

SEC NEWS DIGEST

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COMMISSION ANNOUNCEMENTS

CHAIRMAN LEVITT NAMES DAVID NELSON HEAD OF THE SEC'S SOUTHEAST REGIONAL OFFICE

Chairman Arthur Levitt today announced the selection of David Nelson as Regional Director of the Commission's Southeast Regional Office (SERO). The region comprises offices in Miami, Florida and Atlanta, Georgia, and has both enforcement and regulatory programs in an eight-state area, and in Puerto Rico and the Virgin Islands. As Regional Director, Mr. Nelson will oversee these activities as they are conducted throughout the region. Mr. Nelson succeeds Randall Fons, who recently assumed the Regional Director's position in the Commission's Central Region. Mr. Nelson will take on his new duties immediately.

Mr. Nelson is currently the Deputy Regional Director of the SERO, having assumed that post in 1997. He joined the Commission staff in 1984 as a Staff Attorney in the Division of Enforcement in Washington, DC. He subsequently served as a Branch Chief in the Division and as Senior Counsel and Branch Chief in the SERO. From 1995 to 1997, he was an Assistant Regional Director for Enforcement in the SERO. During his career with the SEC, Mr. Nelson also has been selected to work with the U.S. Attorneys' Offices in the Southern District of Florida and in the Southern District of New York on a number of high profile criminal securities fraud investigations. While on detail in New York, he was a member of the prosecution team that handled all phases of the complex criminal investigation of insider trading and other financial fraud that resulted in the criminal prosecutions of Ivan Boesky, Drexel Burnham Lambert, Michael Milken, and others.

Chairman Levitt said, "I am very pleased that David has agreed to serve as Director of our Southeast Regional Office. David is a lawyer with considerable talent and experience. He is also an excellent manager. I am confident that he will carry out the responsibilities of this important position with intelligence and effectiveness and I look forward to continuing to work with him."

SEC Director of Enforcement Richard H. Walker said, "David has had a distinguished career at the SEC. He has been responsible for a number of major enforcement cases that have had an important impact on our securities markets and have materially enhanced the Commission's efforts to protect investors in these markets. He will do an outstanding job leading the SEC's Southeast Regional Office."

Mr. Nelson, 43, earned his B.A. degree from Princeton University in 1979 and his J.D. degree from Georgetown University Law Center in 1983.

For further information contact James A. Clarkson at (202) 942-4580. (Press Rel. 2000-116)

ENFORCEMENT PROCEEDINGS

ALPHA TECH STOCK TRANSFER TRUST AND JAMES FARRELL ORDERED TO PAY PENALTY AND ENGAGE CPA TO MONITOR COMPLIANCE WITH TRANSFER AGENT RULES

On August 21, the Commission sanctioned Alpha Tech Stock Transfer Trust (Alpha Tech), a registered transfer agent in Draper, Utah, and James W. Farrell, its trustee, after finding that from January 1990 through November 1999 Alpha Tech had repeatedly violated various rules applicable to transfer agents. Over the nine-year period, Commission examiners conducted examinations of Alpha Tech's books and records and discovered in each examination areas of noncompliance by Alpha Tech. Alpha Tech failed to correct the deficiencies after the examiners sent deficiency letters and discussed with Farrell the actions necessary for compliance. Further, Alpha Tech frequently disregarded deficiency letters received from the examination staff requesting Alpha Tech to provide additional information regarding the steps that it had taken or would be taking to address the deficiencies described in the letters.

In the Order, the Commission found that, from January 1990 through November 1999, Alpha Tech willfully and repeatedly violated various rules applicable to registered transfer agents. The Commission also found that Farrell, a resident of Sandy, Utah, who has been solely responsible for Alpha Tech's business activities since its registration with the Commission in March 1989, willfully aided and abetted Alpha Tech's violations.

The Commission censured both Alpha Tech and Farrell and ordered them to cease and desist from committing or causing any violation and any future violation of Sections 17(a)(3) and 17A(d)(1) of the Securities Exchange Act of 1934 and various rules thereunder. The Commission ordered them to pay jointly a \$10,000 civil money penalty and to engage an independent certified public accountant to review Alpha Tech's books and records semiannually for a period of two years and report on Alpha Tech's compliance with these rules. Both

Alpha Tech and Farrell consented to the entry of the Order without admitting or denying its findings. (Rel. 34-43184; File No. 3-10273)

COURT ENTERS FINAL JUDGMENTS BY DEFAULT AGAINST THREE DEFENDANTS IN SPECIALIZED MOBILE RADIO FRAUD

The Commission announced that on July 31, 2000, the Honorable Colleen Kollar-Kotelly, United States District Court Judge for the District of Columbia, granted the Commission's application for default judgments against defendants John Larson, Commonwealth Communications Group (CCG) and Marjet Corp. (Marjet). The final judgements ordered the defendants to pay the following sums: (1) Larson and CCG, jointly and severally, \$385,648 disgorgement, \$145,052 prejudgment interest and \$385,648 penalty; and (2) Marjet \$206,615 disgorgement, \$77,706 prejudgment interest and \$206,615 penalty. The judgment against Marjet holds Marjet jointly and severally liable with other defendants previously enjoined in the case and held liable for Marjet's amounts of disgorgement, interest and penalty. The Court found that the disgorgement amounts represented the amount of investor funds received by the defendants as a result of their unlawful conduct.

¹⁷ According to the complaint, which was filed on March 2, 1999, these three defendants and other defendants engaged in fraud in connection with the offer and sale to the public of securities designated as partnership units in three general partnerships formed to develop specialized mobile radio systems in Albany, New York, Reno, Nevada and Anchorage, Alaska. The complaint alleges that Marjet and other defendants controlled the specialized mobile radio licenses. These defendants failed to disclose this control and Marjet's sale of the licenses to the partnerships at enormously excessive prices. The complaint further alleges that Larson and CCG, his wholly controlled company, among others, functioned as brokers in selling the securities without first having registered as such as required by applicable securities laws. Further, Larson and CCG used a variety of false and misleading sales literature, correspondence and telephone statements to sell the securities. These defendants failed to answer, plead or otherwise respond to the Commission's complaint. The Court enjoined each of these three defendants from violating the antifraud provisions of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. The Court also enjoined Larson and CCG from violating the securities registration provisions of Sections 5(a) and (c) of the Securities Act. Further, the Court enjoined defendants Larson and CCG from violating the broker-dealer registration provisions of Section 15(a) of the Exchange Act. For further information see also Lit. Rel. No. 16073 and 16592. [SEC v. Internet Telecommunications Albany System SMR, et al., Civil Action No. 1:99CV00539, CKK, D.D.C.] (LR-16660)

INVESTMENT COMPANY ACT RELEASES

COLCHESTER STREET TRUST, ET AL.

An order has been issued on an application filed by Colchester Street Trust, et al. under Sections 6(c), 12(d)(1)(J), and 17(b) of the Investment Company Act and under Section 17(d) and Rule 17d-1 permitting certain joint transactions. The order amends a prior order that permits an interfund lending and borrowing facility. (Rel. IC-24602 – August 21)

HOLDING COMPANY ACT RELEASES

EXELON CORPORATION

A notice has been issued giving interested persons until September 12, 2000, to request a hearing on a proposal by Exelon Corporation, a Pennsylvania corporation and a subsidiary of PECO Energy Company (PECO), a public utility holding company claiming exemption from registration under Section 3(a)(1) of the Act by Rule 2, to acquire all of the issued and outstanding shares of common stock of PECO and Unicom Corporation, a public utility holding company exempt from registration under Section 3(a)(1) of the Act by order of the Commission. Exelon Corporation further seeks authority to form one or more subsidiary service companies in order to provide intra-system services after the consummation of the proposed acquisitions, and to engage in various related transactions, including certain proposed corporate restructurings. (Rel. 35-27214)

CP&L ENERGY, INC.

A notice has been issued giving interested persons until September 14, 2000, to request a hearing on a proposal by CP&L Energy (CP&L Energy), a public utility holding company claiming exemption under Section 3(a)(2) of the Act, its subsidiaries Carolina Power & Light Company, North Carolina Natural Gas Corporation and Strategic Resource Solutions Corp., Florida Progress Corporation (FPC), a holding company claiming exemption under Section 3(a)(1) of the Act, and FPC's subsidiaries Florida Power Corporation, Progress Capital Holdings, Inc., Florida Progress Funding Corporation, and FPC Del, Inc. (collectively, Applicants). Applicants seek approval of an external financing program, credit support arrangements, and other proposals related to the acquisition of FPC by CP&L Energy. (Rel. 35-27215)

SELF-REGULATORY ORGANIZATIONS

DELISTINGS GRANTED

An order has been issued granting the application of the New York Stock Exchange to strike from listing and registration Tokheim Corporation, Common Stock, without par value. (Rel. 34-43178)

An order has been issued granting the application of the Pacific Exchange to strike from listing and registration Harnischfeger Industries, Inc., Common Stock, \$1.00 par value. (Rel. 34-43179)

An order has been issued granting the application of the New York Stock Exchange to strike from listing and registration Congoleum Corporation, Class A Common Stock, \$.01 par value. (Rel. 34-43180)

An order has been issued granting the application of the Philadelphia Stock Exchange to strike from listing and registration Century Industries, Inc., Class A Common Stock, \$.001 par value, and Class B Common Stock, \$.001 par value. (Rel. 34-43181)

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 O2MICRO INTERNATIONAL LTD, TRANSNATIONAL HOUSE WEST BAY ROAD,
P O BOX 1794 GEORGETOWN, GRAND CAYMAN, E9 00000 (408) 987-5920 -
4,600,000
(\$41,400,000) FOREIGN COMMON STOCK. (FILE 333-12386 - AUG. 11) (BR. 5
- NEW ISSUE)
- S-1 FIBERNET TELECOM GROUP INC\, 570 LEXINGTON AVENUE, 3RD FLOOR, NEW
YORK,
NY 10022 (212) 405-6200 - \$143,750,000 COMMON STOCK. (FILE 333-43788 -
AUG. 15) (BR. 7)
- S-3 BRITESMILE INC, 490 NORTH WIGET LANE, WALNUT CREEK, CA 94598
(925) 941-6260 - 9,385,113 (\$46,338,995) COMMON STOCK. (FILE 333-43790
-
AUG. 15) (BR. 5)

S-4 TEKNI PLEX INC, 201 INDUSTRIAL PKWY, SOMERVILLE, NJ 08876 (908) 722-4800
 - 275,000,000 (\$275,000,000) STRAIGHT BONDS. (FILE 333-43800 - AUG. 15)
 (BR. 6)

S-8 SATCON TECHNOLOGY CORP, 161 FIRST STREET, CAMBRIDGE, MA 02142
 (617) 661-0540 - 1,716,000 (\$44,937,750) COMMON STOCK. (FILE 333-43802 - AUG. 15) (BR. 5)

S-8 NEW ENGLAND BUSINESS SERVICE INC, 500 MAIN ST, GROTON, MA 01471
 (508) 448-6111 - 1,000,000 (\$19,687,000) COMMON STOCK. (FILE 333-43804 - AUG. 15) (BR. 5)

SB-2 TALK VISUAL CORP, 3550 BISCAYNE BLVD, SUITE 704, MIAMI, FL 33137
 (310) 348-7266 - 56,018,307 (\$24,225,000) COMMON STOCK. (FILE 333-43806 - AUG. 15) (BR. 3)

S-3 UNUMPROVIDENT CORP, 2211 CONGRESS STREET, PORTLAND, MA 04122
 (207) 770-2211 - 1,000,000,000 (\$1,000,000,000) COMMON STOCK. (FILE 333-43808 - AUG. 15) (BR. 1)

S-8 ACORN PRODUCTS INC, 390 DUBLIN AVENUE, COLUMBUS, OH 43215 (614) 222-4400
 - 270,000 (\$320,625) COMMON STOCK. (FILE 333-43810 - AUG. 15) (BR. 6)

S-3 CONSOLIDATED EDISON CO OF NEW YORK INC, 4 IRVING PL, NEW YORK, NY 10003
 (212) 460-4600 - 500,000,000 (\$500,000,000) STRAIGHT BONDS. (FILE 333-43816 - AUG. 15) (BR. 2)

S-8 DELTAGEN INC, 1003 HAMILTON AVENUE, MENLO PARK, CA 94025 (650) 752-0200
 - 10,922,034 (\$164,158,171.02) COMMON STOCK. (FILE 333-43818 - AUG. 15)
 (BR. 1)

S-8 AVON PRODUCTS INC, PECK & MIDLAND AVE, RYE, NY 10580 (914) 935-2152
 - 18,250,000 (\$730,000,000) COMMON STOCK. (FILE 333-43820 - AUG. 15)
 (BR. 2)

S-8 SPECTRASITE HOLDINGS INC, 100 REGENCY FOREST DR, SUITE 400, CARY, NC 27511 (919) 468-0112 - 1,000,000 (\$21,875,000) COMMON STOCK. (FILE 333-43824 - AUG. 15) (BR. 7)

S-8 SPECTRASITE HOLDINGS INC, 100 REGENCY FOREST DR, SUITE 400, CARY, NC 27511 (919) 468-0112 - 10,000,000 (\$218,750,000) COMMON STOCK. (FILE 333-43826 - AUG. 15) (BR. 7)

S-8 LEXAR MEDIA INC, 47421 BAYSIDE PARKWAY, FREMONT, CA. 94538 (510) 413-1200
- 12,827,885 (\$89,017,059) COMMON STOCK. (FILE 333-43828 - AUG. 15)
(BR. 5)

S-8 PRIVATEBANCORP INC, TEN NORTH DEARBORN SUITE 900, CHICAGO, IL 60602
- 325,000 (\$4,712,500) COMMON STOCK. (FILE 333-43830 - AUG. 15) (BR. 7)

S-8 DOT HILL SYSTEMS CORP, 6305 EL CAMINO REAL, CARLSBAD, CA 92009
(212) 989-4455 - 500,000 (\$4,506,270) COMMON STOCK. (FILE 333-43834 -
AUG. 15) (BR. 3)

S-8 ORACLE CORP /DE/, 500 ORACLE PKWY, REDWOOD CITY, CA 94065 (415) 506-7000
- 4,000 (\$322,360) COMMON STOCK. (FILE 333-43836 - AUG. 15) (BR. 3)

S-8 I2 TECHNOLOGIES INC, ONE I2 PLACE, 11701 LUNA RD, DALLAS, TX 75234
(464) 357-1000 - 220,000 (\$25,856,600) COMMON STOCK. (FILE 333-43838 -
AUG. 15) (BR. 3)

S-3 BOTTOMLINE TECHNOLOGIES INC /DE/, 155 FLEET ST, PORTSMOUTH, NH 03801
(603) 436-0700 - 615,764 (\$16,243,854) COMMON STOCK. (FILE 333-43842 -
AUG. 15) (BR. 3)

S-8 AT COMM CORP, 577 AIRPORT BLVD STE 700, BURLINGAME, CA 94010
(650) 375-8188 - 727,095 (\$18,359,148) COMMON STOCK. (FILE 333-43844 -
AUG. 15) (BR. 3)

S-3 US ONCOLOGY INC, 16825 NORTHCHASE DR, STE 1300, HOUSTON, TX 77060
(281) 873-2674 - 4,000,000 (\$19,880,000) COMMON STOCK. (FILE 333-43846
-
AUG. 15) (BR. 1)

S-8 GLACIER WATER SERVICES INC, 2261 COSMOS CT, CARLSBAD, CA 92009
(619) 930-2420 - 245,000 (\$2,909,693.50) COMMON STOCK. (FILE 333-43848
-
AUG. 15) (BR. 2)

S-8 ELOQUENT INC, 2000 ALAMEDA DE LAS PULGAS, SAN MATEO, CA 94301
(650) 294-6500 - 2,000,000 (\$9,812,500) COMMON STOCK. (FILE 333-43850
-
AUG. 15) (BR. 3)

S-8 TURBODYNE TECHNOLOGIES INC, 21700 OXNARD STREET, SUITE 1550,
WOODLAND HILLS, CA 91367 (818) 593-2282 - 4,800,000 (\$3,600,000)
COMMON STOCK. (FILE 333-43852 - AUG. 15) (BR. 5)

S-8 GENERAL BINDING CORP, ONE GBC PLZ, NORTHBROOK, IL 60062 (847) 272-3700
- 75,000 (\$585,975) COMMON STOCK. (FILE 333-43856 - AUG. 15) (BR. 3)

S-3 AFFORDABLE TELECOMMUNICATIONS TECHNOLOGY CORP, 6227 SOUTH WEST
FREEWAY,
HOUSTON, TX 77074 (713) 988-8884 - 3,711,100 (\$927,775) COMMON STOCK.
(FILE 333-43858 - AUG. 16) (BR. 9)

S-8 PNW CAPITAL INC, 409 GRAINVILLE STREET,, SUITE 1010, BC V4A 6E7, A1
00000 (604) 609-0409 - 5,000,000 (\$250,000) COMMON STOCK. (FILE 333-
43860
- AUG. 16) (BR. 8)

S-3 WADDELL & REED FINANCIAL INC, 6300 LAMAR AVE, P O BOX 29217,
OVERLAND PARK, KS 66202 (913) 236-2000 (FILE 333-43862 - AUG. 16) (BR.
7)