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# SEC NEWS DIGEST

Issue 2000-156

August 15, 2000

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## COMMISSION ANNOUNCEMENTS

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### ONE-DAY SHUTDOWN OF THE EDGAR FILING SYSTEM

Today the Commission made the following announcement regarding EDGAR operations on November 24, 2000, the day following the Thanksgiving Day holiday:

#### WHAT AND WHEN?

We will shut down our EDGAR system for one day on Friday, November 24, 2000. We will not receive or disseminate electronic filings that day. We will reopen the EDGAR system for business as usual at 8:00 am on Monday, November 27, 2000.

#### WHY?

We are shutting EDGAR down for one day to allow us sufficient time to make a major upgrade to the internal portion of the EDGAR system, completing EDGAR's transition to the Internet.

#### HOW WILL THIS AFFECT US?

Since the day after Thanksgiving historically has had the fewest filings of any day in the year, we anticipate that this one-day shutdown will have a minimum impact on the filing community and disseminators. Other than the temporary shutdown, the internal upgrade will not affect filers and disseminators.

#### WHAT IF MY EDGAR FILING IS DUE ON NOVEMBER 24, 2000?

- The EDGAR system will neither accept nor disseminate filings on November 24, 2000.
- Filings submitted and accepted after 5:30 p.m. on Wednesday, November 22, 2000, will receive a filing date of Friday, November 24, 2000 (unless they are one of the special submission types that receive the same day's filing date).

- We will deem filings with due dates of November 24, 2000, to be timely filed if filers submit them and EDGAR accepts them on or before 5:30 p.m. EST on Monday, November 27, 2000.
- We encourage filers with filings that would be due on Friday, November 24, 2000, to submit these filings on Wednesday, November 22, 2000.
- We also encourage filers who might otherwise make time-sensitive filings on Friday, November 24, 2000, to submit those filings on Wednesday, November 22, 2000, if possible. The staff, however, in appropriate circumstances and upon written request, will change filing dates to November 24, 2000 for filings made on or before 5:30 p.m. EST on Monday, November 27, 2000.

#### WHAT IF I HAVE A PAPER FILING DUE NOVEMBER 24, 2000?

- The filing desk will remain open on Friday, November 24, 2000, to accept filings that are permitted to be made in paper. This includes filings made under EDGAR hardship exemptions.
- Our filing desk will NOT accept filings in paper that we require filers to submit electronically.

#### CAN I USE THE EDGAR FILING WEBSITE?

We will keep our EDGAR filing website (<https://www.edgarfiling.sec.gov>) open on Friday, November 24, 2000, for limited use. You will not be able to use the site to make filings or to change your company information that day, but you may use it for other purposes, such as to construct filings and to check the status of previously submitted filings.

#### WHAT ABOUT THE PUBLIC REFERENCE ROOM AND EDGAR DATABASE ON THE SEC'S WEBSITE?

- We will keep our Public Reference Room OPEN during normal business hours on Friday, November 24, 2000.
- You will be able to use the database of EDGAR filings on our website at <http://www.sec.gov> on November 24, 2000. But we will NOT update our database that day. On Monday, November 27, 2000, we will update our website database to post EDGAR filings made on Wednesday, November 22, 2000.

#### WHAT IF I HAVE QUESTIONS?

If you have any questions about this one-day EDGAR shutdown, please contact Filer Support at 202-942-8900.

If you need to make a time-sensitive filing on Friday, November 24, 2000, please call the appropriate number listed below:

For filings reviewed by the Division of Corporation Finance: 202-942-2940

For investment company filings: 202-942-0978

For public utility company filings: 202-942-0558  
(Press Rel. 2000-113)

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## **ENFORCEMENT PROCEEDINGS**

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### **SEC HALTS STOCK MANIPULATION SCHEME ORCHESTRATED BY RECIDIVISTS**

The Commission today announced that it has filed a lawsuit in the Western District of Oklahoma to halt an alleged “pump and dump” stock manipulation scheme involving the securities of Broadband Wireless International Corporation, a Nevada Corporation with offices in Cisco, Texas and Oklahoma City. Its common stock trades in the over the counter market on the NASD OTC Bulletin Board under the symbol “BBAN.” On August 11, 2000, U.S. District Judge Tim Leonard, entered orders freezing the assets of all defendants and relief defendants and appointing a federal court receiver for the corporate defendants and relief defendants.

The lawsuit alleges that the scheme was primarily orchestrated by two individuals with histories of prior problems with regulators and law enforcement agencies, namely, Donald L. Knight, a convicted felon, and Ivan W. Webb, BBAN’s president, who was charged with fraud in a prior SEC lawsuit. Knight pled guilty in 1990 to wire fraud in connection with a securities scheme, for which he previously was incarcerated and remains on probation. Webb was permanently enjoined by a federal court from engaging in violations of the federal securities laws in 1982 and was ordered to cease and desist from violations of Kansas securities laws in 1992.

According to the SEC, in the fall of 1999, Knight, operating through one of his several “nominee” companies, BroadCom Wireless Communications Corporation, acquired control of BBAN, a struggling public oil and gas company, and changed the company’s stated business purpose to “telecommunications.” Over the next several months, Knight and Webb caused BBAN to issue press releases and file reports with the SEC which fraudulently touted the company’s purported acquisition of several private telecommunications companies. Knight and Webb further hyped the acquisitions and BBAN’s favorable business prospects on the company’s website and the “Raging Bull” Internet bulletin board.

The SEC further alleges that these promotional or "pumping" efforts resulted in a dramatic rise in the price of BBAN's stock. In late 1999, shortly after Knight acquired control of the company, BBAN stock was trading at about \$.12 per share. By February 2000, the price had increased by 10,000% to more than \$12 per share. Concurrently, Knight sold or "dumped" millions of shares of restricted BBAN stock he held in the name of BroadCom to investors, reaping at least \$5 million. Unbeknownst to these investors and to the public marketplace, BBAN did not have the financial wherewithal to consummate any of the acquisitions it touted and eventually defaulted on each one. Moreover, investors who bought shares through Knight were falsely led to believe that they were purchasing shares directly from BBAN and that their funds were earmarked for the company's operations. These investors also were falsely led to believe that they were buying BBAN shares that they could freely sell into the market within 90 days.

The SEC's complaint charges that Knight, Webb, BBAN and BroadCom violated 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. Further, the complaint charges that BBAN, aided and abetted by Webb, violated Section 13(a) of the Exchange Act and Rules 12b-20, 13a-11 and 13a-13 thereunder. Knight and BroadCom also are alleged to have violated Sections 13(d) of the Exchange Act and Rules 13d-1 and 13d-2 thereunder. Finally, the complaint charges that BroadCom, aided and abetted by Knight, violated Section 14(a) of the Exchange Act and Rules 14a-3, 14a-6 and 14a-9. In addition to the emergency relief set out above, the Commission seeks preliminary and permanent injunctions, disgorgement and civil penalties against Knight, BroadCom, Webb and BBAN, and disgorgement against the relief defendants.

Knight and Webb later caused BBAN to file a false and misleading registration statement with the SEC on Form S-8. The registration statement falsely represented that the registered shares were for legitimate company consultants and employee purposes when, in fact, they were not. Later, Knight, in an effort to re-gain control over BBAN from Webb, caused BroadCom to conduct a fraudulent Internet proxy solicitation.

The SEC worked closely with the Oklahoma Department of Securities and the Federal Bureau of Investigation in this matter. The U.S. Attorney for the Western District of Oklahoma has filed a Petition in U.S. District Court seeking to revoke Knight's criminal probation. [SEC v. BroadBand Wireless International Corporation, et al., USDC/WD Oklahoma, CIV 00-1375 R] (LR-16651)

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## **INVESTMENT COMPANY ACT RELEASES**

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### **PIMCO FUNDS: MULTI-MANAGER SERIES AND PIMCO ADVISORS L.P.**

An order has been issued on an application filed by PIMCO Funds: Multi-Manager Series and PIMCO Advisors L.P. under Section 6(c) of the Investment Company Act for an exemption from Section 15(a) of the Act, Rule 18f-2 under the Act, and certain

disclosure requirements. The order permits applicants to enter into and materially amend investment management agreements with subadvisers without shareholder approval, and grants relief from certain disclosure requirements regarding advisory fees paid to subadvisers. (Rel. IC-24597 – August 14)

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## **HOLDING COMPANY ACT RELEASES**

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### **ALLEGHENY ENERGY, INC, ET AL.**

An order has been issued authorizing a proposal by Allegheny Energy, Inc. (Allegheny), a registered public utility holding company under the Public Utility Holding Company Act of 1935, Monongahela Power Company (Monongahela Power), a combination electric and gas public utility subsidiary of Allegheny, and Mountaineer Gas Company (Mountaineer Gas), an indirectly owned gas utility subsidiary of Energy Corporation of America (ECA), an exempt public utility holding company (collectively, Applicants). Monongahela Power has been authorized to acquire 100% of the outstanding securities of Mountaineer Gas (Transaction). Monongahela Power has been authorized to make Mountaineer Gas a subsidiary of Monongahela Power. Monongahela Power has received an order of exemption as a holding company. Allegheny Energy Service Corporation has been authorized to provide services to Mountaineer Gas. Authorization has also been granted for: Allegheny to issue up to \$162 million in long-term debt securities; Allegheny to make a capital contribution of up to \$165 million to Monongahela Power; Monongahela Power to issue up to \$165 million in long-term debt securities; Monongahela Power to provide loans and guarantees to Mountaineer Gas in an aggregate of \$100 million; and Mountaineer Gas, upon completion of the Transaction, to issue up to \$100 million in short-term debt. (Rel. 35-27210)

### **CONSOLIDATED EDISON, INC. AND NORTHEAST UTILITIES**

A notice has been issued giving interested persons until September 5, 2000, to request a hearing on a proposal by Consolidated Edison, Inc. (CEI), a holding company currently claiming an exemption from registration under Section 3(a)(1) of the Act by Rule 2, to acquire by merger, Northeast Utilities (NU), a registered holding company. Under the proposal, CEI will merge with and into Consolidated Edison, Inc. (New CEI), a new Delaware holding company which is currently a wholly owned subsidiary of CEI, and NU will merge with N Acquisition LLC, a Massachusetts limited liability company, which is directly and indirectly owned by New CEI, with NU being the surviving entity. After the merger, New CEI will register with the Commission as a public utility holding company under Section 5 of the Act. (Rel. 35-27211)

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## **SELF-REGULATORY ORGANIZATIONS**

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## APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed by the National Association of Securities Dealers (SR-NASD-00-11) amending its mediation fee structure. (Rel. 34-43147)

## DELISTING GRANTED

An order has been issued granting the application of the Philadelphia Stock Exchange to strike from listing and registration call and put option contracts issued by The Options Clearing Corporation with respect to certain underlying securities. (Rel. 34-43148)

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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-3 SCIENCE APPLICATIONS INTERNATIONAL CORP, 10260 CAMPUS POINT  
DR,  
LEGAL DEPT, SAN DIEGO, CA 92121 (858) 826-6000 - 1,000,000  
(\$30,080,000)  
COMMON STOCK. (FILE 333-43234 - AUG. 08) (BR. 6)

S-4 SCIENCE APPLICATIONS INTERNATIONAL CORP, 10260 CAMPUS POINT  
DR,  
LEGAL DEPT, SAN DIEGO, CA 92121 (858) 826-6000 - 115,740  
(\$3,481,459.20)  
COMMON STOCK. (FILE 333-43236 - AUG. 08) (BR. 6)

S-3 AMRESKO CAPITAL TRUST, 700 NORTH PEARL STREET, SUITE 1900,  
DALLAS, TX  
75201 (214) 953-7700 - 250,002 (\$2,593,771) COMMON STOCK. (FILE  
333-43242  
- AUG. 08) (BR. 8)

S-4 CFW COMMUNICATIONS CO, 401 SPRING LN PO BOX 1990, STE 300,  
WAYNESBORO,  
VA 22980 (703) 946-3500 - 3,716,400 (\$33,604,670) COMMON STOCK.  
(FILE  
333-43244 - AUG. 08) (BR. 7)

S-3 TRIAD HOSPITALS INC, 13455 NOCI RD, 20TH FL, DALLAS, TX 75240  
(972) 789-2732 - 340,000 (\$8,530,600) COMMON STOCK. (FILE 333-  
43246 -  
AUG. 08) (BR. 1)

S-8 ACTIVE POWER INC, 11525 STONEHOLLOW DR, STE 110, AUSTIN, TX  
78758  
(512) 836-6464 - 7,196,934 (\$122,347,878) COMMON STOCK. (FILE  
333-43248 -  
AUG. 08) (BR. 2)

S-8 LIGAND PHARMACEUTICALS INC, 10275 SCIENCE CENTER DRIVE, SAN  
DIEGO, CA  
92121 (858) 550-7500 - 550,000 (\$6,118,750) COMMON STOCK. (FILE  
333-43252  
- AUG. 08) (BR. 1)

S-8 FILENET CORP, 3565 HARBOR BLVD, COSTA MESA, CA 92626 (714)  
966-3400 -  
2,030,000 (\$32,606,875) COMMON STOCK. (FILE 333-43254 - AUG. 08)  
(BR. 3)

S-8 MARSH SUPERMARKETS INC, 9800 CROSSPOINT BLVD, INDIANAPOLIS, IN  
46256  
(317) 594-2100 - 150,000 (\$2,268,750) COMMON STOCK. (FILE 333-  
43256 -  
AUG. 08) (BR. 2)

S-8 TROY FINANCIAL CORP, 32 SECOND ST, TROY, NY 12180 (518) 270-  
3274 -  
27,600 (\$281,188.80) COMMON STOCK. (FILE 333-43260 - AUG. 08)  
(BR. 7)

S-8 BINGO COM INC, 702-534 GRANVILLE ST, VANCOUVER BRITISH  
COLUMBIA,  
CANADA V6C 1X8, 00000 (604) 687-2000 - 2,000,000 (\$1,093,700)  
COMMON STOCK.  
(FILE 333-43262 - AUG. 08) (BR. 9)

S-8 INNERDYNE INC, 1244 REAMWOOD AVE, SUNNYVALE, CA 94089 (408)  
745-6010 -  
1,800,000 (\$13,028,000) COMMON STOCK. (FILE 333-43268 - AUG. 08)  
(BR. 1)

S-8 SUNRISE TELECOM INC, 22 GREAT OAKS BLVD, STE 203, SAN JOSE, CA  
95119  
(408) 363-8000 - 8,626,905 (\$237,234,151) COMMON STOCK. (FILE  
333-43270 -  
AUG. 08) (BR. 7)

S-8 ACTEL CORP, 955 EAST ARQUES AVE, SUNNYVALE, CA 94086 (408)  
739-1010 -  
513,497 (\$17,105,869) COMMON STOCK. (FILE 333-43274 - AUG. 08)  
(BR. 5)

S-8 FIRST DEPOSIT BANCSHARES INC, 8458 CAMPBELLTON STREET,  
DOUGLASVILLE, GA  
30134 (770) 942-5108 - 192,717 (\$2,422,453) COMMON STOCK. (FILE  
333-43276  
- AUG. 08) (BR. 7)

S-3 BEAR STEARNS ASSET BACKED SECURITIES INC, 245 PARK AVE, NEW  
YORK, NY  
10167 (212) 272-4095 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST  
CERTIFICATES.  
(FILE 333-43278 - AUG. 08) (BR. 8)

S-8 PARK MERIDIAN FINANCIAL CORP, 6826 MORRISON BLVD., CHARLOTTE,  
NC 28211  
(704) 366-7275 - 442,657 (\$4,869,227) COMMON STOCK. (FILE 333-  
43280 -  
AUG. 08)

S-8 DIGITALTHINK INC, 1098 HARRISON ST, SAN FRANCISCO, CA 94103  
(415) 625-4000 - 8,264,408 (\$169,206,062.08) COMMON STOCK. (FILE  
333-43284 - AUG. 08) (BR. 8)

S-8 CAPITAL ONE FINANCIAL CORP, 11013 WEST BROAD ST, GLENN ALLEN,  
VA 23060  
(804) 967-1000 - 2,000,000 (\$115,125,000) COMMON STOCK. (FILE  
333-43288 -  
AUG. 08) (BR. 7)

S-8 CRAFTCLICK COM INC, 432 CULVER BLVD, PLAYA DEL REY, CA 90293  
(310) 827-3500 - 4,567,886 (\$4,567,886) COMMON STOCK. (FILE 333-  
43292 -  
AUG. 08) (BR. 9)

SB-2 CAMBEX CORP, 360 SECOND AVE, WALTHAM, MA 02154 (617) 890-6000  
-  
4,897,603 (\$15,258,556.34) COMMON STOCK. (FILE 333-43294 - AUG.  
08)  
(BR. 3)

S-8 ARTHROCARE CORP, 595 N PASTORIA AVE, SUNNYVALE, CA 94086 (408)  
736-0224  
- 1,090,000 (\$37,027,300) COMMON STOCK. (FILE 333-43296 - AUG.  
08)  
(BR. 5)

S-8 VANTAGEMED CORP, 3017 KILGORE ROAD, SUITE 195, RANCHO CORDOVE,  
CA 95670  
(916) 638-4744 - 1,113,831 (\$4,385,674) COMMON STOCK. (FILE 333-  
43298 -  
AUG. 08) (BR. 3)



SB-2 SECURITYVIEW GROUP, 16133 VENTURA BLVD., SUITE 635, ENCINO, CA  
91436  
(818) 981-1796 - 1,000,000 (\$1,000,000) COMMON STOCK. (FILE 333-  
43302 -  
AUG. 08) (NEW ISSUE)

S-8 EGGHEAD COM INC/DE, 1350 WILLOW ROAD, SUITE 100, MENLO PARK,  
CA 94025  
(650) 470-2400 - 3,045,587 (\$7,328,444) COMMON STOCK. (FILE 333-  
43304 -  
AUG. 08) (BR. 2)

S-8 LSI LOGIC CORP, 1551 MCCARTHY BLVD, MS D 106, MILPITAS, CA  
95035  
(408) 433-8000 - 10,000,000 (\$320,000,000) COMMON STOCK. (FILE  
333-43306 -  
AUG. 08) (BR. 5)

S-8 VERTEL CORP, 21300 VICTORY BLVD, #1200, WOODLAND HILLS, CA  
91367  
(818) 227-1400 - 2,000,000 (\$11,531,300) COMMON STOCK. (FILE  
333-43308 -  
AUG. 08) (BR. 3)

S-8 MCDATA CORP, 310 INTERLOCKEN PARKWAY, BROOMFIELD, CO 80021  
(303) 460-9200 - 15,116,212 (\$138,812,993.48) COMMON STOCK.  
(FILE  
333-43316 - AUG. 09) (BR. 4)