

SEC NEWS DIGEST

Issue 2000-180

September 19, 2000

COMMISSION ANNOUNCEMENTS

AGENDA FOR PUBLIC HEARINGS ON PROPOSED AUDITOR INDEPENDENCE RULES

On September 18, the Commission released the following agenda for public hearings on proposed auditor independence rules to be held in Washington, D.C. on Thursday, September 21, 2000:

- 8:30 am: Robert K. Elliott, Chairman
Barry Melancon, President and Chief Executive Officer
Harold L. Monk, Jr., Chairman of the PCPS Executive Committee
[Representing the American Institute of Certified Public Accountants]
- Stephen G. Butler, Chairman
KPMG LLP
- 11:30 am: Donald C. Smaltz
Independent Counsel
- 11:45 am: Jack Maurice, Member of the Ethics Working Party
European Federation of Accountants (FEE)
- Abraham J. Briloff, Professor Emeritus
Baruch College
- Don N. Kleinmuntz, Professor of Business Administration
College of Commerce and Business Administration
University of Illinois at Urbana-Champaign
- Urton Anderson, Clark W. Thompson Jr. Professor of Accounting Education
McCombs School of Business
University of Texas at Austin
(Press Rel. 2000-133)

SECOND ANNUAL MUNICIPAL MARKET ROUNDTABLE

“Bonds in the New Millennium”

Today the Commission’s Office of Municipal Securities released the agenda for its Second Annual Municipal Market Roundtable, which will be held on Thursday, October 12, 2000, from 8:30 a.m. to 5:30 p.m. at SEC headquarters in Washington, D.C.

The Roundtable will provide a forum for all municipal market participants, including issuers, underwriters, bond counsel, financial advisors, scholars, and regulators, to explore current issues in disclosure and other practices in the municipal marketplace. Senior officials from the Commission’s Divisions of Corporation Finance, Enforcement, and Market Regulation, and the Offices of the General Counsel and Municipal Securities will also participate.

Paul Maco, Director of the Office of Municipal Securities, said “Our regulatory framework encourages municipal market participants to work together to improve market practices. The Roundtable provides an excellent opportunity for issuers, dealers and investors to share perspectives and develop a common vision for the municipal market. This year, we will highlight the importance of the individual investor as current issues of disclosure, compliance and technology are discussed.”

Agenda

The Roundtable will open with introductory remarks and a keynote address. Moderators will lead the three panel discussions. The roundtable, which is open to the public, is free of charge. Limited seating is available on a first-come, first-serve basis. For additional information, call 202.942.7300.

1. Opening Remarks – Paul S. Maco, Director, Office of Municipal Securities, SEC
 2. Keynote Address
 3. Break
 4. Panel 1: Current Disclosure Issues in the Primary and Secondary Markets
 5. Lunch Break
 6. Panel 2: Current Issues Related to MSRB Rules
 7. Break
 8. Panel 3: Use of Electronic Media
 9. Closing Remarks
- (Press Rel. 2000-134)

ENFORCEMENT PROCEEDINGS

COMMISSION IMPOSES PENNY STOCK BAR AGAINST GEORGE MAHFOUZ, JR.

On September 18, the Commission entered an order imposing a penny stock bar against George E. Mahfouz, Jr., member manager of Thor Equity Group, LLC (Thor Equity), an investor relations firm headquartered in Scottsdale, Arizona, after concluding that Mahfouz disseminated false revenue and stock price projections on the Internet for CancerOption.com, Inc. (CancerOption), a penny stock company.

In the Order, the Commission found that Mahfouz, hired by CancerOption for investor relations services, arranged for two analysts to draft research reports regarding CancerOption. The reports, recommending the purchase of CancerOption's stock, contained false revenue and stock price projections for the company based on information provided by Mahfouz. The Commission also found that from August 1999 through January 2000, Mahfouz placed the reports on CancerOption's website and arranged for the false financial information to be disseminated on the Internet, despite his knowledge that the projections were false. Moreover, the Commission found that Mahfouz drafted and issued a CancerOption press release which falsely characterized one of the analysts as the "first independent analyst" to cover CancerOption even though Thor Equity had agreed to pay the analyst 5,000 shares of CancerOption stock for the report. The Commission found that the false financial projections which appeared on the Internet fueled a dramatic rise in both the price and the trading volume of CancerOption's common stock. Finally, the Commission found that throughout the time the false financial information appeared on the Internet, Mahfouz sold over 350,000 shares of CancerOption stock for profits of more than \$180,000.

In a related action filed in U.S. District Court for the District of Arizona on September 11, 2000, Mahfouz and Thor Equity were enjoined from violating Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Mahfouz was ordered to pay disgorgement of \$180,038.51 and a civil money penalty of \$50,000.00, while no civil penalty was imposed against Thor Equity based on its demonstrated inability to pay.

The Commission barred Mahfouz for five years from participating in any offering of a penny stock including: (i) acting as a promoter, finder, consultant, or other person who engages in actions with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock; or (ii) inducing or attempting to induce the purchase or sale of any penny stock. Mahfouz consented to the entry of the Order without admitting or denying the Commission's findings. For additional information see litigation release No. 16683; (September 6, 2000). (Rel. 34-43300; File No. 3-10287)

SEC CHARGES ROBERT HERNDON, FORMER CFO OF PIER 1, WITH FRAUDULENTLY CONCEALING \$20 MILLION LOSS IN 1995

Pier 1 Consents to Cease and Desist Order for Related Financial Disclosure Violations

The Commission today filed two settled enforcement actions involving Pier 1 Imports, Inc., an importer and retailer of home furnishings based in Fort Worth, Texas, and

Robert G. Herndon, Pier 1's former Chief Financial Officer. Both actions stem from Pier 1's relationship with money manager S. Jay Goldinger of Beverly Hills.

The first of today's actions, filed in federal district court in Texas, charges Herndon with concealing a \$20 million loss in Pier 1's investment funds in 1995 from the company's senior management and its outside auditors, and with circumventing and failing to implement internal controls to properly account for the investments. Herndon's conduct also caused Pier 1 to violate the books and records and internal accounting control provisions of the securities laws. Herndon has agreed to settle the Commission's charges.

The second action is an administrative proceeding against Pier 1 in which Pier 1 has consented to cease and desist from violating the reporting and record-keeping provisions of the securities laws.

These charges stem from the Commission's investigation into a fraud by S. Jay Goldinger, once a well-known Beverly Hills-based money manager, upon his clients, which included Pier 1 and another publicly-traded company, Pairgain Technologies, Inc. In November 1999 the Commission brought cases against Goldinger, Pairgain's CEO and CFO, and Pairgain itself [*SEC v. Goldinger*, Civil Action No. CV 99-11539-LGB (C.D. Cal. Nov. 8, 1999); *SEC v. Strauch*, Civil Action No. CV 99-1384-GLT (C.D. Cal. Nov. 8, 1999); *In the Matter of Pairgain Technologies, Inc.*, Securities Exchange Act Release No. 42114 (Nov. 8, 1999)]. Later, the Commission permanently barred Goldinger from associating with any securities broker or dealer. *In the Matter of Goldinger*, Securities Exchange Act Release No. 42358 (Jan. 27, 2000).

The complaint filed today against Herndon alleges the following: from at least 1986 through most of 1995, Goldinger engaged in fraudulent trading that eventually left his clients with losses totaling \$100 million. One of his clients was Pier 1, which lost nearly \$20 million. As Pier 1's CFO, Herndon fraudulently concealed Pier 1's \$20 million loss and various other facts about the company's investments with Goldinger from both Pier 1's senior management and its outside auditors. Herndon's fraudulent conduct caused material misrepresentations and omissions in reports filed by Pier 1 with the Commission.

Without admitting or denying the complaint's allegations, Herndon agreed to settle the charges against him by consenting to a final judgment. The final judgment will enjoin Herndon from violating the following provisions of the federal securities laws:

- I. the antifraud provisions (Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder)
- II. the prohibitions against circumventing or failing to implement a system of internal accounting controls and against directly or

indirectly falsifying or causing the falsification of any books, records, or accounts, and against materially false or misleading statements to an accountant in connection with an audit or filing of a document with the Commission (Section 13(b)(5) of the Exchange Act and Rules 13b2-1 and 13b2-2) and from aiding and abetting violations of the following provisions of the federal securities laws:

- III. the provisions requiring the filing of accurate and non-misleading annual and quarterly reports with the Commission (Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13)
- IV. the provisions requiring accurate books and records and internal controls sufficient to ensure preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets (Sections 13(b)(2)(A) and (B) of the Exchange Act)

The final judgment will also prohibit Herndon from serving as an officer or director of a public company and order him to pay \$75,000 as a civil money penalty. [*SEC v. Robert G. Herndon*, Civil Action No. 4-00-CV-1564-A (N.D. Tex.) (Sept. 19, 2000)] (LR-16710; AAE Rel. 1305).

Herndon has also agreed to settle administrative proceedings under Rule 102(e) of the Commission's Rules of Practice, to be instituted after entry of the injunction, which will deny him the privilege of appearing or practicing before the Commission as an accountant.

In the related administrative proceeding filed today, Pier 1, without admitting or denying the Commission's findings, consented to an order finding that the company violated the periodic reporting, books and records, and internal control provisions of the Exchange Act in connection with the losses in the Goldinger investments. The order directed Pier 1 to cease and desist from committing or causing any violations or future violations of the following provisions of the federal securities laws:

- V. the provisions requiring the filing of accurate and non-misleading annual and quarterly reports with the Commission (Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13)
- VI. the provisions requiring accurate books and records and internal controls sufficient to ensure preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets (Sections 13(b)(2)(A) and (B) of the Exchange Act). (In the Matter of Pier 1 Imports, Inc. Rel. 34-43301; AAE Rel. 1303; File No. 3-10289)

SEC OBTAINS FRAUD INJUNCTION AGAINST WENDELL CARTER IN WASHINGTON, D.C. BASED INTERNET TELEPHONY SCHEMES

On September 14, Judge Paul L. Friedman of the United States District Court for the District of Columbia signed a final judgment against Wendell Carter, formerly vice-president of corporate sales for American Telephone and Telecommunications Corporation (ATTC), a District of Columbia corporation purportedly set up to establish a long distance telephone service using Internet telephony technology. Wendell Carter is permanently enjoined from future violations of the antifraud provisions of the Securities Act and the Exchange Act. He is also ordered to pay disgorgement of investors' money with prejudgment interest and civil money penalties, although all but \$5,000 of this amount is waived based upon his financial inability to pay more.

This judgment resolves the litigation commenced against Wendell Carter on October 27, 1999, while the litigation against Fred Carter, who is not related to Wendell Carter, continues. The SEC's complaint alleges that from October 1996 through October 1997, Fred Carter and Wendell Carter made material misstatements and omissions in promotional mailings and seminars used to induce people to invest in ATTC. According to the complaint, the defendants falsely claimed, among other things, to have designed a revolutionary technology for routing phone calls using the Internet, that ATTC's stock price would at least triple within one year, and that ATTC had a strategic alliance with an Internet telephony product manufacturer that would help ATTC implement its telephone service. In fact, the complaint alleges, ATTC did not design any technology, but merely purchased Internet telephony products for use in investor demonstrations. In addition, there was no reasonable basis for ATTC's financial projections and there existed no alliance with an Internet telephony product manufacturer. Further, investors were not told that investor funds were largely being disbursed for the personal use of Fred Carter, his family, and Wendell Carter, rather than being spent on bringing the promised telephone service to market.

The SEC alleged that by engaging in such conduct Fred and Wendell Carter violated Section 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. [SEC v. FRED CARTER AND WENDELL CARTER, USDC for the District of Columbia, Civil Action No. 99-2848, PLF] (LR-16706)

SEC CHARGES BROKER WHO "FRONTED" FOR MARTIN FRANKEL

On September 18, the Commission charged that broker-dealer Liberty National Securities, Inc. and its President, Robert J. Guyer, aided and abetted a fraudulent scheme by Martin Frankel, by helping to conceal Frankel's secret ownership and control of Liberty after the Commission had barred Frankel from the securities industry. In its complaint filed in U.S. District Court for the District of Connecticut, the Commission alleges that the conduct of Liberty and Guyer substantially assisted Frankel's scheme to loot the assets of several insurance companies in Tennessee, Alabama, Oklahoma.

Mississippi, Missouri and Arkansas. The United States Attorney for the District of Connecticut today announced that Guyer pled guilty to criminal charges stemming from this and other conduct.

The Commission's complaint alleges as follows:

From at least November 1991 through May 1999, Frankel orchestrated a massive fraud to loot the assets of several insurance companies, most of which were subsidiaries of a public holding company. Frankel secretly owned and exercised control over Liberty, a broker-dealer where the insurance companies believed Frankel was investing their money. To conceal his interest in Liberty, Frankel retained Guyer to serve as Liberty's President in approximately 1993. At the time he became Liberty's President, Guyer knew that the Commission had barred Frankel from the securities industry.

Guyer took numerous steps to hide Frankel's ownership and control of Liberty, and thereby assist Frankel in violating his bar. Guyer filed false broker-dealer registration forms (Forms BD) with the Commission, which falsely stated that Guyer owned Liberty and failed to disclose Frankel's ownership and control. Guyer set up an incoming telephone line at Liberty, in Dundee, Michigan, that was forwarded directly to Frankel's residence in Greenwich, Connecticut. Frankel used this line to receive telephone calls from employees of the insurance companies that were purportedly investing their funds with Liberty. At Frankel's direction, Guyer registered Liberty to conduct business in several states where Frankel was doing business. Frankel paid some of Liberty's operating expenses, and he paid Guyer \$2,000 per month to operate Liberty, using money that Frankel had stolen from the insurance companies.

Frankel purported to open accounts at Liberty for the insurance companies, but did not do so. Funds and securities that the insurance companies believed were being transferred to Liberty, never reached Liberty and went instead to accounts elsewhere that were under Frankel's control. Acting at Frankel's direction, his employees in Greenwich generated fake Liberty trade confirmations and monthly statements, which they sent to the insurance companies. The transactions described in these bogus confirmations and statements never actually took place. Frankel never executed any trades for the insurance companies through Liberty, nor did he effect any other securities transactions through Liberty. Frankel diverted the insurance companies' funds for his own purposes, including funding his own investments and business expenses and supporting his lavish lifestyle.

The Commission alleges that Guyer and Liberty aided and abetted Frankel's violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 (Exchange Act) and Rule 10b-5. The complaint further alleges that Liberty, aided and abetted by Guyer, violated Sections 15(b) and 17(a) of the Exchange Act and Rules 15b3-1 and 17a-3(a)(12). The Commission seeks permanent injunctions against future violations of these provisions against Guyer and Liberty, and disgorgement of ill-gotten gains and the imposition of civil money penalties against Guyer. The Commission acknowledges the assistance of the U.S. Attorney's Office for the District of

Connecticut in bringing this case. [SEC v. ROBERT J. GUYER and LIBERTY NATIONAL SECURITIES, INC., USDC, D. Conn., No. 00 CIV] (LR-16707)

SEC SETTLES FRAUD CASE AGAINST TERRY NEAL

The Commission today announced that on September 13 the United States District Court for the District of Oregon permanently enjoined Terry L. Neal from committing securities fraud and violating certain other provisions of the federal securities laws, barred him from serving as an officer or director of a public company, and ordered him to disgorge \$2,300,000 in ill-gotten gains, including prejudgment interest, and a \$200,000 civil penalty.

The complaint alleged that, among other things, Neal devised a comprehensive scheme to materially overstate Itex's financial condition and results of operations. Neal caused Itex to enter into sham barter transactions, which inflated assets, revenues and earnings during fiscal 1994, 1995 and 1996. Neal caused press releases to be issued touting Itex's extraordinary gains in financial condition and results of operation, causing the price of the stock to rise from \$1.25 per share to \$12.50 per share in eighteen months. The fraudulent scheme included the issuance of unregistered Itex stock to Neal-related entities and family members at substantial discounts or in exchange for grossly overvalued assets, after which the stock was then resold in the U.S. public market for an estimated \$1.6 million in profits.

Neal consented to the entry of the judgment without admitting or denying the allegations against him. In addition to the disgorgement and civil penalty, the judgment permanently enjoined Neal from violating Sections 5 and 17(a) of the Securities Act, Sections 10(b), 13(d) and 16(a) of the Exchange Act and Rules 10b-5, 13b2-1, 13d-1, 13d-3, 16a-2 and 16a-3 thereunder Section 17(a) of the Securities Act of 1933 and Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 (Exchange Act) and Rules 10b-5, 13b2-1 and 13b2-2 thereunder.

With the entry of this judgment, five of the six defendants in this proceeding have settled with the Commission. At the time of this release, Michael T. Baer is the only defendant who has not yet settled with the Commission.

For further information, see LR-16305 (announcing complaint), LR-16430 (settlement with Morris), LR-16437 (settlement with Itex), and LR-16536 (settlements with Norris and Pfaltzgraff). All of these releases are available at the Commission's website at <http://www.sec.gov/enforce/litig.htm>. [SEC v. Itex Corporation, Terry L. Neal, Michael T. Baer, Graham H. Norris, Cynthia Pfaltzgraff and Joseph M. Morris, CV 99-1361 BR, D. Ore.] (LR-16708; AAE Rel. 1302)

SEC SETTLES FRAUD CASE AGAINST FORMER OFFICERS OF VERSATILITY, INC.

The Commission today announced the filing and settlement of securities fraud charges against Ronald R. Charnock, Mark C. Hyer, Walter Wilowatyj and Donald C. Yount,

former officers of Versatility, Inc., formerly a Fairfax, Virginia telemarketing software and services company whose securities were listed on NASDAQ. The Commission's complaint alleges that for fiscal 1997 and the first two quarters of fiscal 1998, Versatility materially overstated its revenues and earnings by improperly recognizing revenue on certain transactions without binding contracts and before reaching agreed-upon performance milestones. The complaint alleges that Versatility overstated revenue by 49% and overstated net income by 125% for 1997, and, for the first and second quarters of 1998, overstated revenue by 52% and 32% and net income by 101% and 47% respectively. On April 28, 1998, Versatility announced the restatement of its revenues and earnings for fiscal 1997 and 1998. Versatility was later acquired by Oracle Corporation.

The complaint alleges that Charnock (the former CEO), Hyer (the former controller), Wilowatyj (the former senior vice president of sales) and Yount (the former CFO), participated in Versatility's material misstatements, and alleges that Charnock, Hyer and Yount provided false or misleading management representation letters to Versatility's auditors. The complaint alleges that the defendants caused Versatility's books to be falsified and that Charnock, Hyer and Yount aided and abetted Versatility's failure to devise and maintain a required system of internal controls.

Charnock, Hyer and Yount consented, without admitting or denying the Commission's allegations, to the entry of a final judgment permanently enjoining each of them from (1) violating the antifraud, books and records and false statements to auditors provisions (Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rules 10b-5, 13b2-1 and 13b2-2 thereunder); and (2) aiding and abetting violations of the internal accounting controls provision (Section 13(b)(2)(B) of the Exchange Act). Charnock and Yount each consented to pay a \$50,000 civil penalty. Hyer consented to pay a \$10,000 civil penalty, based in part on his financial condition, and to disgorge \$7,200 of losses avoided from his exercise of Versatility stock options. Wilowatyj consented, without admitting or denying the Commission's allegations, to the entry of a final judgment permanently enjoining him from violating the antifraud and books and records provisions (Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rules 10b-5 and 13b2-1 thereunder). Wilowatyj consented to pay a \$20,000 civil penalty and to disgorge \$20,711 of losses avoided from his exercise of Versatility stock options. Yount, a certified public accountant, also consented, without admitting or denying the Commission's allegations, to the subsequent entry of an administrative order pursuant to Rule 102(e)(3) of the Commission's Rules of Practice, suspending him from practicing before the Commission as an accountant, with a right to reapply after three years. [SEC v. Ronald R. Charnock, Mark C. Hyer, Walter Wilowatyj and Donald C. Yount, Civil Action No. 00 CV 02239, D.D.C.] (LR-16709; AAE Rel. 1304)

HOLDING COMPANY ACT RELEASES

ALLIANT ENERGY CORPORATION, ET AL.

A notice has been issued giving interested persons until October 10, 2000, to request a hearing on a proposal by Alliant Energy Corporation (Alliant Energy), a registered holding company, two of its utility subsidiaries, IES Utilities, Inc. and Interstate Power Corporation, and its nonutility subsidiary service company, Alliant Energy Corporate Services, Inc. Under the proposal, through June 30, 2004, Alliant may incur short-term debt in outstanding amounts of up to \$1 billion to fund the operations of its utility money pool and to make investments in nonutility generating projects. Alliant may also provide up to \$600 million of credit support for its nonutility subsidiaries. (Rel. 35-27230)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change (SR-Amex-00-07) filed by the American Stock Exchange to amend Amex Rule 126 to implement a program (eQPrioritysm) for processing electronically transmitted orders for equities, effective on a six-month pilot basis until March 12, 2001. Publication of the proposal is expected in the Federal Register during the week of September 18. (Rel. 34-43284)

The Commission approved a proposed rule change and Amendment No. 1 submitted by the Pacific Exchange (SR-PCX-99-36) relating to options trading rules. (Rel. 34-43293)

PROPOSED RULE CHANGES

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-00-34) relating to the authority of the Director of Arbitration to remove arbitrators for cause. (Rel. 34-43291)

The Philadelphia Stock Exchange filed a proposed rule change (SR-Phlx-00-74) to add to the limitation of its liability, in connection with its administration of Phlx proprietary indices, negligent acts or omissions. Publication of the proposal is expected in the Federal Register during the week of September 18. (Rel. 34-43292)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change (SR-ISE-00-06) filed by the International Securities Exchange relating to certain Exchange fees has become effective under Section 19(b)(3)(A)(ii) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of September 18. (Rel. 34-43298)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File Number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

Registration statements may be obtained in person or by writing to the Commission's Public Reference Branch at 450 Fifth Street, N.W., Washington, D.C. 20549 or at the following e-mail box address: <publicinfo@sec.gov>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

- F-1 SOUTHEAST AIRPORT GROUP, BLVD MANUEL AVILA CAMACHO NO 40 6TH FL,
COL LOMAS DE CHAPULTEPEC, 11000 MEXICO DF, 05 00000 - 255,000,000
(\$415,650,000) FOREIGN COMMON STOCK. (FILE 333-12486 - SEP. 07) (BR. 5
- NEW ISSUE)
- F-6 BROKAT AKTIENGESELLSCHAFT /ADR/, BANK OF NEW YORK, ONE WALL ST,
NEW YORK, NY 10286 (212) 495-1727 - 50,000,000 (\$2,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12492 - SEP. 08) (BR.
99
- NEW ISSUE)
- F-6 VIVENDI /ADR/, BANK OF NEW YORK, ONE WALL ST, NEW YORK, NY 10286
(212) 495-1727 - 40,000,000 (\$2,000,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12494 - SEP. 11) (BR.
99
- NEW ISSUE)
- F-6 PUBLICIS GROUPE SA /ADR/, BANK OF NEW YORK, ONE WALL ST, NEW YORK,
NY
10286 (212) 495-1727 - 50,000,000 (\$2,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12496 - SEP. 11) (BR.
99
- NEW ISSUE)
- F-6 SAATCHI & SAATCHI CO PLC /ADR/, 48 WALL ST, C/O BANK OF NEW YORK,
NEW YORK, NY 10286 (212) 495-1727 - 50,000,000 (\$2,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12498 - SEP. 11) (BR.
99)
- F-6 REGUS PLC /ADR/, MORGAN GUARANTY TRUST CO OF NY, 60 WALL ST, NEW
YORK,
NY 10260 (212) 648-3250 - 50,000,000 (\$2,500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12500 - SEP. 01) (BR.
99
- NEW ISSUE)

F-6 CHINA PETROLEUM & CHEMICAL CORP /ADR/, CITIBANK NA, 111 WALL ST,
 NEW YORK, NY 10005 (212) 657-7527 - 1,500,000 (\$7,500,000)
 DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12506 - SEP. 11) (BR.
 99
 - NEW ISSUE)

F-6 INNOGY HOLDINGS PLC /ADR/, BANK OF NEW YORK, ONE WALL ST, NEW YORK,
 NY
 10286 (212) 495-1784 - 30,000,000 (\$1,500,000)
 DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-12508 - SEP. 11) (BR.
 99
 - NEW ISSUE)

F-6 ALLIED ZURICH PLC /ADR/, BANK OF NEW YORK, ONE WALL ST, NEW YORK, NY
 10286 - 50,000,000 (\$2,500,000) DEPOSITARY RECEIPTS FOR COMMON STOCK.
 (FILE 333-12514 - SEP. 12) (BR. 99)

S-1 LINC NET INC, 6161 BLUE LAGOON DRIVE SUITE 300, MIAMI, FL 33126
 (800) 508-3514 - \$75,000,000 COMMON STOCK. (FILE 333-45584 - SEP. 12)
 (BR. 37)

S-3 BETA OIL & GAS INC, 901 DOVE ST, STE 230, NEWPORT BEACH, CA 92660
 (714) 752-5212 - 2,830,000 (\$24,408,750) COMMON STOCK. (FILE 333-45586
 -
 SEP. 12) (BR. 4)

S-1 SPECIALTY LABORATORIES, 2211 MICHIGAN AVE, SANTA MONICA, CA 90404
 (310) 828-6543 - \$86,250,000 COMMON STOCK. (FILE 333-45588 - SEP. 12)
 (BR. 1 - NEW ISSUE)

S-4 NATIONAL PENN BANCSHARES INC, PHILADELPHIA AND READING AVE, PO 547,
 BOYERTOWN, PA 19512 (215) 367-6001 - 686,778 (\$12,289,725) COMMON
 STOCK.
 (FILE 333-45590 - SEP. 12) (BR. 7)

S-8 BROKAT AKTIENGESELLSCHAFT, INDUSTRIESTRASSE 3, STUTTGART D-70565 GE,
 I9
 (011) 497-1178 - 505,153 (\$65,599,168.58) FOREIGN COMMON STOCK. (FILE
 333-45594 - SEP. 12) (BR. 3)

S-8 ENDOSONICS CORP, 2870 KILGORE ROAD, RANCHO CORDOVA, CA 95670
 (916) 638-8008 - 500,000 (\$5,415,000) COMMON STOCK. (FILE 333-45596 -
 SEP. 12) (BR. 5)

S-3 BANK ONE CORP, 1 BANK ONE PLAZA, CHICAGO, IL 60670 (312) 732-4000 -
 2,000,000 (\$71,000,000) COMMON STOCK. (FILE 333-45598 - SEP. 12) (BR.
 7)

S-8 MAXIM PHARMACEUTICALS INC, 8899 UNIVERSITY CTR LANE, STE 400, SAN
 DIEGO,
 CA 92122 (858) 453-4040 - 187,128 (\$275,115) COMMON STOCK. (FILE
 333-45600 - SEP. 12) (BR. 1)

S-8 ECONNECT, 2500 VIA CABRILLO MARINA, STE 112, SAN PEDRO, CA 90731
 (310) 541-4393 - 7,500,000 (\$2,327,500) COMMON STOCK. (FILE 333-45602
 -
 SEP. 12) (BR. 5)

S-8 LIFEMARK CORP /DE/, 7600 N 16TH ST STE 150, SUITE 300, PHOENIX, AZ
85020
(602) 331-5100 - 450,000 (\$2,741,094) COMMON STOCK. (FILE 333-45606 -
SEP. 12) (BR. 1)

S-8 LIFEMARK CORP /DE/, 7600 N 16TH ST STE 150, SUITE 300, PHOENIX, AZ
85020
(602) 331-5100 - 150,000 (\$1,232,812.50) COMMON STOCK. (FILE 333-45608
-
SEP. 12) (BR. 1)

S-8 PRECISE SOFTWARE SOLUTIONS LTD, 1 HASHIKMA STREET P O BOX 88,
SAVYON ISREAL 56518, - 7,878,837 (\$88,770,360.67) COMMON STOCK. (FILE
333-45618 - SEP. 12) (BR. 3)

S-8 QUANEX CORP, 1900 W LOOP S STE 1500, ATTN THOMAS M BEWLEY, HOUSTON,
TX
77027 (713) 961-4600 - 600,000 (\$11,925,000) COMMON STOCK. (FILE
333-45624 - SEP. 12) (BR. 6)

S-8 ENTERPRISES SOLUTIONS INC, 140 WOOD RD, STE 200, BRAINTREE, MA 02184
(617) 510-3898 - 1,000,000 (\$5,688,000) COMMON STOCK. (FILE 333-45626
-
SEP. 12) (BR. 7)

S-3 DIGITAL LAVA INC, 13160 MINDANO WAY, STE 350, MARINA DEL REY, CA
90292
(888) 222-5282 - 2,625,000 (\$15,907,500) COMMON STOCK. (FILE 333-45628
-
SEP. 12) (BR. 9)

S-8 BACH-HAUSER INC, 2080 E FLAMINGO RD, STE 112, LAS VEGAS, NV 89119
(702) 866-2500 - 800,000 (\$304,000) COMMON STOCK. (FILE 333-45632 -
SEP. 12) (BR. 9)

S-8 LOOKSMART LTD, 625 SECOND ST, SAN FRANCISCO, CA 94107 ((41) 5) -348-
-
2,500,000 (\$38,593,750) COMMON STOCK. (FILE 333-45634 - SEP. 12) (BR.
3)

S-3 SAPIENT CORP, ONE MEMORIAL DR, CAMBRIDGE, MA 02142 (617) 621-0200 -
1,503,294 (\$74,600,965) COMMON STOCK. (FILE 333-45636 - SEP. 12) (BR.
3)

S-8 RESTORATION HARDWARE INC, 15 KOCH ROAD, STE J, CORTE MADERA, CA
94925
(415) 924-1005 - 506,973 (\$2,946,780.50) COMMON STOCK. (FILE 333-45638
-
SEP. 12) (BR. 2)

SB-2 OMNICOMM SYSTEMS INC, 3250 MARY STREET, SUITE 402, MIAMI, FL 33133
(718) 469-3132 - 5,463,497 (\$12,292,868) COMMON STOCK. (FILE 333-45640
-
SEP. 12) (BR. 9)

SB-2 KNIGHTSBRIDGE INVESTMENTS INC, 88 PARTLAND PLACE SUITE 37,
LONDON W1A 3GH, UNITED KINGDOM, (011) 442-0763 - 3,000,000 (\$3,100,000)
COMMON STOCK. (FILE 333-45642 - SEP. 12) (NEW ISSUE)

S-8 AMERICAN BIOGENETIC SCIENCES INC, 1375 AKRON ST, PO BOX 1001,
COPIAGUE,
NY 11726 (516) 789-2600 - 3,000,000 (\$5,532,000) COMMON STOCK. (FILE
333-45644 - SEP. 12) (BR. 1)

S-8 ACCESS PHARMACEUTICALS INC, 2600 N STEMMONS FRWY, STE 176, DALLAS,
TX
75207 (214) 905-5100 - 2,500,000 (\$13,937,500) COMMON STOCK. (FILE
333-45646 - SEP. 12) (BR. 1)

S-1 DDI CORP, 1220 SAMON CIRCLE, AHAMEIM, CA 92806 (714) 588-7200 -
6,900,000 (\$238,947,000) COMMON STOCK. (FILE 333-45648 - SEP. 12) (BR.
5)

S-8 WATSON PHARMACEUTICALS INC, 311 BONNIE CIRCLE, CORONA, CA 92880
(909) 270-1400 - 832,500 (\$58,408,200) COMMON STOCK. (FILE 333-45650 -
SEP. 12) (BR. 1)

S-3 CYTRX CORP, 154 TECHNOLOGY PKWY, TECHNOLOGY PARK/ATLANTA, NORCROSS,
GA
30092 (404) 368-9500 - 850,000 (\$1,037,000) COMMON STOCK. (FILE 333-
45652
- SEP. 12) (BR. 1)

S-4 KEY PRODUCTION CO INC, 707 17TH ST, STE 2050 ONE NORWEST CTR,
DENVER, CO
80202 (303) 837-0779 - 1,546,000 (\$28,297,308) COMMON STOCK. (FILE
333-45654 - SEP. 12) (BR. 4)

S-1 AETHER SYSTEMS INC, 11460 CRONRIDGE DR, OWINGS MILLS, MD 21117
(410) 654-6400 - 467,691 (\$66,470,583) COMMON STOCK. (FILE 333-45656 -
SEP. 12) (BR. 3)

S-8 ASDAR INC, 1750 BARBARA LANE, LEUCADIA, CA 92024 (760) 436-1273 -
730,000 (\$306,600) COMMON STOCK. (FILE 333-45658 - SEP. 12) (BR. 8)

S-4 APPLIED MICRO CIRCUITS CORP, 6290 SEQUENCE DR, SAN DIEGO, CA 92121
(619) 450-9333 - 40,445,483 (\$4,461,642,343.43) COMMON STOCK. (FILE
333-45660 - SEP. 12) (BR. 5)

S-3 BONE CARE INTERNATIONAL INC, ONE SCIENCE CT, MADISON, WI 53711
(608) 274-2663 - 3,000,000 (\$61,781,400) COMMON STOCK. (FILE 333-45662
-
SEP. 12) (BR. 1)