

SEC NEWS DIGEST

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RULES AND RELATED MATTERS

COMMISSION ADOPTS AMENDMENT TO RULE 30-3 OF ITS RULES OF ORGANIZATION AND PROGRAM MANAGEMENT GOVERNING DELEGATIONS OF AUTHORITY

On August 13, the Commission amended Rule 30-3 of its Rules of Organization and Program Management governing Delegations of Authority to delegate authority to the Director of the Division of Market Regulation (Director) to publish notices of proposed rule changes filed pursuant to Section 19(b)(7) of the Securities Exchange Act of 1934 (Exchange Act) and to abrogate such proposed rule changes and require that they be refiled in accordance with Section 19(b)(1) of the Exchange Act. FOR FURTHER INFORMATION CONTACT: Cyndi Nguyen, Office of Market Supervision, Division of Market Regulation, at (202) 942-4163. (Rel. 34-44691)

COMMISSION ADOPTS RULES RELATING TO THE REGISTRATION OF NATIONAL SECURITIES EXCHANGES PURSUANT TO SECTION 6(g) OF THE SECURITIES EXCHANGE ACT OF 1934 AND PROPOSED RULE CHANGES OF NATIONAL SECURITIES EXCHANGES AND LIMITED PURPOSE NATIONAL SECURITIES ASSOCIATIONS

On August 13, the Commission adopted rules to implement provisions of the Commodity Futures Modernization Act of 2000 to allow futures markets to register as national securities exchanges by filing a written notice with the Commission and to file proposed rule changes using an expedited process. Specifically, the Commission adopted Rule 6a-4 under the Securities Exchange Act of 1934 (Exchange Act) and Form 1-N, which set forth the requirements for futures markets to register as national securities exchanges pursuant to Section 6(g) of the Exchange Act to trade futures on individual stocks and narrow-based indexes. The Commission also adopted conforming amendments to Rules 6a-2 and 6a-3 under the Exchange Act and Rule 202.3 of the Commission's procedural rules. In addition, the Commission adopted Rule 19b-7, Form 19b-7, and amendments to Rule 19b-4 and Form 19b-4 to accommodate proposed rule changes submitted by Section 6(g) national securities exchanges and limited purpose national securities associations registered pursuant to Section 15A(k) of the Exchange Act. FOR FURTHER INFORMATION CONTACT: Cyndi Nguyen, Office of Market Supervision, Division of

ENFORCEMENT PROCEEDINGS

PROCEEDINGS INSTITUTED AGAINST RICHARD STEINBERG

On August 13, the Commission entered an Order Instituting a Public Proceeding Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings and Imposing a Penny Stock Bar (Order) against Richard H. Steinberg, a resident of Aurora, Colorado, based on entry of permanent injunctive relief against him in a case involving alleged manipulation of the penny stock of Music Tones Limited (Music Tones). The Order notes that in Securities and Exchange Commission v. Richard H. Steinberg, et al., (Civil Action 99-B-1488) (D. Colo.) (SEC v. Steinberg), the Commission alleged that from at least January 1997 to March 1997, Steinberg engaged in a scheme to manipulate the market for Music Tones stock by employing various deceptive trading practices such as matched orders; that the manipulative trading began the day after Music Tones announced a proposed merger between Simplex Medical Systems, Inc. and Music Tones; and that immediately prior to the merger, Steinberg controlled all of the Music Tones shares issued and outstanding. The Order finds that on July 12, 2001, the United States District Court for the District of Colorado entered a final judgment in SEC v. Steinberg permanently enjoining Steinberg from 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 and Rule 10b-5 promulgated thereunder. Steinberg consented to the Order without admitting or denying the Commission's findings. (Rel. 34-44684; File No. 3-10556)

PROCEEDINGS INSTITUTED AGAINST ROGER TAFT

On August 13, the Commission entered an Order Instituting a Public Proceeding Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings and Imposing a Penny Stock Bar (Order) against Roger M. Taft, a resident of Delray Beach, Florida, based on entry of permanent injunctive relief against him in a case involving alleged manipulation of the penny stock of Music Tones Limited (Music Tones). The Order notes that in Securities and Exchange Commission v. Richard H. Steinberg, et al., (Civil Action 99-B-1488) (D. Colo.) (SEC v. Steinberg), the Commission alleged that from at least January 1997 to March 1997, Taft engaged in a scheme to manipulate the market for Music Tones stock by employing various deceptive trading practices such as matched orders, and that the manipulative trading began the day after Music Tones announced a proposed merger between Simplex Medical Systems, Inc. and Music Tones. The Order finds that on July 12, 2001, the United States District Court for the District of Colorado entered a final judgment in SEC v. Steinberg permanently enjoining Taft from 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 and

Rule 10b-5 promulgated thereunder. Taft consented to the Order without admitting or denying the Commission's findings. (Rel. 34-44685; File No. 3-10557)

PERMANENT INJUNCTION ENTERED AGAINST DONNA RICHARDSON

The Commission announced that on August 7 the Honorable William J. Rea, United States District Judge for the Central District of California, entered a judgment of permanent injunction against Donna M. Richardson (Richardson), the former Chief Financial Officer of Craig Consumer Electronics, Inc. (Craig), a former marketer of consumer electronic products located in Los Angeles County, California. The Commission filed its complaint on September 27, 2000, in which it alleged that Richardson misstated and omitted material facts regarding Craig's precarious financial condition in an initial public offering and in periodic financial reports filed in 1996 and 1997. Craig's voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code was dismissed in August 1998. Without admitting or denying the allegations contained in the complaint, Richardson consented to a permanent injunction against future violations of the antifraud provisions (Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5 thereunder), the reporting provision (Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder), record-keeping provision (Section 13(b)(2)(A) of the Exchange Act), internal controls provision (Section 13(b)(2)(B) of the Exchange Act), books and records provision (Rule 13b2-1 of the Exchange Act), knowing circumvention of internal controls provisions (Section 13(b)(5) of the Exchange Act) and lying to an accountant provision (Rule 13b2-2 of the Exchange Act). [SEC v. Richard I. Berger and Donna M. Richardson, Civil Action No. 00-10351 WJR, Mex, C.D. Cal.] (LR-17100; AAE Rel. 1433)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

A proposed rule change filed by the Philadelphia Stock Exchange extending a pilot program relating to automatic price improvement for equities trading in decimals under Phlx Rule 229 (SR-Phlx 2001-67) has become 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 August 13. (Rel. 34-44672)

A proposed rule change filed by the New York Stock Exchange (SR-NYSE-2001-16) to amend NYSE Rule 46 has become 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 August 13. (Rel. 34-44673)

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-8 KOMAG INC /DE/, 1710 AUTOMATION WAY, SAN JOSE, CA 95131 (408) 576-
2000
- 8,600,000 (\$1,075,000) COMMON STOCK. (FILE 333-66990 - AUG. 07) (BR.
2)

S-8 CONVERGYS CORP, 201 EAST FOURTH STREET, CINCINNATI, OH 45202
(513) 397-5364 - 2,699,073 (\$83,725,244) COMMON STOCK. (FILE 333-66992
-
AUG. 07) (BR. 3)

SB-2 NATIONAL HEADHUNTERS INC, 8614 QUIVIRA, LENEXA, KS 66210 (913) 438-
6622
- 120,000 (\$240,000) COMMON STOCK. (FILE 333-66994 - AUG. 07) (NEW
ISSUE)

S-8 RUNCORP INC, 540 5TH AVENUE S.W., SUITE 930, CALGARY, ALBERTA, NV
T2P 0
(403) 264-7356 - 40,000 (\$32,000) COMMON STOCK. (FILE 333-66996 - AUG.
07)
(BR. 9)

S-8 RUNCORP INC, 540 5TH AVENUE S.W., SUITE 930, CALGARY, ALBERTA, NV
T2P 0
(403) 264-7356 - 1,000,000 (\$800,000) COMMON STOCK. (FILE 333-66998 -
AUG. 07) (BR. 9)

S-8 FLUOR CORP, ONE ENTERPRISE DR, ALISO VIEJO, CA 92656 (949) 349-2000
-
3,600,000 (\$138,510,000) COMMON STOCK. (FILE 333-67000 - AUG. 07) (BR.
6)

- S-8 ROANOKE TECHNOLOGY CORP, 539 BECKER DRIVE, ROANOKE RAPIDS, NC 27870
(252) 537-9222 - 3,000,000 (\$240,000) COMMON STOCK. (FILE 333-67002 -
AUG. 07) (BR. 8)
- S-3 CONOCO INC /DE, 600 NORTH DAIRY ASHFORD, HOUSTON, TX 77079
(281) 293-1000 - 100,000 (\$3,112,000) COMMON STOCK. (FILE 333-67004 -
AUG. 07) (BR. 4)
- S-8 VIASAT INC, 6155 EL CAMINO REAL, CARLSBAD, CA 92009 (760) -47-6-22 -
3,600,000 (\$72,936,000) COMMON STOCK. (FILE 333-67010 - AUG. 07) (BR.
7)
- S-8 A B WATLEY GROUP INC, 40 WALL STREET, NEW YORK, NY 10005 - 1,600,000
(\$11,408,000) COMMON STOCK. (FILE 333-67014 - AUG. 07) (BR. 7)
- S-8 USAONESTAR NET INC, 1486 SO 11TH EAST, SALT LAKE CITY, UT 84105
(801) 487-3893 - 685,000 (\$315,100) COMMON STOCK. (FILE 333-67016 -
AUG. 07) (BR. 9)
- S-8 SHARECOM INC /IL/, 2780 S JONES, STE E, LAS VEGAS, NV 89146
(702) 933-3713 - 200,000 (\$2,000,000) COMMON STOCK. (FILE 333-67018 -
AUG. 07) (BR. 9)
- S-8 EVERLERT INC, 1201 E WARNER AVE, SANTA ANA, CA 92705 (714) 966-0710
-
180,000 (\$30,600) COMMON STOCK. (FILE 333-67022 - AUG. 07) (BR. 5)
- S-8 ADVANCED REFRIGERATION TECHNOLOGIES INC, P O BOX 1447, SHINGLE
SPRINGS,
CA 95682 (530) 677-3233 - 350,640 (\$119,217.40) COMMON STOCK. (FILE
333-67024 - AUG. 07) (BR. 9)
- S-8 PLX TECHNOLOGY INC, 390 POTRERO AVENUE, SUNNYVALE, CA 94086
(408) 774-9060 - 900,000 (\$7,929,000) COMMON STOCK. (FILE 333-67026 -
AUG. 07) (BR. 5)
- S-1 TSET INC, 333 S STATE ST, PMB111, LAKE OSWEGO, OR 97034 (503) 598-
1900
- 6,852,500 (\$4,008,712) COMMON STOCK. (FILE 333-67028 - AUG. 07) (BR.
9)
- S-3 VYSIS INC, 3100 WOODCREEK DRIVE, DOWNERS GROVE, IL 60515 (708) 271-
7000
- 4,600,000 (\$109,388,000) COMMON STOCK. (FILE 333-67030 - AUG. 07)
(BR. 1)
- S-1 NEXLAND INC, 1101 BRICKELL AVE, SUITE 702 NORTH TOWER, MIAMI, FL
33131
(305) 937-3877 - 13,673,814 (\$6,836,907) COMMON STOCK. (FILE 333-67032
-
AUG. 07) (BR. 3)
- S-8 STEIN MART INC, 1200 RIVERPLACE BLVD, JACKSONVILLE, FL 32207
(904) 346-1500 - 4,500,000 (\$28,590,568) COMMON STOCK. (FILE 333-67034
-

AUG. 07) (BR. 2)

S-3 HCA INC/TN, ONE PARK PLZ, NASHVILLE, TN 37203 (615) 344-9551 -
16,776,193 (\$741,507,731) COMMON STOCK. (FILE 333-67040 - AUG. 07)
(BR. 1)

S-8 OXFORD HEALTH PLANS INC, 48 MONROE TURNPIKE, TRUMBULL, CT 06611
(203) 459-6000 - 125,000 (\$5,000,000) COMMON STOCK. (FILE 333-67042 -
AUG. 07) (BR. 1)

S-3 COLLAGENEX PHARMACEUTICALS INC, 41 UNIVERSITY DRIVE, NEWTON, PA
18940
(215) 579-7388 - 118,379 (\$988,464) COMMON STOCK. (FILE 333-67044 -
AUG. 07) (BR. 1)

S-8 JACOBS ENGINEERING GROUP INC /DE/, 1111 S ARROYO PARKWAY, PASADENA,
CA
91105 (818) 449-2171 - 300,000 (\$15,264,000) COMMON STOCK. (FILE
333-67048 - AUG. 07) (BR. 6)

S-8 VION PHARMACEUTICALS INC, 4 SCIENCE PARK, NEW HAVEN, CT 06511
(203) 498-4210 - 1,285,000 (\$9,065,675) COMMON STOCK. (FILE 333-67050
-
AUG. 07) (BR. 1)

SB-2 SRM NETWORKS INC, 1241 NORTH CENTRAL AVENUE, SUITE 7, GLENDALE, CA
91202
(818) 243-1181 - 3,000,000 (\$150,000) COMMON STOCK. (FILE 333-67052 -
AUG. 07) (NEW ISSUE)