

# SEC NEWS DIGEST

Issue 2000-62

April 3, 2000

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## **RULES AND RELATED MATTERS**

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### **EXTENSION OF EFFECTIVE DATE FOR THE REGULATION OF ALTERNATIVE TRADING SYSTEMS AND EXCHANGES**

On March 31, 2000, the Commission approved the publication of a release to extend the effective date for rules governing alternative trading systems that trade corporate debt securities. The release extends the effective date for Rule 301(b)(5)(i)(D) and (E) and 301(b)(6)(i)(D) and (E) from April 1, 2000 to December 1, 2000. The rules relate to alternative trading systems trading debt securities and requirements for fair access and systems capacity, integrity, and security. For further information contact Kevin Ehrlich, Attorney, Division of Market Regulation at (202) 942-0778. (Rel. 34-42603; File No. S7-12-98)

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## **ENFORCEMENT PROCEEDINGS**

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### **PROCEEDING DECLARED FINAL AS TO DARLAN GORDON AND WILLIAM AVENT**

On March 30, 2000, the Commission gave notice that the proceeding against Darlan E. Gordon and William Avent is final. The law judge found that Gordon and Avent willfully violated Securities Act Section 17(a). The law judge ordered Gordon and Avent to cease and desist from committing any violations or future violations of Section 17(a) and, jointly and severally, to disgorge \$300,000 plus prejudgment interest. The proceeding will continue as to Brian Schmidt and John Aristotle Dilworth II. (Rel. 34-42599; File No. 3-9402)

### **COURT FREEZES \$4.75 MILLION IN ASSETS LINKED TO SUSPICIOUS PURCHASES OF 67,300 SHARES OF COMMON STOCK OF FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.**

On March 30, 2000, the U.S. District Court for the Southern District of New York entered a preliminary injunction freezing the accounts of certain unknown purchasers of

the common stock of Financial Security Assurance Holdings Ltd (FSA), prohibiting the unknown persons from taking delivery of the stock or possession of the proceeds from the sale of the stock. The Commission alleges that the unknown purchasers engaged in illegal insider trading just before the announcement on March 14, 2000 that Dexia, a municipal lending corporation based in Brussels, Belgium, intended to acquire FSA in a friendly merger. FSA is a New York corporation that provides financial guaranty insurance on asset-backed and municipal obligations. The securities of FSA trade on the NYSE.

The Commission alleged that, within a 2 1/2 hour period beginning on the morning of March 9, 2000, Banque Privee Edmond de Rothschild (Banque Privee), based in Luxembourg, and Bank Leumi, Bank Hapoalim, and Israel Discount Bank, based in Israel, placed orders to purchase 67,300 shares of FSA common stock. According to the Commission, the four foreign banks placed their trades on behalf of persons or entities currently unknown, using six U.S. broker-dealers. Moreover, according to the Commission, one of the foreign banks, Bank Hapoalim, placed a limit order before the market opened on March 9 for the purchase of FSA stock at a price significantly higher than the previous day's closing price.

The Commission's Application for Preliminary Injunction and supporting materials state that shortly after noon on March 9, 2000, an extraordinary increase in purchases of the thinly traded stock of FSA caused the NYSE to halt FSA's trading, citing an order imbalance. The NYSE thereafter extended the trading halt pending the release of news about FSA. Later that afternoon FSA publicly announced that it had been in discussions with an unnamed third party concerning the possible sale of FSA. Three days later, on March 14, 2000, FSA and Dexia formally announced that they had signed a definitive agreement providing for Dexia to acquire FSA for \$76 in cash, a deal valued at approximately \$2.6 billion.

According to the Commission, the unknown purchasers have placed orders to sell some of the 67,300 shares that the four foreign banks purchased on their behalf on March 9. Significantly, according to the Commission, Banque Privee placed a limit order early on March 14, before the opening of trading and before the public announcement, to sell FSA at \$69 per share, a price significantly higher than the previous day's closing price of \$57 11/16. The Commission's filing states that the FSA stock and proceeds from the sales of the stock in the frozen accounts are worth more than \$4.75 million, of which more than \$1.2 million are trading profits.

In the pending lawsuit, the Commission alleges that the unknown defendants engaged in illegal insider trading in violation of Section 10(b) of the Securities Exchange Act and Rule 10b-5. The complaint seeks permanent injunctive relief, the disgorgement of all illegal profits, and the imposition of civil monetary penalties. The Preliminary Injunction Order extends the Court's previously issued Temporary Restraining Order and prohibits the removal of the FSA common stock, or the proceeds from the sales of the FSA common stock, from the U.S. brokerage accounts in which the securities or funds currently reside.

The Commission acknowledges the continued assistance of the NYSE in this matter. [SEC v. Certain Unknown Purchasers of Common Stock of Financial Security Assurance Holdings Ltd, No. 00-CIV-2029, S.D.N.Y., SHS, March 16, 2000] (LR-16494)

## **COMPLAINT AND SETTLEMENT FILED AGAINST INTERNET STOCK TOUTER**

The Commission announced the filing on March 29, 2000, of a complaint in the United States District Court for the Southern District of Texas, alleging that Thomas E. Loyd, individually, and d/b/a Loyd Financial Consulting, engaged in a stock touting and scalping scheme through the dissemination of his investment newsletter, *Investors' Alert*. The complaint alleges that on 14 separate occasions between April 1999 and October 1999, Loyd published "strong buy" recommendations in *Investors' Alert* for the securities of seven microcap companies. In addition to his subscribers, the complaint alleges that Loyd sent certain of his recommendations to millions of potential investors through unsolicited Internet e-mails, commonly known as "spams." With respect to almost every stock touted by the defendant, the complaint alleges that the volume and/or price increased sharply, sometimes by as much as 160%, shortly after the defendant's "strong buy" recommendation; and the defendant took advantage of the market interest he created by selling into the inflated market large amounts of stock he had received in consideration for his promotional services. According to the complaint, Loyd realized profits of \$168,000 from sales of these securities and subscription fees from his subscribers. Moreover, the complaint alleges that Loyd failed to disclose that in many instances he had, directly or indirectly, received tens of thousands of shares of stock from the recommended companies in consideration for featuring the companies in *Investors' Alert*. Lastly, the complaint alleges that Loyd failed to advise his subscribers and readers that he intended to sell the stock in contravention of his buy recommendations – a fraudulent practice known as "scalping."

Simultaneously with the filing of the complaint, Loyd consented, without admitting or denying the allegations of the complaint, to the entry of a final judgment permanently enjoining him from violations of Section 17(b) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940. Loyd also agreed to pay disgorgement and pre-judgment interest of \$172,093, and a \$50,000 civil penalty. [SEC v. Thomas E. Loyd, individually, and d/b/a Loyd Financial Consulting, Civil Action No. 00-CV-1085, S.D. Tex., Houston Division] (LR-16495)

## **ALBERDING TO PAY CIVIL MONEY PENALTY AND PERMANENTLY ENJOINED FROM FUTURE VIOLATIONS OF SECURITIES LAWS**

The Commission announced today that on March 28, 2000, Judge Sidney A. Fitzwater, United States District Judge for the Northern District of Texas, entered a Final Judgment of Permanent Injunction and Other Equitable Relief against Defendant Robert H. Alberding. Judge Fitzwater permanently enjoined Mr. Alberding from future violations

of the antifraud provisions of the federal securities laws. Judge Fitzwater further ordered Mr. Alberding to pay disgorgement of \$125,000, representing his gains from the conduct alleged in the Commission's complaint, and pay prejudgment interest of \$4,986.20. In addition, Mr. Alberding is ordered to pay a \$10,000 civil money penalty.

On September 2, 1999, Judge Fitzwater granted the Commission's request for an emergency asset freeze, the appointment of a Receiver, and other equitable relief to halt a fraudulent "prime bank" investment scheme. The Commission's complaint charges that from April 1998 through August 1998, Kay L. Cahill, a convicted felon, and the other defendants, raised approximately \$9.5 million from 10 investors nationwide for a purported "trading program" in foreign bank instruments promising returns of as much as 1,000%. In reality, the trading program did not exist and investor funds were used to make "Ponzi" payments, in that funds from later investors were used to pay purported profits to earlier investors. In addition, investor funds were misappropriated for certain defendants' personal use. For example, Cahill purchased an 11,000-square-foot house in Tyler, Texas, at a cost of approximately \$1.2 million, and spent investor funds for moving and travel expenses, and to purchase furniture and automobiles.

According to the Commission's complaint, Mr. Alberding, age 50 and a resident of Scottsdale, Arizona, is a self-employed sales and marketing consultant who conducted business under the name CanAmerican Business Capital, Inc. Alberding's role in the fraud was to solicit investors for the investment program in exchange for commissions. [SEC v. Highland Financial Corporation, et al., #4-99-CV-0719-D, USDC, NDTX, Fort Worth Division] (LR-16496)

## **COMPLAINT FILED AGAINST EIGHT NEW YORK STOCK EXCHANGE FLOOR BROKERS, SEVEN BROKER-DEALERS AND TWO INDIVIDUAL PRINCIPALS OF A BROKER-DEALER ALLEGING ILLEGAL TRADING ON THE FLOOR OF THE EXCHANGE**

The Commission announced that on March 30, 2000, it filed a civil enforcement action charging several former New York Stock Exchange floor brokers and other defendants with engaging in an illegal trading scheme on the NYSE floor between 1993 and early 1998. The complaint alleges that the floor brokers abused their position on the NYSE floor by trading for their own accounts and accounts over which they exercised investment discretion, violated their duties to public customers, and received millions of dollars in unlawful trading profits. The charges are similar to ones brought by the Commission against the same defendants and others in an earlier action, *SEC v. Oakford*, 98 Civ. 1366 (JSR).

Named as defendants in the Commission's complaint filed in federal court in Manhattan are:

The Oakford Corporation (Oakford), formerly a broker-dealer registered with the Commission since 1991, William S. Killeen (Killeen), age 39, Oakford's Chief Executive Officer, Thomas W. Bock (Bock), age 47, Oakford's Chief Financial

Officer, Thomas J. Cavallino (Cavallino), age 43, formerly an independent floor broker on the NYSE doing business as Oakwood Securities, Inc., Edward J. Mueger (Mueger), age 65, formerly an independent floor broker on the NYSE doing business as Edward J. Mueger, Inc., Mark R. Savarese (M. Savarese), age 38, formerly a floor broker on the NYSE for MFS Securities Corp. since 1990, John J. Savarese (J. Savarese), age 41, formerly a floor broker on the NYSE for MFS Securities Corp., John R. D'Alessio (D'Alessio), age 46, at the time of the events alleged, an independent floor broker on the NYSE doing business as D'Alessio Securities, Inc.

Also named as defendants are registered broker-dealers affiliated with the individual floor broker defendants, Edward J. Mueger, Inc. (Mueger, Inc.); MFS Securities Corp. (MFS); Oakwood Securities Corp. (Oakwood); and D'Alessio Securities, Inc. (D'Alessio Securities).

The complaint alleges that from 1993 through 1998, the defendants engaged in a scheme in which the floor brokers improperly took advantage of information they obtained on the NYSE floor to make trades for designated accounts at Oakford. Cavallino, Mueger, J. Savarese, M. Savarese, the Savareses' alter ego, MFS, and D'Alessio exercised significant discretion over their Oakford accounts, which were in fact the floor brokers' own accounts in that the floor brokers received 70% to 90% of the trading profits pursuant to oral agreements with Oakford and its principals, Bock and Killeen. By trading in their own accounts and accounts over which they exercised investment discretion, the floor brokers violated Section 11(a) of the Securities Exchange Act of 1934, Rule 11a-1 thereunder, and, with the exception of D'Alessio and D'Alessio Securities, NYSE Rules 90(a), 95(a) and 111(a).

Cavallino and his firm, Oakwood, J. Savarese and MFS, D'Alessio, and D'Alessio Securities unlawfully executed trades in their Oakford accounts while holding unexecuted customer orders for the same securities, and, along with M. Savarese, filled customer orders with securities bought from or sold to their Oakford accounts. As such, they "front ran" and "traded ahead" of customer orders in violation of Section 10(b) of the Exchange Act, Rule 10b-5, Section 17(a) of the Securities Act of 1933 and, with the exceptions of D'Alessio and D'Alessio Securities, violated Rules 91 and 92.

Aided and abetted by other defendants, Mueger, Inc., MFS, Oakwood, D'Alessio Securities, and Oakford made and kept false books and records in violation of Section 17(a) of the Exchange Act, and Rules 17a-3 or 17a-5 thereunder. Bock and Killeen aided and abetted several of the violations alleged against other defendants.

The Commission initially charged these defendants and others with this same illegal trading scheme in *SEC v. Oakford*, 98 Civ. 1366 (JSR), filed on February 25, 1998, amended on May 18, 1998). In the summer of 1998, the Court dismissed that 1998 complaint as to the defendants without prejudice pending resolution of criminal charges brought against those defendants and others by the United States Attorney's Office for

the Southern District of New York (USAO). Since then, several of the defendants named in the complaint have pleaded guilty to criminal violations in connection with their unlawful trading, and have been sentenced. Certain other defendants named in the Commission's 1998 complaint have settled the Commission's charges and are not named in the current complaint.

In the complaint, the Commission seeks judgment permanently enjoining the defendants from violating the applicable securities laws and rules, requiring the defendants to disgorge their ill-gotten gains with prejudgment interest, ordering them to pay civil penalties, and ordering them to account for their ill-gotten gains. The litigation remains pending.

The Commission's action is a result of an investigation with the USAO, the NYSE, the Internal Revenue Service Criminal Investigation Division, and the Federal Bureau of Investigation. [SEC v. The Oakford Corporation, Edward J. Mueger, Inc., MFS Securities Corp., Oakwood Securities Corp., D'Alessio Securities, Inc., William S. Killeen, Thomas W. Bock, Thomas J. Cavallino, Edward J. Mueger, Mark R. Savarese, John J. Savarese and John R. D'Alessio, United States District Court for the Southern District of New York, 00 Civ. 2426, S.D.N.Y.] (LR-16497)

## **COURT HALTS FRAUDULENT INTERNET "PRE-IPO" SCHEME**

The Commission today announced that the Honorable Terry R. Means, United States District Judge for the Northern District of Texas entered a temporary restraining order against New World Web Vision.com, Inc. (World Web), Capital Corp Investments International Inc. (Capital), and Dwight D. Dubose (Dubose). The SEC's complaint alleges that the defendants are engaged in an ongoing Internet scheme in which they have fraudulently raised approximately \$300,000 from over 60 investors through the sale of unregistered World Web and Capital securities. In addition to prohibiting further violations of the federal securities laws, the Court's order froze the defendants' assets and appointed a temporary receiver to manage and preserve the defendants' assets for the benefit of investors.

The Commission's complaint alleges that World Web and Capital are two affiliated companies founded by Dubose that claim to own and operate a highly successful Internet shopping mall business, known as an "e-mall," as well as other Internet businesses. According to the complaint, from at least November 1998 to the present, the two companies have publicly offered and sold unregistered shares of stock through two Internet web sites and thousands of unsolicited e-mail messages, commonly known as "spams." The complaint further alleges that Dubose, playing off the recent successes of Internet IPO's, has made numerous misleading claims that World Web and/or Capital are preparing to conduct an IPO. As alleged in the complaint, Dubose has offered and sold "pre-IPO shares" at \$.60 per share, and has told investors that their shares soon will be worth about \$16-\$17 per share when the companies go public.

In truth, according to the complaint, the defendants' e-mail business generates minimal revenues and, until very recently, was operated from Dubose's subsequently abandoned one bedroom apartment in Ft. Worth, Texas. Moreover, the Complaint alleges that neither World Web, nor Capital has undertaken any meaningful steps to conduct an IPO and that Dubose has misappropriated investor/corporate funds for his own personal uses, including court-ordered child support payments and risky, unsuccessful options trading

As a result of their alleged misconduct, the complaint charges the defendants with violating Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934, as well as Rule 10b-5 thereunder. The Complaint further seeks preliminary and permanent injunctive relief against the defendants, as well as disgorgement of all unjust profits, plus prejudgment interest, and civil monetary penalties. [SEC v. New World Web Vision.com, Inc., Capital Corp Investments International Inc., and Dwight D. Dubose, Civil Action No 4: 00-CV-0231-Y, N D. Tex., Fort Worth Division] (LR-16498)

## **COMMISSION FILES CASE AGAINST DANA GIACCHETTO AND THE CASSANDRA GROUP, INC.**

The Commission today charged a Manhattan investment adviser with a fraudulent scheme to divert \$20 million (more than \$4 million of which has been misappropriated) from the accounts of his clients, many of whom are prominent figures in the arts and entertainment industry. Simultaneously, the United States Attorney for the Southern District of New York unsealed a criminal complaint containing similar charges against Dana C. Giacchetto.

Named in the Commission's complaint filed in the U.S. District Court for the Southern District of New York are Dana C. Giacchetto, age 37, of Manhattan and The Cassandra Group, Inc., a registered investment adviser located in Manhattan, which is solely owned by Giacchetto. The complaint alleges, and litigation papers filed by the Commission in support of its request for emergency relief set forth evidence, that Giacchetto targeted prospective clients from the arts and entertainment industries, and Cassandra's clients include many artists and film and music stars. In promoting his services, Giacchetto claimed that Cassandra followed a "conservative" investment strategy. Giacchetto also touted the purported safety of entrusting funds to him by claiming that Cassandra never took custody of client assets, but left them instead in the hands of an independent custodian.

From September 1997 to the present, Giacchetto unlawfully gained possession of at least \$20 million in client funds. While Giacchetto used some of this money to make investments for clients, he diverted substantial funds – totaling more than \$4 million – to pay Cassandra's operating expenses and Giacchetto's own living expenses, and to compensate other clients who had been defrauded earlier in the scheme. Giacchetto also used more than \$12,000 in client funds to make the down payment on a Mercedes Benz automobile for a law enforcement officer.

Giacchetto stole money by diverting checks issued from his clients' individual accounts at a registered broker-dealer, Brown & Co., which served as the independent custodian for most of Cassandra's clients. On numerous occasions from at least June 1997 through the present, Giacchetto directed Brown to issue checks payable to particular Cassandra clients, drawing on funds held in those clients' Brown accounts. Rather than having those checks sent to the unsuspecting clients who were the named payees, Giacchetto caused Brown to deliver the checks to Cassandra. Giacchetto then endorsed the checks himself, in his own name, and deposited the funds in Cassandra's corporate bank accounts at U.S. Trust Co. In recent months, as some clients began to question activity in their accounts, Cassandra became little more than a giant "asset-kiting" scheme, as Giacchetto paid complaining clients with funds stolen from other clients.

To conceal his diversion of funds, Giacchetto told a variety of lies to his clients misrepresenting to clients that Cassandra had invested their money in securities transactions that never took place, including non-existent bond purchases; telling clients that their funds were invested in various "private placements," when in fact the money was deposited in Cassandra's own bank account; providing false order tickets and portfolio statements to some clients who inquired about investments; and falsely stating that client assets were held in "trust" or "escrow" accounts that did not, in fact, exist.

Giacchetto also induced or caused clients to invest substantial funds in high-risk securities issued by Paradise Music & Entertainment, Inc, a company with little operating history. Giacchetto made or solicited these investments despite a host of undisclosed conflicts of interest, including a personal stake in Paradise stock and warrants. In some instances, Giacchetto purchased Paradise securities at escalated market prices for clients who had earlier told him they did not want to buy Paradise securities at the substantially lower prices that had been available in a private placement.

Giacchetto also lied repeatedly to the staff of the Commission during a recent examination of Cassandra's operations, withheld from the staff books and records that he was legally obligated to produce, and provided falsified documents to the staff. Agents of the United States Attorney's Office for the Southern District of New York and the Federal Bureau of Investigation executed a search warrant and discovered certain of the wrongfully withheld records in Giacchetto's residence.

The complaint charges Giacchetto and Cassandra with violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Section 207 of the Investment Advisers Act of 1940 ("Advisers Act"). The Complaint also charges that Cassandra, aided and abetted by Giacchetto, violated Sections 204, 206(1), 206(2), and 206(4) of the Advisers Act and Rules 204-2, 206(4)-2 and 206(4)-4 thereunder. The Commission seeks temporary, preliminary and permanent injunctions, an asset freeze, disgorgement of ill-gotten gains plus prejudgment interest, and civil monetary penalties against both defendants, as well as appointment of a receiver for Cassandra.



The Commission acknowledges the valuable assistance of the United States Attorney's Office for the Southern District of New York and the Federal Bureau of Investigation in bringing this case. [SEC v. Dana C. Giacchetto and The Cassandra Group, Inc., U.S. District Court, S.D.N.Y., No. 00 CIV 2502, LMM] (LR-16499)

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## **INVESTMENT COMPANY ACT RELEASES**

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### **TOUCHSTONE ADVISORS, INC., ET AL.**

A notice has been issued giving interested persons until April 25, 2000 to request a hearing on an application filed by Touchstone Advisors, Inc., Touchstone Series Trust, Countrywide Investment Trust and Countrywide Strategic Trust for an order under Section 17(b) of the Investment Company Act. The exemption would permit certain series of Countrywide Investment Trust and Countrywide Strategic Trust to acquire all of the assets, subject to certain liabilities, of certain series of Touchstone Series Trust. Because of certain affiliations, applicants may not rely on Rule 17a-8 under the Act (Rel IC-24371 - March 31, 2000)

### **NOTICES OF DEREGISTRATIONS UNDER THE INVESTMENT COMPANY ACT**

For the month of March, 2000, a notice has been issued giving interested persons until April 25, 2000, to request a hearing on any of the following applications for an order under Section 8(f) of the Investment Company Act declaring that the applicant has ceased to be an investment company.

MIMLIC Cash Fund, Inc. [File No. 811-5027]  
Sage/TSO Trust [File No. 811-7573]  
Anchor Strategic Assets Trust [File No. 811-5963]  
Income Opportunities Fund 2006, Inc. [File No. 811-9621]  
Alterman Investment Fund, Inc. [File No. 811-2998]  
Life & Annuity Trust [File No. 811-8118]  
Stagecoach Funds, Inc. [File No. 811-6419]  
Stagecoach Trust [File No. 811-7780]  
Golf Associated Fund [File No. 811-8819]  
Evergreen Quality Bond Fund (formerly Keystone Quality Bond Fund (B-1))  
[File No. 811-92]  
Nations Fund Portfolios, Inc. [File No. 811-8982]  
Master Investment Trust [File No. 811-6415]  
The Hudson River Trust [File No. 811-4185]  
Overland Express Funds, Inc. [File No. 811-8275]  
Investa Management Co. [File No. 811-8198]  
Variable Account D of Monarch Life Insurance Company [File No. 811-5226]  
Variable Account H of Monarch Life Insurance Company [File No. 811-5637]  
Variable Account G of Monarch Life Insurance Company [File No. 811-5403]

## SELF-REGULATORY ORGANIZATIONS

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### PROPOSED RULE CHANGES

A proposed rule change and Amendment Nos. 1 and 2 have been filed by the New York Stock Exchange (SR-NYSE-99-50) relating to continuing listing standards. Publication of the proposal is expected in the Federal Register during the week of April 3. (Rel. 34-42579)

The National Association of Securities Dealers filed with the Commission a proposed rule change under Rule 19b-4 (SR-NASD-99-74) relating to an exemption from NASD Conduct Rule 2710 for closed-end management companies that make periodic repurchases of their securities under Rule 23c-3(b) of the Investment Company Act. Publication of the notice in the Federal Register is expected during the week of April 3. (Rel 34-42601)

### IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

A proposed rule change (SR-CBOE-00-09) filed by the Chicago Board Options Exchange extending for six months the Rapid Opening System pilot program has become effective under Section 19(b)(3)(A) of the Securities Exchange Act. Publication of the proposal is expected in the Federal Register during the week of April 3. (Rel. 34-42596)

The Depository Trust Company filed a proposed rule change (SR-DTC-99-26) under Section 19(b) of the Exchange Act. The proposed rule change, which became effective on filing, allows DTC to enhance the custody reorganization and redemption services, which are part of DTC's custody service. Publication of the proposal is expected in the Federal Register during the week of April 3. (Rel. 34-42597)

The Emerging Markets Clearing Corporation filed a proposed rule change (SR-EMCC-99-11) under Section 19(b)(1) of the Exchange Act. The proposed rule change, which took effect upon filing, revises EMCC's fee schedule. Publication of the proposal is expected in the Federal Register during the week of April 3. (Rel. 34-42598)

A proposed rule change (SR-PHLX-00-22) filed by the Philadelphia Stock Exchange amending PHLX Rule 237 to add a Credit Limit Feature to the Volume Weighted Average Price Trading System (VTS) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act. Publication of the notice in the Federal Register is expected during the week of April 3. (Rel. 34-42600)

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

- S-8 ELXSI CORP /DE//, 3500 RIO VISTA AVENUE, SUITE A, ORLANDO, FL 32805  
(407) 849-1090 - 125,000 (\$1,554,687.50) COMMON STOCK. (FILE 333-33300  
-  
MAR. 27) (BR. 5)
- S-8 COTELLIGENT INC, 101 CALIFORNIA ST, STE 2050, SAN FRANCISCO, CA  
94111  
(415) 439-6400 - 650,000 (\$3,392,350) COMMON STOCK. (FILE 333-33312 -  
MAR. 27) (BR. 3)
- S-8 PALM DESERT ART INC, 74-350 ALESSANDRO DR, SUITE A2, PALM DESERT, CA  
92260 (760) 346-1192 - 1,000,000 (\$375,000) COMMON STOCK. (FILE 333-  
33314  
- MAR. 27) (BR. 2)
- S-8 ANONYMOUS DATA CORP, 6170 W DESERT INN, SUITE 210, LAS VEGAS, NV  
89146  
(702) 221-0756 - 1,020,000 (\$1,670,250) COMMON STOCK. (FILE 333-33316  
-  
MAR. 27) (BR. 9)
- S-1 INTEGRATED CIRCUIT SYSTEMS INC, 2435 BLVD OF THE GENERALS,  
NORRISTOWN,  
PA 19403 (610) 630-5300 - \$500,000,000 COMMON STOCK. (FILE 333-33318 -  
MAR. 27) (BR. 5)
- S-8 IMANAGE INC, 2121 SOUTH EL CAMINO REAL 4TH FLOOR, SAN MATEO, CA  
94403  
(650) 356-1166 - 3,021,826 (\$33,447,430.52) COMMON STOCK. (FILE 333-  
33320  
- MAR. 27) (BR. 3)
- S-3 ONYX PHARMACEUTICALS INC, 3031 RESEARCH DR, BLDG A, RICHMOND, CA  
94806  
(510) 222-9700 - 2,875,000 (\$54,804,687) COMMON STOCK. (FILE 333-33322  
-  
MAR. 27) (BR. 1)

S-8 COMMERCE ONE INC, 1600 RIVIERA AVE, SUITE 200, WALNUT CREEK, CA  
94596 (925) 941-6000 - 900,000 (\$176,006,250) COMMON STOCK. (FILE 333-33324  
- MAR. 27) (BR. 3)

S-8 COMMERCE ONE INC, 1600 RIVIERA AVE, SUITE 200, WALNUT CREEK, CA  
94596 (925) 941-6000 - 500,000 (\$97,781,250) COMMON STOCK. (FILE 333-33328 -  
MAR. 27) (BR. 3)

S-8 CADENCE DESIGN SYSTEMS INC, 2655 SEELY ROAD BLDG 5, SAN JOSE, CA  
95134 (408) 943-1234 - 10,000,000 (\$218,339,921.48) COMMON STOCK. (FILE  
333-33330 - MAR. 27) (BR. 3)

S-3 DATAKEY INC, 407 W TRAVELERS TRAIL, BURNSVILLE, MN 55337 (612) 890-  
6850 - 1,680,000 (\$20,790,000) COMMON STOCK. (FILE 333-33332 - MAR. 27)  
(BR. 5)

S-3 5B TECHNOLOGIES CORP, ONE JERICHO PLAZA, JERICHO, NY 11753  
- (916) 938-3400 - 305,833 (\$2,290,899.50) COMMON STOCK. (FILE 333-33334  
MAR. 27) (BR. 3)

S-8 AMERICAN HEALTHWAYS INC, 3841 GREEN HILLS VILLAGE DRIVE, NASHVILLE,  
TN 37215 (615) 665-1122 - 400,000 (\$1,600,000) COMMON STOCK. (FILE 333-  
33336 - MAR. 27) (BR. 1)

S-8 ULTRATECH STEPPER INC, 3050 ZANKER RD, SAN JOSE, CA 95134 (408) 321-  
8835 - 299,490 (\$4,737,931.80) COMMON STOCK. (FILE 333-33338 - MAR. 27)  
(BR. 5)

S-3 AMYLIN PHARMACEUTICALS INC, 9373 TOWNE CENTRE DR, SAN DIEGO, CA  
92121 (619) 552-2200 - 8,333,334 (\$96,354,175) COMMON STOCK. (FILE 333-33340  
- MAR. 27) (BR. 1)

S-8 VOXWARE INC, 305 COLLEGE ROAD EAST, PRINCETON, NJ 08540 (609) 514-  
4100 - 1,150,000 (\$7,439,063) COMMON STOCK. (FILE 333-33342 - MAR. 27) (BR.  
3)

S-3 ARQULE INC, 200 BOSTON AVE, MEDFORD, MA 02155 (617) 395-4100 -  
2,875,000 (\$51,836,250) COMMON STOCK. (FILE 333-33344 - MAR. 27) (BR.  
1)

S-8 TRANS ENERGY INC, 210 SECOND ST, PO BOX 393, ST MARYS, WV 26170  
(304) 684-7053 - 150,000 (\$33,000) COMMON STOCK. (FILE 333-33346 -  
MAR. 27) (BR. 4)

S-8 WIND RIVER SYSTEMS INC, 500 WIND RIVER WAY, ALAMEDA, CA 94501  
(510) 748-4100 - 4,066,898 (\$181,439,271.48) COMMON STOCK. (FILE  
333-33348 - MAR. 27) (BR. 3)

S-4 FIRST SECURITY BANCORP INC /KY/, 400 E MAIN ST, LEXINGTON, KY 40507  
(606) 367-3700 - 1,000,000 (\$14,500,000) COMMON STOCK. (FILE 333-33350  
-  
MAR. 27) (NEW ISSUE)

S-3 WEBB INTERACTIVE SERVICES INC, 1800 GLENARM PLACE, STE 700, DENVER,  
CO  
80202 (303) 296-9200 - 2,042,769 (\$69,709,492) COMMON STOCK. (FILE  
333-33352 - MAR. 28) (BR. 3)

SB-2 HOT PRODUCTS INC COM, 7625 EAST REDFIELD ROAD, SUITE 200,  
SCOTTSDALE, AZ  
85260 (480) 368-9490 - 1,000,002 (\$2,000,004) COMMON STOCK. (FILE  
333-33354 - MAR. 28) (BR. 9)

S-1 SECURITY ASSOCIATES INTERNATIONAL INC, 2101 S ARLINGTON HEIGHTS RD,  
STE 100, ARLINGTON HEIGHTS, IL 60005 (847) 956-8650 - 3,918,600  
(\$13,715,100) COMMON STOCK. (FILE 333-33356 - MAR. 28) (BR. 8)

S-8 INTERACTIVE PICTURES CORP, 1009 COMMERCE PARK DR, OAK, TN 37830  
(423) 482-3000 - 8,488,584 (\$227,604,443) COMMON STOCK. (FILE 333-  
33358 -  
MAR. 28) (BR. 3)

S-1 MERRILL LYNCH PIERCE FENNER & SMITH INC,  
NORTH TOWER WORLD FINANCIAL CENTER,  
NORTH TOWER WORLD FINANCIAL CENTER 5TH F, NEW YORK, NY 10281 (212) 449-  
6202  
- 100,000 (\$10,000,000) LIMITED PARTNERSHIP CERTIFICATE. (FILE 333-  
33362 -  
MAR. 27) (BR. 8)

SB-2 SIMTEK CORP, 1465 KELLY JOHNSON BLVD, STE 301, COLORADO SPRINGS, CO  
80920 (719) 531-9444 - 4,099,349 (\$6,892,178) COMMON STOCK. (FILE  
333-33368 - MAR. 28) (BR. 5)

S-3 APOLLO GROUP INC, 4615 EAST ELWOOD ST, PHOENIX, AZ 85040 (602) 966-  
5394  
- \$86,250,000 COMMON STOCK. (FILE 333-33370 - MAR. 28) (BR. 8)

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## RECENT 8K FILINGS

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Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.

- Item 6 Resignations of Registrant's Directors
- Item 7 Financial Statements and Exhibits.
- Item 8 Change in Fiscal Year.
- Item 9 Regulation S Offerings.

The following companies have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. 8-K reports 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>.

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
ACETO CORP	NY	X									03/31/00	
ADVANTA MORTGAGE LOAN TRUST 1998-4A	NY				X	X					03/31/00	
ADVANTA MORTGAGE LOAN TRUST 1998-4B	NY				X	X					03/31/00	
ADVANTA MORTGAGE LOAN TRUST 1998-4C	DE				X	X					03/31/00	
ALBERTO CULVER CO	DE					X					03/28/00	
ALKERMES INC	PA				X	X					03/30/00	
AMERICAN COMMUNICATIONS ENTERPRISES INC	NV			X							03/24/00	
AMERICAN HOME MORTGAGE HOLDINGS INC	DE						X				01/17/00	AMEND
AMERICAN REAL ESTATE PARTNERS L P	DE					X	X				03/30/00	
AMERICAN SAFETY INSURANCE GROUP LTD		X									03/31/00	
AMRESKO INC	DE		X				X				03/17/00	
ARM FINANCIAL GROUP INC	DE		X		X						03/03/00	
ASSET BACKED SECURITIES CORP	DE				X	X					03/31/00	
AULT INC	MN				X		X				02/10/00	AMEND
AVIS GROUP HOLDINGS INC	DE	X									03/28/00	AMEND
AZTEC COMMUNICATIONS GROUP INC	UT	X									03/31/00	
BARRINGER LABORATORIES INC	DE				X						03/29/00	
BASSETT FURNITURE INDUSTRIES INC	VA				X	X					03/28/00	
BAY VIEW SECURITIZATION CORP	DE				X	X					03/29/00	
BIO PLEXUS INC	CT				X						03/31/00	
BIRMINGHAM UTILITIES INC	CT	X									03/29/00	
BUILDERS TRANSPORT INC	DE				X	X					03/20/00	
CALPINE CORP	DE				X						03/30/00	
CAPRI CORP	MN				X						03/31/00	
CBRL GROUP INC	TN				X						03/17/00	
CENTRAL GARDEN & PET COMPANY	DE				X	X					03/29/00	
CMC SECURITIES CORP III	DE				X	X					03/30/00	
CNH RECEIVABLES INC	DE				X	X					03/16/00	AMEND
COMMUNICATIONS WORLD INTERNATIONAL INC	CO		X				X				03/16/00	
COMPUTER SCIENCES CORP	NV				X						03/31/00	
COMPUTER TASK GROUP INC	NY				X						03/31/00	
CONESTOGA ENTERPRISES INC	PA	X									03/31/00	
CONSECO INC	IN				X	X					03/31/00	
CONTINENTAL AIRLINES INC /DE/	DE		X								03/27/00	
CROSSROADS SYSTEMS INC	DE		X				X				03/21/00	
DISCOVER CARD MASTER TRUST I	DE				X	X					03/31/00	
E-NET FINANCIAL COM CORP	NV		X				X				03/28/00	
EARTHGRAINS CO /DE/	DE		X				X				03/18/00	
EFTC CORP/	CO				X						03/30/00	
EL PASO ENERGY CORP/DE	DE						X				03/31/00	
ENERGY CORP /DE/	DE				X						03/28/00	
ESCALON MEDICAL CORP	DE	X					X				01/14/00	AMEND

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
EXIGENT INTERNATIONAL INC	DE	X									03/31/00	
FAMILY GOLF CENTERS INC	DE				X	X					03/31/00	
FARMER MAC MORTGAGE SECURITIES CORP	DE	X									03/29/00	
FINANCIAL ASSET SECURITIES CORP	DE				X	X					07/31/99	
FINANCIAL ASSET SECURITIES CORP	DE				X	X					08/31/99	
FIRST FINANCIAL BANCORP /CA/	CA				X						03/28/00	
FIRST SCIENTIFIC INC	DE				X						03/15/00	
FORLINK SOFTWARE CORP INC	NV	X					X				11/03/99	AMEND
FX ENERGY INC	NV				X						03/30/00	
GANTOS INC	MI				X	X					03/28/00	
GATEWAY INDUSTRIES INC /DE/	DE		X				X				03/21/00	
GENERAL MAGIC INC	DE				X	X					03/29/00	
GENERAL MOTORS CORP	DE				X						03/31/00	
GREATER BAY BANCORP	CA				X	X					02/22/00	
GREEN DANIEL CO	MA		X				X				03/30/00	
GREY WOLF INC	TX				X	X					03/31/00	
GROUP LONG DISTANCE INC	FL				X	X					03/31/00	
HALLIBURTON CO	DE				X	X					03/31/00	
HARTFORD FINANCIAL SERVICES GROUP I NC/DE	DE				X	X					03/31/00	
HARTFORD LIFE INC	DE				X	X					03/31/00	
HEALTHAXIS INC	PA				X	X					03/31/00	
HEALTHSTAR CORP /UT/	DE						X				12/30/99	AMEND
HEALTHY PLANET PRODUCTS INC	DE				X						03/23/00	
HORIZON GROUP PROPERTIES INC	MD				X	X					03/28/00	
IDT CORP	DE				X						03/28/00	
IN STORE MEDIA SYSTEMS INC	NV				X						03/27/00	
INTEGRATED INFORMATION SYSTEMS INC					X	X					03/28/00	
INTEL CORP	DE				X	X					03/30/00	
INTERNET COMMUNICATIONS CORP	CO				X						03/17/00	
INTERWEST MEDICAL CORP	OK				X						03/24/00	
ITRON INC /WA/	WA		X								03/31/00	
JP MORGAN COMMERCIAL MORT FIN CORP PASS THR CERT SER 99 C8	NY		X								09/15/99	
JP MORGAN COMMERCIAL MORT FIN CORP PASS THR CERT SER 99 C8	NY		X								10/15/99	
JP MORGAN COMMERCIAL MORT FIN CORP PASS THR CERT SER 99 C8	NY		X								11/15/99	
JP MORGAN COMMERCIAL MORT FIN CORP PASS THR CERT SER 99 C8	NY		X								12/15/99	
KINDER MORGAN ENERGY PARTNERS L P	DE						X				03/30/00	
LAHAINA ACQUISITIONS INC	CO		X				X				03/31/00	
LCA VISION INC	DE		X								03/29/99	
LEAP WIRELESS INTERNATIONAL INC	DE		X		X	X					03/17/00	
LOGIX COMMUNICATIONS ENTERPRISES IN C	OK				X						03/30/00	
MACROVISION CORP	DE		X								03/27/00	
MARKETING SPECIALISTS CORP	DE				X	X					03/30/00	
MERRILL LYNCH & CO INC	DE				X	X					03/31/00	
MITY LITE INC	UT				X	X					03/31/00	
MORROW SNOWBOARDS INC	OR		X								01/31/00	AMEND
NATIONAL DATA CORP	DE				X	X					03/22/00	
NATIONAL DISCOUNT BROKERS GROUP INC	DE				X	X					03/27/00	

NAME OF ISSUER	STATE	8K ITEM NO.									DATE	COMMENT
	CODE	1	2	3	4	5	6	7	8	9		
NBT BANCORP INC	DE				X	X					03/31/00	
NETRIX CORP	DE	X						X			03/16/00	
ODS NETWORKS INC	DE				X	X					03/23/00	
OMEGA ENVIRONMENTAL INC	DE		X		X	X					03/27/00	
ONE LIBERTY PROPERTIES INC	MD				X	X					03/24/00	
PAINWEBBER EQUITY PARTNERS ONE LTD PARTNERSHIP	VA	X						X			03/24/00	
PAINWEBBER EQUITY PARTNERS TWO LTD PARTNERSHIP	VA	X						X			03/24/00	
PERRY COUNTY FINANCIAL CORP	MO				X	X					03/17/00	
POLICY MANAGEMENT SYSTEMS CORP	SC				X	X					03/30/00	
PULASKI FURNITURE CORP	VA				X	X					03/29/00	
QUADRAMED CORP	DE			X		X					03/27/00	
RAINFOREST CAFE INC	MN				X	X					03/31/00	
REUNION INDUSTRIES INC	DE	X			X	X					03/16/00	
RIDGEWOOD ELECTRIC POWER TRUST V	DE	X						X			06/28/99	
ROYALE ENERGY INC	CA				X	X					03/15/00	
SALES ONLINE DIRECT INC	DE							X			03/28/00	AMEND
SENSAR CORP /NV/	NV				X						03/30/00	
SQUARE SHOOTER INTERNATIONAL LTD	DE	X	X		X	X					11/10/99	AMEND
SUMMIT BANCSHARES INC/CA	CA				X						03/27/00	AMEND
SURGILIGHT INC	DE				X						01/01/00	
TELETRAK ENVIRONMENTAL SYSTEMS INC	DE				X						01/14/00	
TELETRAK ENVIRONMENTAL SYSTEMS INC	DE				X						01/25/00	
THERMEDICS INC	MA				X	X					03/30/00	
THERMO SENTRON INC	DE				X	X					03/30/00	
TIME WARNER INC/	DE				X	X					03/31/00	
TITAN CORP	DE				X	X					03/24/00	
TOYOTA AUTO LEASE TRUST 1997-A	CA				X	X					02/29/00	
TOYOTA AUTO LEASE TRUST 1998 C	CA				X	X					02/29/00	
TOYOTA AUTO LEASE TRUST 1998-B	CA				X	X					02/29/00	
TRIMFAST GROUP INC	NV	X									03/28/00	
UMEMBER COM INC /CO/	CO	X	X		X	X					03/16/00	
UNION BANKSHARES CO/ME	ME				X	X					03/31/00	
UNION CARBIDE CORP /NEW/	NY				X	X					03/30/00	
UNOCAL CORP	DE				X						03/29/00	
URANIUM RESOURCES INC /DE/	DE				X	X					03/21/00	
WESLEY JESSEN VISIONCARE INC	DE				X	X					03/19/00	
WNC HOUSING TAX CREDIT FUND VI LP S ERIES 7	CA	X									01/25/00	AMEND
WNC HOUSING TAX CREDIT FUND VI LP S ERIES 7	CA	X									02/09/00	AMEND
WODFI LLC	DE				X						03/31/00	
WSI INTERACTIVE CORP					X	X					03/30/00	
XEROX CORP	NY				X						03/31/00	
ZALE CORP	DE				X	X					03/31/00	
ZEE INC	WY							X			03/31/00	