

# SEC NEWS DIGEST

Issue 2002-11

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## COMMISSION ANNOUNCEMENTS

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### COMMISSION MEETINGS

#### CLOSED MEETING – TUESDAY, JANUARY 22, 2002 – 9:30 A.M.

The subject matter of the closed meeting scheduled for Tuesday, January 22, 2002, will be: Institution and settlement of injunctive actions; Institution and settlement of administrative proceedings of an enforcement nature; and Formal orders of investigation.

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.

#### **FEE RATE ADVISORY #8**

The President today signed H.R. 1088, the “Investor and Capital Markets Fee Relief Act.” This Act substantially reduces filing fees and securities transaction fees.

The Act sets the filing fee rates under Section 6(b) of the Securities Act of 1933 and Sections 13(e) and 14(g) of the Securities Exchange Act of 1934 at \$92 per million retroactively effective to October 1, 2001. The Act also eliminates the filing fee under Section 307(b) of the Trust Indenture Act of 1939. All Section 6(b), 13(e), 14(g), and 307(b) fees paid between October 1, 2001 and today will be recalculated by the Commission at the new rate. Within 60 days, the Commission will add the resulting savings to each filer’s account for use towards future SEC filings. The Commission also will provide account statements to all affected filers. Upon receipt of an account statement, a filer may request in writing a refund of the amount in its account. Instructions for requesting a refund (including the appropriate address and fax number) will be included with the account statements. Please do not request a refund until after receipt of the statement.

To allow for the conversion of the Commission’s electronic filing systems to the new fee rate, filers should continue to file at the old fee rates today. Starting tomorrow, filers should file at the new fee rate of \$92 per million. The SEC’s Office of Filings and Information Services is available for questions on filing fees at (202) 942-8900.

The Act also sets the securities transaction fee rate under Section 31 of the Securities Exchange Act of 1934 at \$15 per \$1,000,000 retroactively effective to December 28, 2001. In addition, as of December 28, 2001, Section 31 fees will apply to sales of options on securities indexes only if the underlying securities index is a narrow-based securities index. The self-regulatory organizations collect these fees pursuant to their rules. Additional information on the transition to the new Section 31 fee rate is available on the Internet web sites of The New York Stock Exchange and NASD Regulation at <http://www.nyse.com/press/NT000682EA.html> and [http://www.nasdr.com/mem\\_alert122801.htm](http://www.nasdr.com/mem_alert122801.htm). The Office of Interpretations and Guidance in the SEC's Division of Market Regulation is also available for questions on Section 31 fees at (202) 942-0069.

The Commission is required under the Act to adjust the filing and securities transaction fee rates on an annual basis, after consultation with the Congressional Budget Office (CBO) and the Office of Management and Budget (OMB). The Commission will announce the first annual adjustment no later than April 30, 2002, effective October 1, 2002 (or, if later, after the Commission's fiscal 2003 appropriation is enacted). In addition, the Commission may be required under the Act to make a "mid-year" adjustment to the Section 31 fee rate, after consultation with CBO and OMB, which would be announced no later than March 1, 2002, effective April 1, 2002. The Commission will issue further notices as appropriate. This information will be posted on the SEC's Internet web site at <http://www.sec.gov>. (Press Rel. 2002-7)

## **STATEMENT OF SEC CHAIRMAN HARVEY L. PITT**

Securities and Exchange Commission Chairman Harvey L. Pitt today issued the following statement:

I had the distinct honor and privilege of joining President Bush today at the White House as he signed into law H.R. 1088, the "Investor and Capital Markets Fee Relief Act." On behalf of the members and staff of the entire Commission, I want to thank the President for taking this action and to express my appreciation to the many Members of Congress – on both sides of the aisle – who helped secure the passage of this important legislation.

This truly is a great and historic victory for our nation's investors. With more Americans investing in the stock market than ever before in our history – either directly or through a mutual fund or retirement plan – it is extremely gratifying to finally provide these hard-working investors with relief from excessive and burdensome transaction fees. This bipartisan legislation will, over the years, save investors billions of dollars. We thank the President for his strong support of this legislation and for signing it into law today.

This "Investor and Capital Markets Fee Relief Act" will also provide us with tools to significantly strengthen the Commission in carrying out its vital mission of protecting investors and overseeing our nation's capital markets. For too long, SEC employees have been paid considerably less than staff at federal banking agencies, even though Americans have more money invested in mutual funds, for example, than they have deposited in commercial banks. This legislation will finally address this unfortunate disparity by giving the SEC the ability to put in place a pay structure comparable to those already in place at other federal financial services agencies. Once we receive funding to implement pay parity, this will make an enormous difference in helping the SEC to attract and retain the top talent we need to protect investors. In these challenging times, I am very grateful to have the critical support that this legislation and its funding will bring to the Securities and Exchange Commission. (Press Rel. 2002-8)

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## **ENFORCEMENT PROCEEDINGS**

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### **SEC BRINGS FIRST PRO FORMA FINANCIAL REPORTING CASE; TRUMP HOTELS CHARGED WITH ISSUING MISLEADING EARNINGS RELEASE**

In its first pro forma financial reporting case, the Securities and Exchange Commission instituted cease-and-desist proceedings against Trump Hotels & Casino Resorts Inc. for making misleading statements in the company's third-quarter 1999 earnings release. The Commission found that the release cited pro forma figures to tout the Company's purportedly positive results of operations but failed to disclose that those results were primarily attributable to an unusual one-time gain rather than to operations.

"This is the first Commission enforcement action addressing the abuse of pro forma earnings figures," said Stephen M. Cutler, Director of the Commission's Division of Enforcement. "In this case, the method of presenting the pro forma numbers and the positive spin the Company put on them were materially misleading. The case starkly illustrates how pro forma numbers can be used deceptively and the mischief that can cause."

Trump Hotels consented to the issuance of the Commission's order without admitting or denying the Commission's findings. The Commission also found that Trump Hotels, through the conduct of its chief executive officer, its chief financial officer and its treasurer, violated the antifraud provisions of the Securities Exchange Act by knowingly or recklessly issuing a materially misleading press release.

"This case demonstrates the risks involved in mishandling pro forma reporting," said Wayne M. Carlin, Regional Director of the Commission's Northeast Regional Office.

“Enforcement action can result if a company fails to disclose information necessary to assure that investors will not be misled by the pro forma numbers.”

Specifically, as set forth in the Order, which is available on the Commission’s website, the Commission found that:

- On Oct. 25, 1999, Trump Hotels issued a press release announcing its quarterly results. The release used net income and earnings-per-share (EPS) figures that differed from net income and EPS calculated in conformity with generally accepted accounting principles (GAAP), in that the figures expressly excluded a one-time charge. The earnings release was fraudulent because it created the false and misleading impression that the Company had exceeded earnings expectations primarily through operational improvements, when in fact it had not.
- The release expressly stated that net income and EPS figures excluded a \$81.4 million one-time charge. Although neither the earnings release nor the accompanying financial data used the term pro forma, the net income and EPS figures used in the release were pro forma numbers because they differed from such figures calculated in conformity with GAAP by excluding the one-time charge. By stating that this one-time charge was excluded from its stated net income, the Company implied that no other significant one-time items were included in that figure.
- Contrary to the implication in the release, however, the stated net income included an undisclosed one-time gain of \$17.2 million. The gain was the result of the termination, in September 1999, of the All Star Café’s lease of restaurant space at the Trump Taj Mahal Casino Resort in Atlantic City. Trump Hotels, through various subsidiaries, owns and operates the Taj Mahal and other casino resorts. The Company’s executive offices are in New York City, and its business and financial operations are centered in Atlantic City.
- Not only was there no mention of the one-time gain in the text of the release, but the financial data included in the release gave no indication of it, because all revenue items were reflected in a single line item.
- The misleading impression created by the reference to the exclusion of the one-time charge and the undisclosed inclusion of the one-time gain was reinforced by the comparison in the earnings release of the stated earnings-per-share figure with analysts’ earnings estimates and by statements in the release that the Company been successful in improving its operating performance. Using the non-GAAP, pro forma figures, the release announced that the Company’s quarterly earnings exceeded analysts’ expectations, stating:

Net income increased to \$ 14.0 million, or \$ 0.63 per share, before a one-time Trump World’s Fair charge, compared to \$ 5.3 million or \$ 0.24 per share in

1998 [Trump Hotels'] earnings per share of \$ 0.63 exceeded First Call estimates of \$ 0.54.

In addition, the release quoted Trump Hotels' chief executive officer as attributing the stated positive results and improvement from third-quarter 1998 to improvements in the Company's operations.

- In fact, had the one-time gain been excluded from the quarterly pro forma results as well as the one-time charge, those results would have reflected a decline in revenues and net income and would have failed to meet analysts' expectations. The undisclosed one-time gain was thus material, because it represented the difference between positive trends in revenues and earnings and negative trends in revenues and earnings, and the difference between exceeding analysts' expectations and falling short of them.
- On Oct. 25, the day the earnings release was issued, the price of the Company's stock rose 7.8 percent, subsequently, analysts learned of the one-time gain. On Oct. 28, the day on which an analysts' report and a news article revealing the impact of the one-time gain were published, the stock price fell approximately 6 percent.

The Commission found that Trump Hotels violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. The Company was ordered to cease and desist from violating those provisions.

For information about the use and interpretation of pro forma financial information, see the cautionary advice for companies and their advisors at <http://www.sec.gov/news/press/2001-144.txt> and the investor alert recently issued by the Commission at <http://www.sec.gov/investor/subs/proforma12-4.htm> (Rel. 34-45287, AAE Rel. 1499, File No. 3-10680, Press Rel. 2002-6).

## **COMMISSION SUSTAINS CBOE FINDINGS THAT MICHAEL LUBIN INITIATED AND ENTERED OFF-FLOOR TRADES IN MARKET MAKER ACCOUNTS AND DELAYED AND IMPEDED AN EXCHANGE INVESTIGATION**

On January 15, the Commission sustained the CBOE's findings that Michael D. Lubin, a former associated person and principal of Mitoric Trading, Inc., a former member firm of the CBOE, improperly initiated and entered off-floor trades which cleared into market maker accounts and delayed and impeded an Exchange investigation. As an associated person who was not himself a market maker, Lubin was not authorized to initiate trades for market maker accounts. The Commission found that in July 1996, Lubin initiated and entered numerous options transactions from off the Exchange's trading floor which cleared into the market maker accounts of Irwin and Jeffrey Segal, nominees of Mitoric. The Commission further found that Lubin failed to furnish testimony and information to

the Exchange in connection with its investigation of options trading in the Segals' market maker accounts

The CBOE censured Lubin, barred him from Exchange membership and from association with any Exchange member for one month, and fined him \$20,000. (Rel. 34-45281; File No 3-10183)

## **VINCENT CELENTANO ENJOINED IN FRAUD ACTION PAYS; \$350,000 PENALTY**

The Commission today announced that on January 9, 2002, the Honorable Emmet G Sullivan of the United States District Court for the District of Columbia entered a Final Judgment As To Vincent D Celentano in (SEC v Trainor, et al, 98CV01533, EGS, D D C) The Commission sued Vincent D Celentano (Celentano), a Hillsboro Beach, Florida resident, for his role in two separate but related frauds concerning the securities of HealthCare, Ltd (HealthCare), a company purportedly based in Russia, and Novatek International, Inc (Novatek) of Columbia, Maryland

Celentano consented, without admitting or denying the allegations of the Commission's complaints, to entry of a Final Judgment that i) permanently enjoins him from violating or aiding and abetting the violation of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, Sections 10(b), 13(a), 13(b)(2)(A) and (B), 15(a)(1) and 16(a) of the Securities Exchange Act of 1934 and Rules 10b-5, 12b-20, 13a-13, 13b2-1, 13d-1 and 16a-3 promulgated thereunder, ii) permanently bars him from serving as an officer or director of a public company, and iii) orders him to pay a \$350,000 civil money penalty The Commission also dismissed Mary N Celentano, Celentano's wife, as a relief defendant

On June 18 and August 12, 1998, the Commission filed its complaint and amended complaint (Complaints), respectively, against Celentano and others based on their participation in fraudulent "pump and dump" schemes involving the purchase and sale of HealthCare and Novatek securities Both HealthCare and Novatek purportedly owned a license to distribute medical diagnostic test kits designed to rapidly detect diseases such as HIV and cholera, and both companies had purportedly entered into agreements worth more than a total of \$400 million for the sale of these test kits

The Complaints allege, among other things, that 1) Celentano's offers and sales of HealthCare securities were not registered with the Commission, as required by law, 2) Celentano and others defrauded HealthCare investors by knowingly making false and misleading statements regarding the existence of the multi-million dollar contracts with Russian governmental entities, 3) Celentano and others artificially inflated the value of Novatek securities through a series of sham transactions, 4) Celentano caused Novatek to file reports with the Commission containing false and misleading financial statements, and 5) Celentano knowingly made false and misleading statements to Novatek investors and prospective investors concerning the existence of purported contracts with several

South American entities. Neither HealthCare nor Novatek ever made any commercial shipments of test kits.

Additionally, in two related matters, the U.S. Department of Justice has filed criminal charges against Celentano and William P. Trainor in the U. S. District Court for the Southern District of Florida. In (*United States v. Celentano*, 01-6179-CR-WDF), Celentano pleaded guilty to violating 18 U.S.C. §1001 for making a false statement to the Commission and was sentenced by Judge Wilkie D. Ferguson to two years probation and assessed a \$5,000 fine. The indictment against Trainor charges him with twenty-one counts of wire fraud and money laundering in violation of 18 U.S.C. §§1345, 1956, 1957 and 2 in (*United States v. Trainor*), 01-6215-CR-Jordan. This matter is still pending.

On January 10, 2002, Judge Sullivan entered an order staying the Commission's action against the remaining defendants in the Commission's case, pending the outcome of the DOJ's criminal proceeding against Trainor.

For additional information, see Litigation Release Nos. 15786 and 15844, and Securities Exchange Act of 1934 Release Nos. 40169, 40170 and 40171. [*SEC v William P. Trainor, Vincent D. Celentano, Medical Diagnostic Products, Inc. (f/k/a Novatek International, Inc.), Karen Losordo, Diane M. Trainor, Daniel J. Trainor, Geraldine Trainor and Mary N. Celentano, Civil Action No. 98CV01533, EGS, D.D.C.*] (LR-17313; AAE Rel. 1497)

## **CIVIL ACTION AGAINST NELSON BARBER**

On January 3, United States District Judge Paul L. Friedman signed a Final Judgment against Nelson Barber 1) permanently enjoining him from violating or aiding and abetting violations of Section 17(a) of the Securities Act of 1933 (Securities Act), and Sections 10(b), 13(a), 13(b)(2)(A), and 13(b)(2)(B), and 13(b)(5) of the Securities Exchange Act of 1934 (Exchange Act), and Exchange Act Rules 10b-5, 12b-20, 13a-1 and 13a-13, 13b2-1, and 13b2-2, 2) permanently barring him from acting as an officer or director of any public company, and 3) ordering him to pay a \$20,000 civil penalty, pursuant to Section 20(d) of the Securities Act and Section 21(d)(3) of the Exchange Act. The Commission's complaint, filed on December 27, 2001, alleged that Barber, the former Chief Financial Officer of Fine Host Corporation, caused Fine Host to engage in an extensive financial fraud. Without admitting or denying the allegations of the complaint, Barber consented to the entry of the judgment.

In a related matter, Barber, without admitting or denying the Commission's findings, consented to the issuance of a Commission Order that, based on the injunction, denies Barber the privilege of appearing or practicing before the Commission as an accountant, pursuant to Rule 102(e) of the Commission's Rules of Practice.

For further information, see Litigation Release No. 17291 (December 27, 2001), Exchange Act Release Nos. 34-45195, 34-45196, 34-45197, and 34-45280, Accounting and Auditing Enforcement Release Nos. 1481, 1482, 1483, and 1496, Administrative Proceeding Nos. 3-10663, 3-10664, 3-10665, and 3-10679. [SEC v. Nelson Barber, USDC for the District of Columbia, C. A. No. 1:01CV02670] (LR-17314; AAE Rel. 1498)

## **TEMPORARY RESTRAINING ORDER AND ASSET FREEZE ENTERED AGAINST MERRILL SCOTT & ASSOCIATES AND OTHERS**

The Commission has obtained an order temporarily restraining Merrill Scott & Associates, Ltd. (MSA); Merrill Scott & Associates, Inc. (MSAI); Phoenix Overseas Advisers, Ltd. (Phoenix); Gibraltar Permanente Assurance, Ltd. (Gibraltar); Patrick M. Brody; and David E. Ross II from violations of the antifraud provisions of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Investment Advisers Act of 1940 and the broker registration provisions of the Exchange Act. The court also froze the assets of the four entities and Brody.

The complaint alleges MSA, a Bahamian entity, and many of its affiliates, including Phoenix, Gibraltar, and their domestic affiliate, MSAI (collectively, Merrill Scott), are engaged in an ongoing scheme in which they have obtained investments of cash and marketable securities from U.S. citizens primarily seeking tax advantages through offshore investments. It is alleged that since at least 1999 Merrill Scott has been operating at a loss due to: (1) misappropriations of an estimated \$9.5 million by Brody, the control person of the Merrill Scott organization, to finance his personal expenses; (2) Merrill Scott's operating expenses; and (3) Merrill Scott's attempts to realize huge returns on its investments by investing heavily in start-up companies. It is further alleged that in order to keep the Merrill Scott organization afloat and keep clients satisfied, Brody has operated the organization as a giant Ponzi scheme, using newly invested money to pay returns to earlier investors.

The complaint alleges Merrill Scott sells its clients a "Master Financial Plan" (MFP) which establishes for each client a complex program involving the creation of offshore entities and accounts into which the client's income and assets are placed to generate investment income, reduce taxes and protect assets. It is further alleged that various Merrill Scott entities control the assets and ostensibly implement the instructions of the client as set forth in the client's MFP; however, Brody has sole signatory authority for all accounts established for the benefit of clients and, with the assistance of Ross and Michael Licopantis, a former employee also named as a defendant in the complaint, has used this authority to transfer and invest client funds at will. It is further alleged that MSA, MSAI and Brody have operated as unregistered brokers. The Order was entered January 15, 2002, by the Honorable Tena Campbell, United States District Judge for the District of Utah. [SEC v. Merrill Scott & Associates, Ltd.; Merrill Scott & Associates, Inc.; Phoenix Overseas Advisers, Ltd.; Gibraltar Permanente Assurance, Ltd.; Patrick M.



## **SEC SUES PROMOTERS OF NATIONWIDE SECURITIES FRAUD**

The Commission announced today that it has filed a complaint against Louis M Lazorwitz, J Charles Reives, and Tri-Star Investment Group, L.L.C a/k/a Tri-Star Investment Group, as defendants, and Lazor, Ltd as a relief defendant, alleging a multimillion-dollar, nationwide, prime bank type and other securities fraud. The complaint charges that Lazorwitz, a Texas resident, and Reives, a North Carolina resident, promoted the fraudulent scheme as Tri-Star's general partners. The complaint also charges that relief defendant Lazor, Ltd received ill-gotten assets from the fraud without any legitimate claim to those assets.

The Commission's complaint alleges that Lazorwitz and Reives used Tri-Star to offer and sell unregistered securities in Tri-Star to over 900 investors in at least 35 states, and to raise over \$15 million and that Tri-Star, through Lazorwitz and Reives, initially represented that Tri-Star would invest in bank debentures and later claimed that it might invest in other international trade opportunities. The complaint also alleges that Lazorwitz and Reives promoted Tri-Star directly and through independent agents around the United States known as Facilitators and led investors to expect profits of 20% per month in so-called 13-month trading programs after an initial 90-day waiting period.

According to the Commission's complaint, Tri-Star, Lazorwitz, and Reives made material misrepresentations and omissions of fact to investors concerning, among other things, the use of investor funds, the expected returns, and investment risks. For example, the complaint alleges that Tri-Star, through Lazorwitz and Reives, misrepresented that investor funds would be used for lucrative trade opportunities when, in fact, Tri-Star "invested" relatively little of the funds collected, and never earned significant profits. It also alleges that they falsely represented to investors that the investors' funds would be collateralized by an insured certificate of deposit, that they caused false account statements to be issued to the investors and that they failed to disclose to investors that Tri-Star used investor funds to pay alleged profits and commissions to investors and Facilitators. The complaint further alleges that Lazorwitz and Reives misappropriated investor funds for their personal benefit.

The Commission's complaint charges Lazorwitz, Reives, and Tri-Star with violations of Sections 5(a), 5(c) and 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 thereunder. The complaint also charges Lazorwitz and Reives with violations of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940, and with violations of the broker-dealer registration provisions of Section 15(a) of the Exchange Act. [SEC v Louis M Lazorwitz, J Charles Reives, and Tri-Star Investment Group, L.L.C a/k/a Tri-

## **SEC CHARGES FORMER CFO OF ATCHISON CASTING CORPORATION SUBSIDIARY UNIT WITH ACCOUNTING FRAUD**

### **Defendant Falsified Books and Records, Causing Income Overstatement and Concealing Theft of Over \$900,000**

The Commission today charged Thomas W. Lambach, a former Controller and Chief Financial Officer of a subsidiary unit of Atchison Casting Corporation (Atchison), with accounting fraud. The Commission's complaint, filed in the United States District Court for the Middle District of Pennsylvania, alleges that, while Lambach was employed with Atchison's Pennsylvania Foundry Group (PFG), he stole more than \$900,000 of corporate funds and made numerous false accounting entries in the PFG's books and records, which had the effect of concealing his theft and making the PFG and, in turn, Atchison, appear more profitable than they were.

Specifically, the complaint alleges that Lambach made or caused to be made "miscellaneous adjustment" journal entries over a multi-year period to alter balances in various of the PFG's accounts. These adjustments lacked any economic or accounting justification. Mr. Lambach also allegedly created fictitious asset and other accounts that lacked any support or substance. During the same period, Lambach stole more than \$900,000 of corporate funds by writing numerous unauthorized checks payable to himself from certain Atchison bank accounts.

The complaint further details that Lambach, in his position as CFO of the PFG, regularly compiled and transmitted the fraudulent accounting information for the PFG to Atchison's corporate offices for inclusion in the company's consolidated financial statements. As a result of Lambach's conduct, the periodic reports filed by Atchison with the Commission for its fiscal years ending June 30, 1997, 1998, 1999, and 2000, contained materially false and misleading consolidated financial statements. More specifically, the complaint alleges that, over that period, Atchison's net income was overstated by between 12% and 575% and its operating income was overstated by as much as 1580%. The Commission also alleges that Lambach actively attempted to conceal his accounting fraud and theft by interfering with an audit conducted by Atchison's independent auditors in July and August 2000.

Lambach resigned his position in October 2000, and, on November 2, Atchison announced that it had discovered accounting errors involving the PFG and that it had begun an investigation into the matter. On April 24, 2001, Atchison announced it had completed its investigation and restated its financial statements for the fiscal years ended June 30, 1997 through June 30, 2000, including a reduction in net income of approximately \$24.5 million over that period.

The Commission alleges that Lambach's conduct violated Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934, and Rules 10b-5 and 13b2-1 thereunder. Lambach has agreed to settle the charges brought against him without admitting or denying the allegations set forth in the Complaint. Lambach has consented to the entry of a final judgment permanently enjoining him from future violations of Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5 and 13b2-1 thereunder. In addition, the final judgment to which Lambach consented provides that he is permanently barred from acting as an officer or director of any public company.

The United States Attorney's Office for the Middle District of Pennsylvania has filed criminal charges against Lambach related to the same conduct. The thirteen-count indictment, filed on December 6, 2001, charges Lambach with twelve counts of wire fraud and one count of conspiracy. [SEC v. Thomas W. Lambach, Case No. 1:CV-02-69, MD PA] (LR-17319; AAE Rel. 1500)

### **SEC CHARGES FORMER CFO OF TRICON GLOBAL RESTAURANTS, INC. WITH INSIDER TRADING**

The Commission today filed a civil injunctive action in the United States District Court for the District of Columbia, against Robert C. Lowes, former Chief Financial Officer of Tricon Global Restaurants, Inc. alleging that he engaged in illegal insider trading. The complaint alleges that Lowes, age 56 and a resident of California, bought 5,000 shares of Tricon common stock on August 17, 1998, with advance knowledge of improved projected financial results for Tricon. These improved results were subsequently disclosed in a press release issued by Tricon on August 19, 1998, announcing that it anticipated significantly better-than-expected earnings and profits for the third quarter and for 1998. Lowes's profit on the trades was \$25,625. Without admitting or denying the Commission's allegations, Lowes consented to the entry of a final judgment enjoining him from violating Section 10(b) of the Securities Exchange Act and Rule 10b-5 thereunder and requiring him to pay disgorgement of \$25,625, pre-judgment interest of \$7,442, and a civil monetary penalty of \$25,625, for a total of \$58,692. [SEC v. Robert C. Lowes, Case No: 1:02CV00071, D.D.C.] (LR-17320)

### **PERMANENT JUDGMENT ENTERED AGAINST JAMES HILLMAN**

The Commission announced that final judgment has been entered against defendant James L. Hillman, a resident of Oakland, California, in (SEC v. PinnFund USA, Inc., et al.). Hillman is a defendant in a multi-million dollar offering fraud filed by the Commission last year. The final judgment permanently enjoins Hillman from committing any future violations of the registration and antifraud provisions of the federal securities laws, specifically 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 thereunder. Hillman consented to the final judgment without admitting or denying

liability. Hillman also consented to pay disgorgement of \$67,749,192.39 and \$110,000 in civil penalties. The final judgment was entered by the Honorable Marilyn L. Huff of the U.S. District Court for the Southern District of California on December 19, 2001.

Judge Huff also approved a separate settlement agreement among Hillman, Charles LaBella, the court-appointed receiver for PinnFund USA, Inc. and Richard Kipperman, the bankruptcy trustee of several entities that Hillman controlled. The settlement agreement requires Hillman to turn over as much as \$57 million in cash, assets and potential tax refunds and to cooperate with Mr. LaBella and Mr. Kipperman in liquidating Hillman's assets and pursuing legal claims against third parties. Hillman's full performance of the terms and conditions of the settlement agreement will be deemed to satisfy the disgorgement portion of the final judgment.

The Commission filed its complaint on March 21, 2001, alleging that Hillman raised \$330 million of investor proceeds through his control of Peregrine Funding, Inc. and by selling unregistered securities in Allied Capital Partners, Grafton Partners and Six Sigma, LLC. The Commission's complaint also alleged that that Hillman and the other defendants misused the proceeds for their own purposes, to pay for operational losses of defendant PinnFund USA, Inc., and to make repayments to investors as part of a Ponzi-like scheme. [SEC v. Pinnfund USA, Inc., Peregrine Funding, Inc., Allied Capital Partners, Grafton Partners, Six Sigma, LLC A/K/A 6 Sigma, LLC, Reliance Holdings, LLC, Michael J. Fanghella, James L. Hillman and Kelly Cook A/K/A Kelly Jaye A/K/A Kelly Spagnola, Civil Action No. 01-CV-0496 H (LAB) (S.D. Cal.)] (LR-17321)

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## **INVESTMENT COMPANY ACT RELEASES**

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### **ROBERT W. BAIRD & CO. INCORPORATED**

An order has been issued on an application filed by Robert W. Baird & Co. Incorporated (Baird) amending a prior permanent order that exempts Baird from the provisions of Section 9(a) of the Investment Company Act to relieve it from any ineligibility resulting from its employment of an individual who is subject to a securities-related injunction. (Rel. IC-25364 - January 15)

### **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY, ET AL.**

A notice has been issued giving interested persons until February 7, 2002, to request a hearing on an application filed by Massachusetts Mutual Life Insurance Company and Massachusetts Mutual Variable Life Separate Account I (collectively Applicants). The Applicants seek an order pursuant to Section 26(c) of the Investment Company Act approving the substitution of Class II shares of MML Equity Index Fund (Substituted Portfolio) for shares of Dreyfus Life and Annuity Index Fund d/b/a Dreyfus Stock Index

Fund (Removed Portfolio). In addition, the Applicants request an order pursuant to Section 17(b) of the Act to permit in-kind transactions in connection with the substitution. (Rel. IC-25365 – January 15)

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## **SELF-REGULATORY ORGANIZATIONS**

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### **IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES**

A proposed rule change (SR-NASD-2001-87) has been filed by the National Association of Securities Dealers relating to Computer to Computer Interface fees to members. Publication of the proposal is expected in the Federal Register during the week of January 14. (Rel. 34-45264)

A proposed rule change filed by the Chicago Board Options Exchange amending its fee schedule (SR-CBOE-2001-72) to increase certain of CBOE's communication fees 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 January 14. (Rel. 34-45269)

A proposed rule change (SR-NASD-2002-06) filed by the National Association of Securities Dealers, through its subsidiary, The Nasdaq Stock Market, Inc., to extend the Manning pilot on the OTCBB has become immediately effective pursuant to Rule 19b-4 under the Securities Exchange Act of 1934. (Rel. 34-45276)

### **PROPOSED RULE CHANGE**

The National Association of Securities Dealers filed Amendment No. 1 to a proposed rule change under Rule 19b-4 (SR-NASD-99-04) relating to the microcap initiative – recommendation rule. Publication of the notice in the Federal Register is expected during the week of January 14. (Rel. 34-45277)

### **CORRECTION**

An incorrect release number was included in the January 15<sup>th</sup> issue of the Digest for a release concerning immediate effectiveness of a proposed rule change and amendment filed by the New York Stock Exchange (SR-NYSE-2002-03). The correct release number is 34-45275.

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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>.

- F-6 BAYER AKTIENGESELLSCHAFT /ADR/, 48 WALL STREET,  
C/O SECURITY PACIFIC NAT'L TRUST CO NY, NEW YORK, NY 10286 (212) 495-  
1727  
- 100,000,000 (\$5,000,000) DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE  
333-14266 - JAN. 09) (BR. 99)
- S-8 WORLDWIDE TECHNOLOGIES INC, 789 W PENDER ST STE 1500,  
VANCOUVER BRITISH COLUMBIA, CANADA V6C 1H2, A1 00000 (604) 408-8890 -  
203,704 (\$46,851.92) COMMON STOCK. (FILE 333-76452 - JAN. 07) (BR. 3)
- S-8 USA DEALERS AUCTION COM INC, 1650 GRAND AVE, SAN MARCUS, CA 92069  
(760) 591-0505 - 500,000 (\$75,000) COMMON STOCK. (FILE 333-76456 -  
JAN. 09) (BR. 9)
- S-8 BUSINESS BANCORP /CA/, 1248 FIFTH AVENUE, SAN RAFAEL, CA 94901  
(415) 784-2300 - 209,872 (\$1,269,523.68) COMMON STOCK. (FILE 333-76460  
-  
JAN. 09) (BR. 7)
- S-8 SUCCESSORIES INC, 2520 DIEHL ROAD, AURORA, IL 60504 (630) 820-7200 -  
800,000 (\$400,000) COMMON STOCK. (FILE 333-76468 - JAN. 09) (BR. 5)
- S-8 PILOT THERAPEUTICS HOLDINGS INC, 101 N. CHESTNUT STREET, .,  
WINSTON-SALEM, NC 27101 (336) 725-2222 - 1,465,620 (\$1,624,836.32)  
COMMON STOCK. (FILE 333-76478 - JAN. 09) (BR. 5)
- S-4 FLEMING COMPANIES INC /OK/, 1945 LAKEPOINTE DRIVE, LEWISVILLE, TX  
73126  
(405) 840-7200 - 400,000,000 (\$400,000,000) STRAIGHT BONDS. (FILE  
333-76480 - JAN. 09) (BR. 4)
- S-3 PARADIGM GENETICS INC, 104 ALEXANDER DR, ADMINISTIVE BLDG #6,  
RESEARCH TRIANGLE PA, NC 27709 (919) 544-5578 - 422,459 (\$2,165,102.40)  
COMMON STOCK. (FILE 333-76482 - JAN. 09) (BR. 1)
- S-4 TEXAS REGIONAL BANCSHARES INC, 3700 N TENTH STE 301, PO BOX 5910,  
MCALLEN, TX 78501 (956) 631-5400 - 2,817,815 (\$33,419,286) COMMON  
STOCK.

(FILE 333-76484 - JAN. 09) (BR. 7)

S-3 ARIAD PHARMACEUTICALS INC, 26 LANDSDOWNE ST, CAMBRIDGE, MA 02139  
(617) 494-0400 - 3,000,000 (\$15,990,000) COMMON STOCK. (FILE 333-76486

JAN. 09) (BR. 1)

S-4 D&E COMMUNICATIONS INC, BROSSMAN BUSINESS COMPLEX,  
124 EAST MAIN ST PO BOX 458, EPHRATA, PA 17560 (717) 733-4101 -  
9,830,708  
(\$209,688,304) COMMON STOCK. (FILE 333-76488 - JAN. 09) (BR. 7)

S-3 ALLOY INC, 151 WEST 26TH STREET, 11TH FLOOR, NEW YORK, NY 10001  
(212) 244-4307 - 2,069,767 (\$43,020,107.10) COMMON STOCK. (FILE 333-  
76490  
- JAN. 09) (BR. 2)

S-8 NATIONAL SERVICE INDUSTRIES INC, 1420 PEACHTREE ST NE, ATLANTA, GA  
30309  
(404) 853-1000 - 75,000 (\$600,000) COMMON STOCK. (FILE 333-76492 -  
JAN. 09) (BR. 5)

S-8 NATIONAL SERVICE INDUSTRIES INC, 1420 PEACHTREE ST NE, ATLANTA, GA  
30309  
(404) 853-1000 - 75,000 (\$600,000) COMMON STOCK. (FILE 333-76494 -  
JAN. 09) (BR. 5)

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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 FD Disclosure.

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		
AAIPHARMA INC	DE				X	X					01/10/02	
AAMES MORTGAGE TRUST 2001 1 MORTGAG E PASS THR CERTS SE 01 1	DE				X						12/26/01	
AAMES MORTGAGE TRUST 2001-2 MORT PA SS THR CERT SER 2001-2	DE				X						12/26/01	
ACCELIO CORP	AI				X	X					01/11/02	
ACCESSPOINT CORP /NV/	NV	X			X	X	X				12/29/01	
ACTIVE LINK COMMUNICATIONS INC	CO					X					11/08/01	AMEND
ADELPHIA COMMUNICATIONS CORP	DE				X	X					01/14/02	
ADPADS INC	CO			X		X					01/10/02	
ADVANCED REMOTE COMMUNICATION SOLUT IONS	CA				X						01/14/02	
AFFILIATED MANAGERS GROUP INC	DE	X					X				10/31/01	AMEND
AFTERMARKET TECHNOLOGY CORP	DE				X						01/14/02	
AIRCRAFT FINANCE TRUST	DE				X						01/15/02	
ALLETE INC	MN				X						01/14/02	
AMBIENT CORP /NY	DE				X						01/15/02	
AMC ENTERTAINMENT INC	DE				X	X					03/28/02	
AMERICA FIRST MORTGAGE INVESTMENTS INC	MD				X	X					01/15/02	
AMERICAN EXPRESS CENTURION BANK	UT				X	X					01/15/02	
AMERICAN EXPRESS CREDIT ACCOUNT MAS TER TRUST	DE				X	X					01/15/02	
AMERICAN EXPRESS MASTER TRUST	DE				X	X					01/15/02	
AMERICAN EXPRESS RECEIVABLES FINANC ING CORP	DE				X	X					01/15/02	
AMERICAN EXPRESS RECEIVABLES FINANC ING CORP II	DE				X	X					01/15/02	
AMERICAN ITALIAN PASTA CO	DE							X			01/15/02	
AMERICAN WATER WORKS CO INC	DE				X	X					01/15/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2000-D	DE				X	X					01/08/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2000-1	DE				X	X					01/08/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2001 C	DE				X	X					01/08/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2001-A	DE				X	X					01/08/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2001-B	DE				X	X					01/08/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2001-D	DE				X	X					01/08/02	
AMERICREDIT AUTOMOBILE RECEIVABLES TRUST 2001-1	DE				X	X					01/08/02	
AMERIQUEST MORT SEC INC FLOAT RATE MORT PA TH CER SER 2001-1	DE				X						12/26/01	
AMES DEPARTMENT STORES INC	DE				X						01/14/02	
AMES NATIONAL CORP	IA							X			01/15/02	
AMEXDRUG CORP	CA	X				X					12/31/01	
AMNIS SYSTEMS INC	DE				X	X					12/28/01	
ANTHEM INC	IN							X			01/14/02	



NAME OF ISSUER	STATE	8K ITEM NO.									DATE	COMMENT
	CODE	1	2	3	4	5	6	7	8	9		
AP HOLDINGS INC	DE					X	X				01/14/02	
APCOA STANDARD PARKING INC /DE/	DE					X	X				01/14/02	
APPALACHIAN BANCSHARES INC	GA					X	X				01/11/02	
ARCH WIRELESS COMMUNICATIONS INC	DE			X			X				01/15/02	
ARCH WIRELESS INC	DE			X			X				01/15/02	
ARRAY BIOPHARMA INC	DE					X	X				01/15/02	
ASA INTERNATIONAL LTD	DE					X					01/03/02	
ASIA GLOBAL CROSSING LTD						X	X				01/14/02	
ASPEN GROUP RESOURCES CORP	A6		X				X				01/01/02	
ASSET BACKED FUND CORP MORT LN ASSE T BCKD CERT SER 2001-AQ1	DE					X					12/20/01	
ATC HEALTHCARE INC /DE/	DE					X	X				01/15/02	
AXCELIS TECHNOLOGIES INC	DE					X	X				01/09/02	
AXIA GROUP INC/UT	NV		X								01/04/02	
BANC ONE CREDIT CARD MASTER TRUST	NY					X	X				01/15/02	
BANK OF GRANITE CORP	DE					X	X				01/14/02	
BANNER CORP	WA					X	X				01/01/02	
BANNER CORP	WA					X	X				01/15/02	
BEAR STEARNS COMPANIES INC	DE					X	X				01/08/02	
BETHURUM LABORATORIES LTD	UT	X	X			X	X	X			12/21/01	
BIOMARIN PHARMACEUTICAL INC	DE		X								01/14/02	AMEND
BIOMARIN PHARMACEUTICAL INC	DE					X					01/15/02	
BIZNESS ONLINE COM			X				X				12/31/01	
BLUE RIVER BANCSHARES INC	IN		X				X				12/31/01	
BOTTOMLINE TECHNOLOGIES INC /DE/	DE					X	X				01/08/02	
BOYKIN LODGING CO	OH		X			X	X				01/01/02	
BRM HOLDINGS INC	DE					X	X				12/28/01	
BUCA INC /MN	MN					X	X				01/15/02	
BULL RUN CORP	GA					X	X				01/08/02	
BUSINESS BANCORP /CA/	CA	X	X			X	X				12/19/01	
BY&C MANAGEMENT INC	NV							X			01/08/02	
CALIFORNIA PIZZA KITCHEN INC	CA					X					12/31/01	
CAPITAL AUTO RECEIVABLES INC	DE					X	X				01/14/02	
CAPITAL AUTO RECEIVABLES INC	DE					X	X				01/14/02	
CARMAX AUTO OWNER TRUST 2001-2	DE					X	X				12/31/01	
CAVALRY BANCORP INC	TN	X									01/15/02	
CC MASTER CREDIT CARD TRUST II	MD						X				01/15/02	
CECO ENVIRONMENTAL CORP	NY					X	X				12/31/01	
CENTIV INC	GA		X				X				12/31/01	
CENTRAL PARKING CORP	TN	X									01/14/02	
CH ENERGY GROUP INC	NY					X	X				01/15/02	
CHARTER COMMUNICATIONS HOLDINGS CAP ITAL CORP	DE					X	X				01/08/02	
CHARTER COMMUNICATIONS HOLDINGS LLC	DE					X	X				01/08/02	
CHARTER COMMUNICATIONS INC /MO/	DE					X	X				01/08/02	
CHARTER MUNICIPAL MORTGAGE ACCEPTAN CE CO	DE					X	X				01/14/02	
CHASE MANHATTAN BANK USA CHASE CRED IT CARD OWNER TR 2001-6	DE					X	X				12/17/01	
CHASE MORTGAGE FINANCE CORP	DE					X	X				01/10/02	
CHINAB2BSOURCING COM INC	DE					X					01/15/02	

NAME OF ISSUER	STATE	8K ITEM NO.									DATE	COMMENT
	CODE	1	2	3	4	5	6	7	8	9		
CHROMCRAFT REVINGTON INC	DE				X	X					01/10/02	
CIRCUIT CITY CREDIT CARD MASTER TRU ST	DE				X	X					12/31/01	
CITIZENS COMMUNICATIONS CO	DE				X	X					01/14/02	AMEND
CITIZENS COMMUNICATIONS CO	DE				X	X					01/15/02	
CLUSONE ACQUISITION CORP	DE	X	X				X				12/31/01	
COCA COLA BOTTLING CO CONSOLIDATED /DE/	DE				X	X					01/02/02	
COLLINS & AIKMAN CORP	DE	X					X				12/20/01	AMEND
COLMENA CORP	DE				X	X					12/31/01	
COMPUTERIZED THERMAL IMAGING INC	NV				X	X		X			12/21/01	
CONESTOGA ENTERPRISES INC	PA				X	X					01/09/02	
CORAM HEALTHCARE CORP	DE				X	X					12/21/01	AMEND
CORNING INC /NY	NY				X						12/31/01	
CRIIMI MAE FINANCIAL CORP	MD				X						01/01/02	
CUMETRIX DATA SYSTEMS CORP	CA				X						01/14/02	
CYBER CARE INC	FL				X						09/14/01	AMEND
DEAN HOLDING CO	DE				X		X				01/03/02	AMEND
DIGITAL COURIER TECHNOLOGIES INC	DE	X									12/31/01	
DIMON INC	VA				X	X					01/08/02	
DISCOVER BANK	DE				X	X					01/15/02	
DISCOVER CARD MASTER TRUST I	DE				X	X					01/15/02	
DISCOVERY LABORATORIES INC /DE/	DE				X	X					12/10/01	AMEND
DOUBLECLICK INC	DE				X	X					01/15/02	
DVI RECEIVABLES CORP	DE						X				12/31/01	
DVI RECEIVABLES CORP VIII	DE						X				12/31/01	
DVL INC /DE/	DE				X	X					01/11/02	
EASYLINK SERVICES CORP	DE				X	X					01/15/02	
ELECTRIC FUEL CORP	DE				X	X					01/15/02	
EMCEE BROADCAST PRODUCTS INC	DE				X						01/07/02	
ENTROPIN INC	CO				X						01/15/02	
EOG RESOURCES INC	DE							X			01/15/02	
EPIX MEDICAL INC					X	X					01/14/02	
EXIDE CORP	DE				X	X					01/04/02	
EXPEDIA INC	WA				X	X					01/15/02	
FALCONSTOR SOFTWARE INC	DE				X	X					01/14/02	
FARMER MAC MORTGAGE SECURITIES CORP	DE						X				01/15/02	
FARMER MAC MORTGAGE SECURITIES CORP	DE						X				01/25/02	
FARMER MAC MORTGAGE SECURITIES CORP	DE						X				01/25/02	
FARMER MAC MORTGAGE SECURITIES CORP	DE						X				01/25/02	
FEDERATED INVESTORS INC /PA/	PA	X					X				12/31/01	
FINGERHUT RECEIVABLES INC	DE						X				01/15/02	
FIRST ALLIANCE CORP /DE/	DE				X	X					01/14/02	
FIRST CAPITAL INC	IN				X	X					01/14/02	
FIRST CHARTER CORP /NC/	NC				X	X					01/15/02	
FIRST CHICAGO MASTER TRUST II	DE				X	X					01/15/02	
FIRST FORTIS LIFE INSURANCE CO	NY				X	X					12/31/01	
FIRST NBC CREDIT CARD MASTER TRUST							X				12/12/01	AMEND
FIRST NBC CREDIT CARD MASTER TRUST							X				01/10/02	
FIRST USA BANK NA AS SERV ON BEHALF PART CREDIT CARD MAS TR	DE						X				01/15/02	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
FIRST USA BANK NA AS SERVIC ON BEHA LF WACH CRED CARD MAS TR						X	X				01/15/02	
FIRST USA BANK NATIONAL ASSOCIATION							X				01/15/02	
FIRST USA CREDIT CARD MASTER TRUST	DE					X	X				01/10/02	
FLAG TELECOM HOLDINGS LTD						X	X				01/15/02	
FLEET CREDIT CARD MASTER TRUST II	NY		X								01/15/02	
FMC CORP	DE		X				X				11/29/01	
FNANB CREDIT CARD MASTER TRUST						X	X				12/31/01	
FORD CREDIT AUTO RECEIVABLES TWO L P	DE					X	X				12/31/01	
FORD CREDIT AUTO RECEIVABLES TWO LL C	DE					X	X				12/31/01	
FORD CREDIT FLOORPLAN MASTER OWNER TRUST A SERIES 2001-1						X	X				12/31/01	
FORD CREDIT FLOORPLAN MASTER OWNER TRUST A SERIES 2001-2	DE					X	X				12/31/01	
FORTIS BENEFITS INSURANCE CO	MN					X	X				12/31/01	
FORTRESS GROUP INC	DE					X					01/14/02	
FOSTER WHEELER LTD	DO					X	X				01/14/02	
FUELNATION INC	FL					X					04/25/01	AMEND
FULLER H B CO	MN					X	X				01/14/02	
GENERAL BINDING CORP	DE					X					03/31/02	
GENERAL DATACOMM INDUSTRIES INC	DE					X					03/31/02	
GLOBALSANTAFE CORP								X	X		01/14/02	
GLOBIX CORP	DE					X	X				01/14/02	
GOLDEN OPPORTUNITY DEVELOPMENT CORP	LA		X								01/04/02	
GREAT AMERICAN BANCORP INC	DE					X	X				01/15/02	
GREEN DANIEL CO	MA		X				X				12/28/01	
GREKA ENERGY CORP	CO						X				12/26/01	AMEND
GUARDIAN INTERNATIONAL INC	NV					X	X				12/31/01	
H E R C PRODUCTS INC	DE					X	X				01/14/02	
HARRAHS ENTERTAINMENT INC	DE					X	X				01/16/02	
HEARTLAND EXPRESS INC	NV					X					12/31/01	
HMG WORLDWIDE CORP	DE					X	X				01/09/02	
HEMCOM COMMUNICATIONS INC	DE	X				X					12/28/01	
HUGHES ELECTRONICS CORP	DE					X					01/15/02	
HUMPHREY HOSPITALITY TRUST INC	VA					X	X				12/31/01	
HUNTINGTON PREFERRED CAPITAL INC	OH		X				X				12/31/01	
HUSKER AG PROCESSING LLC	NE					X	X				11/30/01	
HUSKER AG PROCESSING LLC	NE					X	X				01/08/02	
IBIS TECHNOLOGY CORP	MA					X	X				01/14/02	
IGENISYS INC	CO					X					12/14/01	
ILEX ONCOLOGY INC	DE		X				X				12/31/01	
IMATION CORP	DE		X				X				12/31/01	
IMPULSE MEDIA TECHNOLOGIES INC	CO					X	X				09/05/01	AMEND
IMX PHARMACEUTICALS INC	UT							X			12/31/01	
INDIAN RIVER BANKING COMPANY	FL					X	X				01/15/02	
INFOTOPIA INC	NV					X					01/10/02	
INNOVATIVE SOFTWARE TECHNOLOGIES IN C	CA		X				X				01/15/02	

NAME OF ISSUER	STATE	8K ITEM NO.									DATE	COMMENT
	CODE	1	2	3	4	5	6	7	8	9		
INSURANCE MANAGEMENT SOLUTIONS GROU P INC	FL		X						X		12/28/01	
INTELLIGROUP INC	NJ					X		X			01/14/02	
INTERFACE INC	GA					X					01/14/02	
INTREPID CAPITAL CORP	DE		X					X			12/31/01	
IONICS INC	MA		X					X			12/31/01	
IRV INC	CO					X					01/15/02	
JBO INC	NV	X	X			X		X			12/01/01	
KAISER ALUMINUM & CHEMICAL CORP	DE					X					01/15/02	
KAISER ALUMINUM CORP	DE					X					01/15/02	
KANA SOFTWARE INC	DE					X		X			01/14/02	
KINDRED HEALTHCARE INC	DE					X		X			01/14/02	
LASON INC	DE					X		X			01/11/02	
LCM EQUITY INC	NV							X			11/13/01	AMEND
LEASE INVESTMENT FLIGHT TRUST	DE					X					01/15/02	
LEHMAN ABS CORP LEHMAN HOME EQUITY LOAN TRUST 2001-1	DE					X					12/17/01	
LIFEPOINT INC	DE					X					03/31/02	
LONG BEACH SECURITIES CORP	DE		X			X		X			12/27/01	
LTC HEALTHCARE INC	NV		X					X			12/31/01	
MACDERMID INC	CT					X					01/08/02	
MAIN STREET BANCORP INC	PA					X		X			01/11/02	
MARATHON OIL CORP	DE							X			01/03/02	AMEND
MARKET AMERICA INC	NC					X		X			01/11/02	
MARKETING SERVICES GROUP INC	NV					X		X			01/14/02	
MAXXAM GROUP HOLDINGS INC	DE					X					01/15/02	
MAXXAM INC	DE					X					01/15/02	
MBNA AMERICA BANK NATIONAL ASSOCIAT ION	DE					X		X			12/31/01	
MBNA AMERICA BANK NATIONAL ASSOCIAT ION	DE					X		X			12/31/01	
MBNA AMERICA BK NAT ASSOC MBNA MAST ER CREDIT CARD TRUST II						X		X			12/31/01	
MBNA AMERICA BK NAT ASSOC MBNA MAST ER CREDIT CARD TRUST II						X		X			12/31/01	
MBNA CORP	MD					X					12/31/01	
MBNA CREDIT CARD MASTER NOTE TRUST						X		X			12/31/01	
MCC CATERING INC	DE		X								05/29/01	AMEND
MED GEN INC	NV					X		X			01/11/02	
MEDIMMUNE INC /DE	DE					X					01/15/02	
MEMC ELECTRONIC MATERIALS INC	DE					X		X			01/14/02	
METHOD PRODUCTS CORP /DE	FL					X		X			01/08/02	
MICRO GENERAL CORP	DE		X					X			01/15/02	
MILLION DOLLAR SALOON INC	NV					X					01/10/02	
MONARCH DENTAL CORP	DE		X					X			12/31/01	
MOORE CORPORATION LTD								X			01/14/02	
MORGAN STANLEY DEAN WITTER CAPITAL I INC	DE					X		X			01/10/02	
MOTOROLA INC	DE							X	X		01/15/02	
MOUNTAINBANK FINANCIAL CORP	NC		X					X			12/31/01	
MOVE FILMS INC	TX	X	X			X	X	X			12/31/01	

NAME OF ISSUER	STATE	8K ITEM NO.									DATE	COMMENT	
	CODE	1	2	3	4	5	6	7	8	9			
MUZAK HOLDINGS LLC	DE										X	01/14/02	
MUZAK LLC	DE										X	01/14/02	
NANOPIERCE TECHNOLOGIES INC	NV	X										01/01/02	
NETSALON CORP	DE							X				12/03/01	AMEND
NETWORK COMMERCE INC	WA		X					X				12/31/01	
NEUROCRINE BIOSCIENCES INC	CA					X						01/14/02	
NEW PLAN EXCEL REALTY TRUST INC	MD					X	X	X		X		01/13/02	
NEWAGECITIES COM INC	FL		X			X	X	X				11/15/01	
NEWSEARCH INC	CO				X			X				12/10/01	AMEND
NEWTEK CAPITAL INC	NY					X	X	X				01/03/02	
NEXPRISE INC	DE					X	X	X				01/15/02	
NORTHERN TRUST CORP	DE					X	X	X				01/14/02	
NORTHRIM BANCORP INC	AK					X	X	X				12/31/01	
NORTHROP GRUMMAN CORP /DE/	DE							X				11/29/01	AMEND
ONLINE RESOURCES & COMMUNICATIONS C ORP	DE					X	X	X				01/31/02	
OPAL TECHNOLOGIES INC	NV					X						01/09/02	
OPTIMARK HOLDINGS INC	DE		X					X				12/31/01	
OSTEOTECH INC	DE					X						01/08/02	
PACIFIC CENTURY FINANCIAL CORP	DE					X						12/28/01	
PACIFIC GAS & ELECTRIC CO	CA					X						01/14/01	
PATHMARK STORES INC	DE					X						01/11/02	
PG&E CORP	CA					X						01/14/02	
PHARMACEUTICAL RESOURCES INC	NJ		X					X				01/11/02	
PHOENIX COMPANIES INC/DE	DE					X	X	X				03/31/02	
PHOENIX WASTE SERVICES CO INC	NJ		X					X				11/14/01	AMEND
PHOTON DYNAMICS INC	CA		X					X				07/16/01	AMEND
PLAYANDWIN INC	NV	X	X			X	X	X				11/14/01	
PNM RESOURCES	NM									X		12/31/01	
PRECISION PARTNERS INC	DE					X	X	X				01/14/02	
PRESERVER GROUP INC	NJ							X	X		X	01/14/02	
PRIDE COMPANIES LP	DE			X		X	X	X				01/31/02	
PRIMIX	DE					X						01/15/02	
PROTECTIVE LIFE CORP	DE		X					X				12/31/01	
PROVIDIAN FINANCIAL CORP	DE					X						12/31/01	
PUBLIC SERVICE CO OF COLORADO	CO					X						01/14/02	
PUBLIC SERVICE CO OF NEW MEXICO	NM									X		12/31/01	
PULASKI BANCORP INC						X	X	X				01/10/02	
PYR ENERGY CORP	DE					X	X	X				01/11/02	
QUEPASA COM INC	NV					X	X	X				01/14/02	
RAVISENT TECHNOLOGIES INC	DE					X	X	X				12/07/01	
RAZORFISH INC	DE					X	X	X				01/10/02	
REALITY INTERACTIVE INC	MN	X				X						01/02/02	
RED BELL BREWING CO	PA					X						01/01/02	
RESIDENTIAL ASSET SECURITIES CORP	DE					X	X	X				12/29/01	
RESIDENTIAL FUNDING MORTGAGE SECURI TIES I INC	DE					X	X	X				12/28/01	
RESTORATION HARDWARE INC	CA					X	X	X				01/09/02	
RMS TITANIC INC	FL					X						02/28/02	
RURAL CELLULAR CORP	MN					X	X	X				01/11/02	
SAKS CREDIT CARD MASTER TRUST	NV					X	X	X				01/15/02	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT	
		1	2	3	4	5	6	7	8	9			
SDC INTERNATIONAL INC \DE\	DE					X	X					01/14/02	
SEARS CREDIT ACCOUNT MASTER TRUST I I	IL					X	X					01/15/02	
SELIGMAN NEW TECHNOLOGIES FUND II I NC	MD							X	X			01/31/02	
SELIGMAN NEW TECHNOLOGIES FUND INC								X	X			01/31/02	
SHELTER PROPERTIES V LIMITED PARTNE RSHIP	CA					X	X					12/28/01	
SL INDUSTRIES INC	NJ					X	X					01/10/02	
SONEX RESEARCH INC	MD					X						10/19/01	
SONIC AUTOMOTIVE INC	DE					X	X					01/15/02	
SONIC SOLUTIONS/CA/	CA					X	X					01/09/02	
SOUTHERN SECURITY BANK CORP	DE		X					X				12/31/01	
SPARTA SURGICAL CORP	DE					X						01/13/02	
SPECTRALINK CORP	CO							X	X			01/14/02	
SPECTRX INC	DE		X					X				12/31/01	
STAR RECEIVABLES FUNDING INC	DE							X				09/17/01	
STAR RECEIVABLES FUNDING INC	DE							X				10/15/01	
STAR RECEIVABLES FUNDING INC	DE							X				11/15/01	
STAR RECEIVABLES FUNDING INC	DE							X				12/15/01	
STC BROADCASTING INC	DE					X	X					12/21/01	
STONE ENERGY CORP	DE		X					X				01/15/02	
STRANDTEK INTERNATIONAL INC /	DE					X						01/07/02	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						11/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/25/01	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT	
		1	2	3	4	5	6	7	8	9			
STRUCTURED ASSET MORTGAGE INVESTMEN TS INC	DE					X						12/26/01	
SUNRISE ASSISTED LIVING INC	DE					X	X					01/14/02	
SWISSRAY INTERNATIONAL INC	NY					X						06/30/02	
SYNERGY 2000 INC			X					X				12/31/01	
TECO ENERGY INC	FL					X	X					01/15/02	
TEDA TECHNOLOGIES INTERNATIONAL INC	NV					X	X					12/31/01	AMEND
TEDA TECHNOLOGIES INTERNATIONAL INC	NV							X				01/11/02	AMEND
TEPPCO PARTNERS LP	DE					X			X			01/09/01	
TERAFORCE TECHNOLOGY CORP	DE		X					X				01/14/02	
TERAGLOBAL COMMUNICATIONS CORP	DE					X	X					01/15/02	
TEREX CORP	DE					X	X					12/28/01	
TOTAL SYSTEM SERVICES INC	GA					X	X					01/15/02	
TOWER BANCORP INC	PA					X						12/31/01	
TOYOTA AUTO FINANCE RECEIVABLES LLC	DE					X	X					01/14/02	
TOYOTA MOTOR CREDIT CORP	CA					X	X					01/14/02	
TRACTOR SUPPLY CO /DE/	DE		X					X				12/31/01	
TRANSMERIDIAN EXPLORATION INC	DE					X						12/31/01	
TRANSMERIDIAN EXPLORATION INC	DE					X						12/31/01	
TREMOR ENTERTAINMENT INC /NV/	NV					X		X				12/12/01	AMEND
TRIVANTAGE GROUP INC	NV	X	X									01/03/02	
TRUSTCO BANK CORP N Y	NY					X						01/15/02	
TURBOCHEF TECHNOLOGIES INC	DE					X	X					12/31/01	
UNICAPITAL CORP /DE/	DE					X	X					01/09/02	
UNIMARK GROUP INC	TX					X	X					01/09/02	
UNION COMMUNITY BANCORP	IN		X					X				01/02/02	
UNITED VANGUARD HOMES INC /DE	DE					X						12/10/01	
US ONCOLOGY INC	DE					X	X					01/11/02	
USA VIDEO INTERACTIVE CORP	WY					X	X					01/15/02	
V GPO INC	FL	X						X				01/15/02	
VALENTIS INC	DE					X	X					01/15/02	
VALICERT INC						X	X					01/15/02	
VERIZON NEW JERSEY INC	NJ							X				01/14/02	
VISUAL DATA CORP	FL		X					X				01/10/02	
VIZACOM INC	DE		X			X	X					12/28/01	
WASHINGTON REAL ESTATE INVESTMENT T RUST	MD		X					X				11/01/01	AMEND
WELLPOINT HEALTH NETWORKS INC /DE/	DE					X	X					01/11/02	
WELLS FARGO & CO/MN	DE					X	X					01/15/02	
WELLS FARGO ASSET SECURITIES CORP	DE					X	X					11/28/01	
WELLS FARGO ASSET SECURITIES CORP	DE					X	X					11/28/01	
WELLS FARGO ASSET SECURITIES CORP	DE					X	X					11/29/01	
WESTCOAST HOSPITALITY CORP	WA		X					X				12/31/01	
WESTERN MEDIA GROUP CORP	MN		X					X				01/01/02	
WHITE MOUNTAINS INSURANCE GROUP LTD	DE		X					X				11/01/01	
WILLIAMS ENERGY PARTNERS L P	DE		X					X				11/08/01	AMEND
WIRE ONE TECHNOLOGIES INC	DE					X	X					01/10/02	
WORKSTREAM INC						X	X					01/11/02	
XCEL ENERGY INC	MN					X						01/14/02	
XL CAPITAL LTD						X	X					01/10/02	
YAMAHA MOTOR RECEIVABLES CORP	DE					X						01/15/02	

NAME OF ISSUER	STATE	BK ITEM NO.									DATE	COMMENT	
	CODE	1	2	3	4	5	6	7	8	9			
YOUTICKET COM INC	NV										X	09/30/01	