMMON STOCK. (FILE 333-67423 -  
NOV. 17) (BR. 6)

S-8 PROSOFT I NET SOLUTIONS INC, 3001 BEE CAVES ROAD, SUITE 220, AUSTIN, TX  
78746 (512) -32-8-61 - 1,750,000 (\$3,117,625) COMMON STOCK. (FILE  
333-67425 - NOV. 17) (BR. 8)

S-4 RG&E HOLDINGS INC, 89 EAST AVE, ROCHESTER, NY 14649 (716) 546-2700 -  
39,750,000 (\$1,209,890,625) COMMON STOCK. (FILE 333-67427 - NOV. 17)  
(NEW ISSUE)

S-8 CHARTER ONE FINANCIAL INC, 1215 SUPERIOR AVE, CLEVELAND, OH 44114  
(216) 566-5300 - 250,000 (\$6,977,500) COMMON STOCK. (FILE 333-67431 -  
NOV. 17) (BR. 7)

S-8 TRM CORP, 5208 N E 122ND AVENUE, PORTLAND, OR 97230 (503) 257-8766 -  
500,000 (\$4,750,000) COMMON STOCK. (FILE 333-67433 - NOV. 17) (BR. 8)

SB-2 CITIZENS FIRST CORP, 1126 COLLEGE STREET, BOWLING GREEN, KY 42102  
(502) 796-3778 - 536,667 (\$8,050,005) COMMON STOCK. (FILE 333-67435 -  
NOV. 17) (NEW ISSUE)

S-1 ACSYS INC, 75 FOURTEENTH STREET, SUITE 2200, ATLANTA, GA 30309  
(404) 817-9440 - 423,056 (\$3,634,051) COMMON STOCK. (FILE 333-67437 -  
NOV. 17) (BR. 8)

S-2 DYNAMICWEB ENTERPRISES INC, BUILDING F SUITE 209, 271 ROUTE 46W,  
FAIRFIELD, NJ 07004 (973) 244-1000 - 1,039,872 (\$3,089,239) COMMON STOCK.  
(FILE 333-67439 - NOV. 17) (BR. 3)

S-8 COST PLUS INC/CA/, 201 CLAY ST, P O BOX 23350, OAKLAND, CA 94607  
(415) 893-7300 - 250,000 (\$8,156,250) COMMON STOCK. (FILE 333-67441 -  
NOV. 17) (BR. 2)

S-4 UNITED STATES FILTER CORP, 40-004 COOK ST, PALM DESERT, CA 92211  
(760) 340-0098 - 10,000,000 (\$201,250,000) COMMON STOCK. (FILE 333-67443 -  
NOV. 17) (BR. 6)

S-3 CHUBB CORP, 15 MOUNTAIN VIEW RD P O BOX 1615, WARREN, NJ 07061  
(980) 580-2000 - 1,000,000 (\$61,000,000) COMMON STOCK. (FILE 333-67445 -  
NOV. 17) (BR. 1)

S-4 KERR MCGEE CORP, KERR MCGEE CTR, 123 ROBERT S KERR, OKLAHOMA CITY, OK  
73102 (405) 270-1313 - 43,175,436 (\$1,718,534,467) COMMON STOCK. (FILE  
333-67447 - NOV. 17) (BR. 4)

S-8 FIRST AMERICAN FINANCIAL CORP, 114 E FIFTH ST, SANTA ANA, CA 92701  
(714) 558-3211 - 300,000 (\$10,443,900) COMMON STOCK. (FILE 333-67451 -  
NOV. 17) (BR. 1)

S-3 ALABAMA POWER CO, 600 N 18TH ST, P O BOX 2641, BIRMINGHAM, AL 35291  
(205) 257-1000 (FILE 333-67453 - NOV. 17) (BR. 2)

N-1A CAPITAL WORLD OPPORTUNITIES FUND, 333 SOUTH HOPE ST, LOS ANGELES, CA  
90071 (213) 486-9200 - INDEFINITE SHARES. (FILE 333-67455 - NOV. 18)