

SEC NEWS DIGEST

Issue 2001-209

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RULES AND RELATED MATTERS

EXTENSION OF COMMENT PERIOD ON JOINT SEC AND CFTC PROPOSED RULES RELATING TO SECURITY FUTURES PRODUCTS

The Securities and Exchange Commission and the Commodity Futures Trading Commission have extended the comment period for their joint proposed rules relating customer margin for security futures and the applicability of CFTC and SEC customer protection, recordkeeping, reporting, and bankruptcy rules and the Securities Investor Protection Act of 1970 to accounts holding security futures products. The new deadline for comment is December 5, 2001. (Rel. 34- 44996; File Nos. S7-16-01 and S7-17-01)

ENFORCEMENT PROCEEDINGS

SEC OBTAINS PRELIMINARY INJUNCTION AGAINST AREMISSOFT CORPORATION AND TWO FORMER OFFICERS FOR FINANCIAL FRAUD, INSIDER TRADING

On October 19, the Honorable Charles S. Haight, Jr., United States District Judge for the Southern District of New York, issued a preliminary injunction against AremisSoft Corporation, an international software company with offices in New Jersey, London, Cyprus, and India, two of its former officers, Roys Poyiadjis and Lycourgos Kyprianou, and ordered other relief against the defendants and two relief defendants, Olympus Capital Investment, Inc., and Oracle Capital, Inc. The Court's order resulted from the Commission's motion for emergency relief, filed on October 4, 2001, alleging that the defendants overstated the value of the Company's contracts, revenues and recent acquisitions, and that the two former officers engaged in massive insider trading.

Pending resolution of the Commission's action, the Court's order enjoins the three defendants from violations of Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)] and Sections 10(b), 13(a) and 16(a) of the Securities Exchange Act of 1934 [15 U.S.C. §§ 78j(b), 78m(a) and 78p(a)] and Rules 10b-5, 12b, 13a-1, 13a-13, 16a-2 and 16a-3] thereunder [17 C.F.R. §§ 240.10b-5, 12b, 13a-1, 13a-13, 16a-2 and 16a-3]. The Court's order also restrains the defendants and the relief defendants from destroying any

documents relating to the Commission's allegations in the Complaint. With respect to defendants Poyiadjis and Kyprianou and the relief defendants, the order also:

- freezes any of their funds or assets received from the sale of AremisSoft stock;
- directs them to repatriate all such funds or assets to the United States; and
- requires them to submit a sworn accounting of their assets held at any time since December 1, 1999.

For additional information please see Litigation Release No. 17172 (October 4, 2001). [SEC v. Roys Poyiadjis, Lycourgos Kyprianou and AremisSoft Corp., Civil Action No. 01-CV-8903, SDNY] (LR-17210; AAE Rel. 1473)

HOLDING COMPANY ACT RELEASES

CONECTIV, ET AL.

A notice has been issued giving interested persons until November 20, 2001, to request a hearing on a proposal by Conectiv, a registered holding company, Conectiv Resource Partners, Inc. (CRPI), the service company for the Conectiv system, Atlantic City Electric Company (ACE), a public utility subsidiary of Conectiv and Atlantic City Electric Transition Funding LLC (Special Purpose Issuer) (collectively, Applicants). Applicants request authority, through May 31, 2006, for: (1) ACE to sell and/or assign bondable transition property to the Special Purpose Issuer in exchange for the net proceeds from the sale of a series of transition bonds; (2) the Special Purpose Issuer to issue and sell transition bonds in an aggregate principal amount up to \$1.7 billion; (3) the Special Purpose Issuer to enter into interest rate swaps or other derivatives to reduce interest rate and credit risks with respect to, and to facilitate the issuance of, transition bonds; (4) ACE to act as the servicer of the bondable transition property and ACE or an affiliate to perform services for the Special Purpose Issuer and receive compensation determined on a market rate basis; (5) ACE, CRPI, any successor entity or another affiliate to act as the administrator for the Special Purpose Issuer and to receive compensation which will be equal to a market rate fee; (6) the Special Purpose Issuer to use the proceeds from the transition bonds to pay the expenses of issuance and to purchase the bondable transition property from ACE ; and (7) ACE to indemnify the Special Purpose Issuer. (Rel. 35-27458)

NATIONAL FUEL GAS COMPANY

A notice has been issued giving interested persons until November 19, 2001, to request a hearing on a proposal by National Fuel Gas Company (National), a registered holding company, and its wholly owned nonutility subsidiary company, Horizon Energy

Development, Inc. (Horizon), and Horizon's wholly owned nonutility subsidiary company, Horizon Energy Holdings, Inc. (Holdings), and Holdings' subsidiary companies, to, through September 30, 2006, develop, organize, reorganize, finance and provide services for special purpose subsidiaries that will invest in nonutility subsidiaries, including "exempt wholesale generators" and "foreign utility companies", as defined in Sections 32 and 33 of the Public Utility Holding Company Act of 1935, as amended (Act) and "energy-related" companies, as defined in Rule 58 under the Act. Horizon and its nonutility subsidiaries propose further to pay dividends out of capital and unearned surplus and to provide certain energy consulting services to unaffiliated third parties in both the United States and foreign countries. (Rel. 35-27458)

FIRSTENERGY CORP., GPU, INC., ET AL.

An order has been issued authorizing a proposal by approving a proposal by FirstEnergy Corp. (FirstEnergy), an Ohio holding company claiming exemption from registration under Section 3(a)(1) of the Act by Rule 2, its utility subsidiaries, Ohio Edison Company, American Transmission Systems, Incorporated, The Cleveland Electric Illuminating Company, The Toledo Edison Company, Pennsylvania Power Company, and Northeast Ohio Natural Gas Corp., their respective nonutility subsidiaries, GPU, Inc. (GPU), a registered public utility holding company, its utility subsidiaries, Jersey Central Power & Light Company, Pennsylvania Electric Company, Metropolitan Edison Company, York Haven Power Company, Waverly Electric Power & Light Company, and their respective nonutility subsidiaries (collectively, Applicants). Applicants have been authorized to merge GPU with and into FirstEnergy (Merger) and to engage in financing and other transactions related to the Merger. Further, Applicants have been authorized to engage in various financing transactions and intrasystem transactions following consummation of the Merger and FirstEnergy's subsequent registration under the Act. (Rel. 35-27459)

SELF-REGULATORY ORGANIZATIONS

ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Commission granted accelerated approval of a proposed rule change (SR-Amex-2001-45) filed by the American Stock Exchange. The proposal approves the listing of additional funds of iShares, Inc. based on foreign stock indexes. Publication of the proposal is expected in the Federal Register during the week of October 29. (Rel 34-44900)

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change submitted by the Philadelphia Stock Exchange (SR-Phlx-2001-74) amending its By-laws to reduce the posting period for membership and foreign currency options participations to seven days. (Rel. 34-44991)

The Commission approved a proposed rule change (SR-CBOE-2001-22) filed by the Chicago Board Options Exchange to permanently approve a pilot program that eliminates position and exercise limits for S&P 100 Index, S&P 500 Index, and Dow Jones Industrial Average index options as well as for FLEX options overlying these indexes. (Rel. 34-44994)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

A proposed rule change filed by the New York Stock Exchange amending the Exchange's Floor Conduct and Safety Guidelines and Exchange Rule 35 to allow specialists' trading assistants to assist specialist in capturing trades and quotes during active market conditions (SR-NYSE-2001-41) has become immediately 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 October 29. (Rel. 34-44993)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-2001-06) under Section 19(b)(3)(A) of the Securities Exchange Act. The proposed rule change, which was effective upon filing, will add new definitions and procedures to GSCC's rules that relate to how GSCC will monitor its members' clearing fund status. In addition, GSCC proposes to add a rule that would permit GSCC to exchange information with other clearing organizations concerning a member that is on any Surveillance Status. Publication of the proposal is expected in the Federal Register during the week of October 29. (Rel. 34-44995)

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>.

F-9 PANCANADIAN PETROLEUM LTD /ADR/, 150 9TH AVE SW, PANCANADIAN PLAZA,
CALGARY ALBERTA CANADA T2P 3H9, AO (403) 290-2000 - 1,500,000,000
(\$1,500,000,000) FOREIGN GOVERNMENT AND AGENCY DEBT. (FILE 333-14026 -
OCT. 19) (BR. 4)

F-6 GLOBO CABO SA /ADR/, TIMOTHY F KEANEY, 101 BARCLAY ST 22ND FL, NEW YORK, NY 10286 (212) 815-2129 - 50,000,000 (\$2,500,000) FOREIGN PREFERRED STOCK.
(FILE 333-14028 - OCT. 19)

S-3 CALPINE CORP, 50 WEST SAN FERNANDO ST, SAN JOSE, CA 95113 (408) 995-5115
- 2,110,527 (\$57,321,914) COMMON STOCK. (FILE 333-71966 - OCT. 22)
(BR. 2)

S-1 SUNOCO LOGISTICS PARTNERS LP, SUN COMPANY INC, TEN PENN CENTER, 1801 MARKET ST C/O JOHN DIROCCO, PHILADELPHIA, PA 19103 (215) 977-3000
- \$120,750,000 COMMON STOCK. (FILE 333-71968 - OCT. 22) (NEW ISSUE)

S-8 BAYCORP HOLDINGS LTD, 20 INTERNATIONAL DR, STE 301, PORTSMOUTH, NH 03801
(603) 431-6600 - 500,000 (\$4,550,000) COMMON STOCK. (FILE 333-71976 - OCT. 22) (BR. 2)

S-8 TESSA COMPLETE HEALTH CARE INC/GA, 35 FULFORD AVE, SUITE 101, BEL AIR, MD 21014 (410) 893-0134 - 3,173,077 (\$206,250) COMMON STOCK. (FILE 333-71978 - OCT. 22) (BR. 9)

S-8 TESSA COMPLETE HEALTH CARE INC/GA, 35 FULFORD AVE, SUITE 101, BEL AIR, MD 21014 (410) 893-0134 - 3,461,536 (\$225,000) COMMON STOCK. (FILE 333-71980 - OCT. 22) (BR. 9)

S-8 TESSA COMPLETE HEALTH CARE INC/GA, 35 FULFORD AVE, SUITE 101, BEL AIR, MD 21014 (410) 893-0134 - 3,307,692 (\$215,000) COMMON STOCK. (FILE 333-71982 - OCT. 22) (BR. 9)

S-8 TESSA COMPLETE HEALTH CARE INC/GA, 35 FULFORD AVE, SUITE 101, BEL AIR, MD 21014 (410) 893-0134 - 20,000,000 (\$600,000) COMMON STOCK. (FILE 333-71984 - OCT. 22) (BR. 9)

S-1 UNITED DEFENSE INDUSTRIES INC, 1525 WILSON BLVD, SUITE 700, ARLINGTON, VA 22209 (703) 312-6100 - \$300,000,000 COMMON STOCK. (FILE 333-71986 - OCT. 22) (BR. 5)

S-3 SOUTHERN UNION CO, 504 LAVACA ST 8TH FL, AUSTIN, TX 78701 (512) 477-5852
- 400,000,000 (\$400,000,000) STRAIGHT BONDS. (FILE 333-71988 - OCT. 19)
(BR. 2)

S-8 WPS RESOURCES CORP, 700 N ADAMS ST, PO BOX 19001, GREEN BAY, WI 54307
(920) 433-4901 - 5,300,000 (\$5,300,000)

OTHER SECURITIES INCLUDING VOTING TRUST. (FILE 333-71990 - OCT. 22)
(BR. 2)

S-8 WPS RESOURCES CORP, 700 N ADAMS ST, PO BOX 19001, GREEN BAY, WI
54307
(920) 433-4901 - 1,000,000 (\$1,000,000)
OTHER SECURITIES INCLUDING VOTING TRUST. 30,000 (\$1,039,200) COMMON
STOCK.
(FILE 333-71992 - OCT. 22) (BR. 2)

S-3 LEXINGTON CORPORATE PROPERTIES TRUST, 355 LEXINGTON AVE, NEW YORK,
NY
10017 (212) 692-7260 - 2,000,000 (\$29,630,000) PREFERRED STOCK. (FILE
333-71998 - OCT. 22) (BR. 8)

S-8 PRINCIPAL FINANCIAL GROUP INC, 711 HIGH STREET, DES MOINES, IA 50392
(515) 247-5111 - 14,000,000 (\$14,000,000)
OTHER SECURITIES INCLUDING VOTING TRUST. 5,000,000 (\$100,000,000)
COMMON STOCK. (FILE 333-72002 - OCT. 22) (BR. 1)

S-8 VIEW SYSTEMS INC, 825 W KENYON AV, SUITE 15, ENGLEWOOD, CO 80110
(303) 295-7200 - 350,000 (\$294,000) COMMON STOCK. (FILE 333-72004 -
OCT. 22) (BR. 8)

S-8 PRINCIPAL FINANCIAL GROUP INC, 711 HIGH STREET, DES MOINES, IA 50392
(515) 247-5111 - 20,000,000 (\$400,000,000) COMMON STOCK. (FILE 333-
72006 -
OCT. 22) (BR. 1)

S-8 THERMOELASTIC TECHNOLOGIES INC /CO/, 5446 CANVASBACK ROAD, BLAINE,
WA
98230 (360) 371-5061 - 3,265,000 (\$222,875) COMMON STOCK. (FILE 333-
72008
- OCT. 22) (BR. 9)

S-8 SPARTAN STORES INC, 850 76TH ST SW, P O BOX 8700, GRAND RAPIDS, MI
49518
(616) 878-2000 - 200,000 (\$2,680,000) COMMON STOCK. (FILE 333-72010 -
OCT. 22) (BR. 4)

S-3 CONCURRENT COMPUTER CORP/DE, 4375 RIVER GREEN PARKWAY, DULUTH, GA
30097
(678) 258-4000 - 2,054,431 (\$19,373,285) COMMON STOCK. (FILE 333-72012
-
OCT. 22) (BR. 3)

S-8 ACTIVISION INC /NY, 3100 OCEAN PARK BLVD, STE 1000, SANTA MONICA, CA
90405 (310) 255-2000 - 1,500,000 (\$48,607,500) COMMON STOCK. (FILE
333-72014 - OCT. 22) (BR. 3)

S-8 HOME DEPOT INC, 2455 PACES FERRY ROAD, ATLANTA, GA 30339 (770) -43-
3-82
- 250,000 (\$10,155,000) COMMON STOCK. (FILE 333-72016 - OCT. 22) (BR.
6)

S-3 XL CAPITAL LTD, XL HOUSE, ONE BERMUDIANA ROAD, HAMILTON HM11 BERMUD,
D2

(441) 292-8515 - 1,500,000,000 (\$1,500,000,000) FOREIGN COMMON STOCK.
(FILE 333-72018 - OCT. 22) (BR. 1)

S-8 PHARMACYCLICS INC, 995 EAST ARQUES AVE, SUNNYVALE, CA 94086
(408) 774-0330 - 200,000 (\$4,054,000) COMMON STOCK. (FILE 333-72020 -
OCT. 22) (BR. 1)

S-4 CERNER CORP /MO/, 2800 ROCKCREEK PKWY-STE 601, KANSAS CITY, MO 64117
(816) 221-1024 - 362,791 (\$16,285,244) COMMON STOCK. (FILE 333-72024 -
OCT. 22) (BR. 3)

S-8 METRO INFORMATION SERVICES INC, P O BOX 8888, VIRGINIA BEACH, VA
23450
(757) 486-1900 - 50,000 (\$347,500) COMMON STOCK. (FILE 333-72026 -
OCT. 22) (BR. 2)

S-4 GLOBESPAN INC/DE, 100 SCHULZ DRIVE, RED BANK, NJ 07701 (732) 345-
7500 -
73,005,500 (\$748,664,040) COMMON STOCK. (FILE 333-72028 - OCT. 22)
(BR. 5)