

# SEC NEWS DIGEST

Issue 99-137

July 19, 1999

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## ENFORCEMENT PROCEEDINGS

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### RESTRAINING ORDER HALTS SECURITIES SCAM INVOLVING SPAM FAX MESSAGES, FRAUDULENT INTERNET OFFERING, AND FALSE PRESS RELEASES

The Commission announced that it obtained a federal court order halting a securities fraud that was effected through three means: (1) sending spam facsimile messages ostensibly issued by reputable financial firms recommending the stocks of twelve microcap companies; (2) issuing false press releases concerning six of those microcap companies; and (3) posting on the Internet a fraudulent offering of investment interests. Charged by the Commission with engaging in such illegal conduct are The Globus Group, Inc., (Globus), located in Miami, Florida, and Bruce Gorcyca a/k/a Anthony DiMarco (DiMarco), Globus' principal. United States District Court Judge Alan S. Gold issued a temporary restraining order prohibiting Globus and DiMarco from violating the antifraud provisions of the federal securities laws and freezing their assets.

The faxed recommendations made from 1997 to June 1999 often represented that the sender was affiliated with prominent financial institutions, including Prudential Securities, Merrill Lynch or Citibank, that the sender possessed favorable non-public information about the issuers, and that the issuers' stocks would be quoted on the Nasdaq SmallCap market and dramatically increase in price in the near future. The twelve microcap companies whose stocks were recommended for purchase: China Food and Beverage Co. (China Food); TMANGlobal.com, Inc. (TMAN); Trans-Global Holdings, Inc. (Trans-Global); North Wave Communications Corp. (North Wave); Lasertec International, Inc.; Chill Tech Industries, Inc. (Chill Tech); Micromem Technologies, Inc. (Micromem); Converge Global, Inc. (Converge), Juniper Group, Inc., LaJolla Diagnostics, Inc., Aquagenix, Inc., and Top Image Systems, Ltd.

Second, the Commission alleges that DiMarco and Globus prepared false press releases which were disseminated by six issuers between March and June 1999 falsely stating that the issuers were considering an acquisition of assets worth \$4 million, or that an "east coast investment banking firm," i.e., Globus, had offered to provide the issuers with \$5 million or \$60 million of financing.

Third, the Commission alleges that Globus itself is currently conducting a fraudulent offering of unregistered investment contracts through its Internet website. The website falsely states that investors will receive risk-free returns of between 17.5% and 35% through a U.S. government-sponsored "investment program" in which investor funds are loaned to and secured by the common stock of small public companies.

The Commission's complaint also names as Defendants China Food and its chief executive officer, James C. Tilton (Tilton), and Trans-Global and one of its directors, Jacques Verhaak (Verhaak), but does not seek emergency relief against them. The Commission alleged that China Food, Tilton, Trans-Global and Verhaak issued the press releases prepared by DiMarco and Globus which they knew, or had reason to know, were false and have not corrected the false releases. Additionally, the Commission alleges, Trans-Global and Verhaak disseminated three other press releases in June 1999 falsely stating that the company had acquired or agreed to acquire valuable real estate in Florida. [SEC v. The Globus Group, Inc., et al., No. Civ. 99-1968, USDC, SD Fla.] (LR-16212)

#### **FEDERAL JUDGE ENTERS CONSENT ORDER OF PRELIMINARY INJUNCTION IN INTERNET-BASED PYRAMID SCHEME**

The Commission announced that the Honorable Judge Jack T. Camp, of the United States District Court for the Northern District of Georgia, has entered a Consent Order of Preliminary Injunction and Other Relief against defendant Future Strategies Srl a/k/a Future Strategies International (Future Strategies), an Italian entity headquartered in Carpi, Modena, Italy. Defendant Future Strategies consented to the entry of the preliminary injunction and other relief without admitting the allegations in the Commission's complaint. The Order follows the Court's temporary restraining order against Future Strategies of May 11, 1999, and the Court's oral preliminary injunction order against Future Strategies of May 21, 1999.

The Commission's complaint alleges that Future Strategies is engaged in an ongoing, worldwide pyramid scheme, known as "Pentagono," promoted over the Internet. Such conduct violates the antifraud provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934 as well as the registration provisions of the Securities Act of 1933. The Commission's complaint alleges that, from at least May 1998, Future Strategies solicited United States residents to purchase Pentagono "Certificates," now called "Card Purchase Orders" or "CPOs," which Future Strategies prepared and issued. At least 400 investors throughout the United States have invested in this scheme. The complaint alleges that Future Strategies, as part of its solicitation, claims that an investor can earn up to \$116,400 from an investment of approximately \$120 through the Pentagono scheme. For further information, see LR-16135. [SEC v. Future Strategies Srl a/k/a Future Strategies International, USDC, ND Georgia, Civil Action No. 1:99-CV-1199-JTC] (LR-16213)

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

- F-6 VERSATEL TELECOM INTERNATIONAL NV/ADR, BANK OF NEW YORK,  
101 BARCLAY ST 22ND FLR, NEW YORK, NY 10286 (212) 815-2009 - 25,000,000  
(\$1,250,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-10516 -  
JUN. 29) (BR. 99 - NEW ISSUE)
- S-8 NYCOMED AMERSHAM PLC, AMERSHAM PLACE, LITTLE CHAIFONT,  
BUCKINGHAMSHIRE ENGLAND, X0 - 50,000 (\$1,787,500)  
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-10552 - JUL. 02) (BR. 1)
- F-1 NETIA HOLDINGS SA, UL POLECZKI 13, AMSTERDAM, WARSAW, R9 02822  
(011) 482-2648 - 6,325,000 (\$158,125,000) FOREIGN COMMON STOCK. (FILE  
333-10556 - JUL. 02) (BR. 7)
- S-4 NBC INTERNET INC, 300 MONTGOMERY STREET SUITE 300, SAN FRANCISCO, CA  
94104 (415) 288-2500 - 18,786,980 (\$1,055,006,330.93) COMMON STOCK. (FILE  
333-82639 - JUL. 12) (BR. 8 - NEW ISSUE)
- S-4 ICF KAISER INTERNATIONAL INC, 9300 LEE HWY, FAIRFAX, VA 22031  
(703) 934-3600 - 34,000,000 (\$34,000,000) STRAIGHT BONDS. (FILE 333-82643  
- JUL. 12) (BR. 6)
- S-8 SPX CORP, 700 TERRACE POINT DR, MUSKEGON, MI 49443 (616) 724-5000 -  
2,000,000 (\$172,437,500) COMMON STOCK. (FILE 333-82645 - JUL. 12) (BR. 5)
- S-8 SPX CORP, 700 TERRACE POINT DR, MUSKEGON, MI 49443 (616) 724-5000 -  
2,028,000 (\$277,126,200) COMMON STOCK. (FILE 333-82647 - JUL. 12) (BR. 5)
- S-3 PARAVANT INC, 1615A WEST NASA BLVD, ATRIUM ONE, MELBOURNE, FL 32901  
(407) 727-3672 - 5,443,775 (\$22,972,731) COMMON STOCK. (FILE 333-82649 -  
JUL. 12) (BR. 9)
- S-4 CINERGY CORP, 139 E FOURTH ST, CINCINNATI, OH 45202 (513) 421-9500 -  
200,000,000 (\$200,000,000) STRAIGHT BONDS. (FILE 333-82651 - JUL. 12)  
(BR. 2)
- S-3 TIFFANY & CO, 727 FIFTH AVE, NEW YORK, NY 10022 (212) 755-8000 (FILE  
333-82653 - JUL. 12) (BR. 2)
- S-8 HYBRID NETWORKS INC, 6409 GUADALUPE MINES ROAD, SAN JOSE, CA 95120  
(408) 323-6500 - 2,500,000 (\$2,478,091) COMMON STOCK. (FILE 333-82659 -  
JUL. 12) (BR. 3)
- S-4 PREMIER BANCSHARES INC /GA, 2180 ATLANTA PLAZA,  
950 EAST PACES FERRY ROAD, ATLANTA, GA 30326 (404) 814-3090 - 2,037,743  
(\$12,367,601) COMMON STOCK. (FILE 333-82661 - JUL. 12) (BR. 7)

S-3 OMNICARE INC, 100 E RIVERCENTER BLVD, STE 1600, COVINGTON, KY 41011  
(606) 392-3300 - 333,253 (\$4,124,006) COMMON STOCK. (FILE 333-82665 -  
JUL. 12) (BR. 1)

S-1 GENEREX BIOTECHNOLOGY CORP, 33 HARBOUR SQ, STE 202,  
TORONTO ONTARIO CANA, A1 (416) 364-2551 - 900,003 (\$6,636,383)  
COMMON STOCK. (FILE 333-82667 - JUL. 12) (BR. 1)

S-3 NEWMONT MINING CORP, ONE UNITED BANK CTR, 1700 LINCOLN ST, DENVER, CO  
80203 (303) 863-7414 (FILE 333-82671 - JUL. 12) (BR. 4)

S-8 M I SCHOTTENSTEIN HOMES INC, 3 EASTON OVAL STE 500, COLUMBUS, OH 43219  
(614) 418-8000 - 50,000 (\$965,625) COMMON STOCK. (FILE 333-82673 -  
JUL. 12) (BR. 6)

S-8 FRANKLIN FINANCIAL SERVICES CORP /PA/, 20 S MAIN ST, P O BOX T,  
CHAMBERSBURG, PA 17201 (717) 264-6116 - 100,000 (\$2,975,000) COMMON STOCK.  
(FILE 333-82675 - JUL. 12) (BR. 7)

S-8 PE CORP, 761 MAIN AVE, NORWALK, CT 06859 (203) 762-1000 - 5,000,000  
(\$87,656,500) COMMON STOCK. (FILE 333-82677 - JUL. 12) (BR. 5)

S-8 PE CORP, 761 MAIN AVE, NORWALK, CT 06859 (203) 762-1000 - 2,400,000  
(\$284,775,120) COMMON STOCK. (FILE 333-82679 - JUL. 12) (BR. 5)

S-8 MOTOROLA INC, 1303 E ALGONQUIN RD, SCHAUMBURG, IL 60196 (847) 576-5000  
- 18,100,000 (\$17,528,040) COMMON STOCK. (FILE 333-82681 - JUL. 12)  
(BR. 7)

S-3 ADVANCED TISSUE SCIENCES INC, 10933 N TORREY PINES RD, LA JOLLA, CA  
92037 (619) 713-7300 - 5,000,000 (\$16,650,000) COMMON STOCK. (FILE  
333-82683 - JUL. 12) (BR. 1)

S-3 AFFYMETRIX INC, 3380 CENTRAL EXPRESSWAY, SANTA CLARA, CA 95051  
(408) 522-6000 - 1,000,000 (\$57,875,000) COMMON STOCK. (FILE 333-82685 -  
JUL. 12) (BR. 1)

S-3 INKTOMI CORP, 1900 S NORFOLK ST, SUITE 310, SAN MATEO, CA 94403  
(650) 653-2800 - 3,795,000 (\$527,998,350) COMMON STOCK. (FILE 333-82687 -  
JUL 12) (BR. 3)

S-4 SAFETY KLEEN CORP/, 1301 GERVAIS STREET, COLUMBIA, SC 29201  
(803) 933-4200 - 225,000,000 (\$225,000,000) STRAIGHT BONDS (FILE  
333-82689 - JUL. 12) (BR 6)

S-8 US BANCORP \DE\, FIRST BANK PL, 601 SECOND AVE S, MINNEAPOLIS, MN 55402  
(612) 973-1111 - 775,915 (\$26,332,615) COMMON STOCK. (FILE 333-82691 -  
JUL. 12) (BR. 7)

N-2 AMERITRANS CAPITAL CORP, 747 THIRD AVENUE, 4TH FLOOR, NEW YORK, NY 10017  
(212) 355-2449 - 1,265,000 (\$13,915,000) COMMON STOCK. (FILE 333-82693 -  
JUL. 12) (BR. 17)

S-4 SUNGARD DATA SYSTEMS INC, 1285 DRUMMERS LN, STE 300, WAYNE, PA 19087  
(610) 341-8700 - 5,000,000 (\$174,850,000) COMMON STOCK. (FILE 333-82695 -  
JUL. 12) (BR. 3)

S-3 C COR NET CORP, 60 DECIBEL RD, STATE COLLEGE, PA 16801 (814) 238-2461 -  
1,800,258 (\$50,407,084) COMMON STOCK. (FILE 333-82697 - JUL. 12) (BR. 7)

S-8 AMERISTEEL CORP, 5100 W LEMON STREET, TAMPA, FL 33609 (813) 251-8811 -  
100,000 (\$1,800,000) COMMON STOCK. (FILE 333-82699 - JUL. 12) (BR. 6)

S-3 INFERENCE CORP /CA/, 100 ROWLAND WAY, NOVATO, CA 94945 (415) 893-7200 -  
197,085 (\$822,219) COMMON STOCK. (FILE 333-82701 - JUL. 12) (BR. 3)

S-1 DURA AUTOMOTIVE SYSTEMS INC, 4508 IDS CENTER, MINNEAPOLIS, MN 55402  
(612) 342-2311 - 152,401 (\$4,977,417) COMMON STOCK. (FILE 333-82703 -  
JUL. 12) (BR. 5)

S-3 NORTHWESTERN CORP, 125 S DAKOTA AVENUE, SUITE 1100, SIOUX, SD 57104  
(605) 978-2908 (FILE 333-82707 - JUL. 12) (BR. 2)

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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		
AIR PRODUCTS & CHEMICALS INC /DE/	DE				X						07/16/99	
ALBERTSONS INC /DE/	DE	X									04/29/99	
ALIGN RITE INTERNATIONAL INC	CA	X					X				07/02/99	
ALLIEDSIGNAL INC	DE				X	X					06/04/99	AMEND
ALLIEDSIGNAL INC	DE				X						07/14/99	
AMERICAN TOWER CORP /MA/	DE				X	X					06/28/99	
AMERICOM USA INC	DE	X									07/02/99	
ANCOR COMMUNICATIONS INC /MN/	MN						X				07/15/99	
APPLE COMPUTER INC	CA	X									07/16/99	
APPLIED MAGNETICS CORP	DE				X	X					07/14/99	
APPLIED MATERIALS INC /DE	DE				X	X					07/07/99	
ARCADIA RECEIVABLES FINANCE CORP	DE				X	X					07/07/99	
ARCADIA RECEIVABLES FINANCE CORP	DE				X	X					07/07/99	
ATLANTIC AMERICAN CORP	GA	X									06/24/99	
AVNET INC	NY	X					X				07/02/99	
AXCESS INC/TX	DE				X						07/16/99	
BANKBOSTON CORP	MA				X	X					07/15/99	
BRAUVIN INCOME PROPERTIES LP 6	DE				X						07/15/99	
BRAUVIN REAL ESTATE FUND LP 4	DE				X						07/15/99	
BRAUVIN REAL ESTATE FUND LP 5	DE				X						07/15/99	
CARE FIRST INC	MN						X				07/16/99	AMEND
CAROLINA FIRST CORP	SC				X	X					07/16/99	
CATERPILLAR INC	DE				X						07/16/99	
CELLEX BIOSCIENCES INC	MN				X	X					07/07/99	
CELTRIX PHARMACEUTICALS INC	DE				X	X					07/12/99	
CENDANT CORP	DE				X	X					07/16/99	
CIGNA CORP	DE	X					X				07/02/99	
COCENSYS INC	DE				X	X					07/13/99	
CONCAP INC	TX	X									07/08/98	AMEND
CORNUCOPIA RESOURCES LTD		X	X		X	X					07/15/99	
CROWN CRAFTS INC	GA				X						07/13/99	
CROWN PAPER CO	VA	X					X				07/09/99	
CROWN VANTAGE INC	VA	X					X				07/09/99	

NAME OF ISSUER	STATE CODE	8K ITEM NO.								DATE	COMMENT	
		1	2	3	4	5	6	7	8			9
CYTOTHERAPEUTICS INC/DE	DE				X						07/09/99	
DELTA AIR LINES INC /DE/	DE							X			07/14/99	
DEVRY INC	DE	X						X			07/01/99	
DIGITAL RIVER INC /DE/	DE	X						X			07/14/99	
DISC GRAPHICS INC /DE/	DE	X									07/01/99	
DLJ COMMERCIAL MORTGAGE CORP	DE				X	X					07/13/99	
DUKE WEEKS REALTY CORP	IN	X						X			07/02/99	
DUKE WEEKS REALTY LIMITED PARTNERSH IP	IN	X						X			07/01/99	
DVI RECEIVABLES CORP VIII	DE				X	X					07/14/99	
ELECTROPURE INC	CA			X		X					06/16/98	AMEND
EMISPHERE TECHNOLOGIES INC	DE	X						X			07/02/99	
FACTUAL DATA CORP	CO							X			05/05/99	AMEND
FIRST CAPITAL INSTITUTIONAL REAL ES TATE LTD 3	FL				X						07/16/99	
FIRST LANCASTER BANCSHARES INC	DE				X	X					07/09/99	
FIRST LEESPORT BANCORP INC	PA	X			X	X					07/01/99	
GANTOS INC	MI			X							07/12/99	
GLOBAL CROSSING LTD		X						X			07/02/99	
GREATER BAY BANCORP	CA				X	X		X			05/21/99	AMEND
HEALTHCOR HOLDINGS INC	DE	X			X	X		X			06/24/99	
HERTZ CORP	DE				X	X					07/13/99	
HOLMES MICROSYSTEMS INC	TX	X									06/30/99	AMEND
ILLINOIS POWER CO	IL				X	X					07/16/99	
ILLINOVA CORP	IL				X	X					07/16/99	
IMPERIAL SUGAR CO /NEW/	TX				X	X					06/30/99	
INNES STREET FINANCIAL CORP	NC				X	X					07/02/99	
INTERACTIVE GAMING & COMMUNICATIONS CORP	DE	X									03/08/99	
INTERNATIONAL BANCSHARES CORP	TX				X	X					07/16/99	
INTERNATIONAL SEMICONDUCTOR CORP	NV	X									07/16/99	
JUST LIKE HOME INC	FL			X							04/30/99	AMEND
J2 COMMUNICATIONS /CA/	CA				X	X					07/15/99	
KANSAS CITY SOUTHERN INDUSTRIES INC	DE				X						07/12/99	
KERR MCGEE CORP	DE				X	X					02/26/99	AMEND
KEYCORP /NEW/	OH				X	X					07/15/99	
LIBERTY GROUP OPERATING INC	DE	X						X			07/16/99	
LIBERTY GROUP PUBLISHING INC	DE	X						X			07/16/99	
LIFESTREAM TECHNOLOGIES INC	NV								X		07/02/99	
MEDICAL TECHNOLOGY SYSTEMS INC /DE/	DE				X	X					09/30/99	
MERIDIAN DATA INC	DE	X									06/30/99	
METRIS MASTER TRUST	DE							X			07/15/99	
METRIS RECEIVABLES INC	DE							X			07/15/99	
MICROLOG CORP	VA				X	X					07/12/99	
MIDDLE BAY OIL CO INC	AL	X						X			07/01/99	
MILLER HERMAN INC	MI				X	X					06/30/99	AMEND
MORGAN J P COMMERCIAL MORTGAGE FINA NCE CORP	DE	X									07/15/99	
NATIONAL HEALTH & SAFETY CORP	UT			X							07/01/99	
NET COMMAND TECH INC	DE	X									07/01/99	
NS GROUP INC	KY	X									06/26/99	
OAKRIDGE ENERGY INC	UT			X		X					07/06/99	AMEND
OGE ENERGY CORP	OK				X	X					07/16/99	
OKLAHOMA GAS & ELECTRIC CO	OK				X	X					07/16/99	
PAIN WEBBER GROUP INC	DE				X	X					07/13/99	
PARACELSUS HEALTHCARE CORP	CA	X									07/02/99	
PEOPLES SIDNEY FINANCIAL CORP	DE				X	X					07/13/99	
PHYSICIAN COMPUTER NETWORK INC /NJ	NJ	X			X						07/15/99	
PROCOM TECHNOLOGY INC	CA				X						07/13/99	
PROXICOM INC					X						06/17/99	

NAME OF ISSUER	STATE CODE	BK ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
QUINTILES TRANSNATIONAL CORP	NC				X	X					07/15/99	
RAILAMERICA INC /DE	DE					X					04/30/99	AMEND
RECKSON SERVICES INDUSTRIES INC	DE				X	X					07/01/99	
REPUBLIC BANCORP INC	MI				X	X					06/30/99	AMEND
RESEARCH INC /MN/	MN				X	X					06/29/99	
RMI NET INC	DE				X	X					06/28/99	
SABRATEK CORP	DE		X			X					07/01/99	
SAFE TECHNOLOGIES INTERNATIONAL INC	DE				X						07/16/99	
SEL DRUM INTERNATIONAL INC	CO				X						07/06/99	
SEMCO ENERGY INC	MI				X						07/16/99	
SILICON VALLEY GROUP INC	DE		X			X					07/06/99	
SMITH CHARLES E RESIDENTIAL REALTY INC	MD		X			X					07/02/99	
SOUTHERN PACIFIC FUNDING CORP	CA				X	X					07/12/99	
ST JOHN KNITS INTERNATIONAL INC	DE	X				X					07/07/99	
STATER BROS HOLDINGS INC	DE				X	X					07/15/99	
STYLECLICK COM INC	CA	X									07/19/99	
SYNTHETIC BLOOD INTERNATIONAL INC	NJ				X	X					07/09/99	
TECH SYM CORP	NV				X	X					07/14/99	
TECHNOLOGY FLAVORS & FRAGRANCES INC	DE				X	X					06/29/99	
TRIDEX CORP	CT	X									06/30/99	
TRIMERIS INC	DE				X	X					07/12/99	
TRIPLE S PLASTICS INC	MI				X						06/30/99	
TURBODYNE TECHNOLGIES INC	DE				X						07/02/99	AMEND
VALLEY MEDIA INC					X	X					07/02/99	
WELLS REAL ESTATE FUND XI L P	GA		X			X					07/02/99	
WELLS REAL ESTATE FUND XII LP	GA		X			X					07/02/99	
WELLS REAL ESTATE INVESTMENT TRUST INC	MD		X			X					07/02/99	
WEYERHAEUSER CO	WA				X						07/14/99	
WIND RIVER SYSTEMS INC	DE				X	X					06/30/99	
WINSTAR COMMUNICATIONS INC	DE				X	X					07/15/99	
WNC HOUSING TAX CREDIT FUND VI LP S ERIES 6	CA		X								07/01/99	
WORLDCORP INC	DE	X									07/15/99	