

# SEC NEWS DIGEST

Issue 2001-5

January 8, 2001

---

## COMMISSION ANNOUNCEMENTS

---

### MEDIA ADVISORY

Washington, DC, January 7, 2001

**Chairman Levitt to Deliver Speech on Market Structure Issues**

**Staff Report on Order Execution Quality Available**

**Staff Briefing on Report and Speech**

**What:** Securities and Exchange Commission Chairman Arthur Levitt will deliver a policy address concerning the framework of the National Market System. He will discuss the framework's goal of competing, transparent, connected markets and how it relates to the forces of technological innovation and globalization that are sweeping our markets

**When:** Monday, January 8, 2001 at 5:30 p m PST

**Where:** Stanford Law School  
Room 290  
559 Nathan Abbott Way  
Stanford, CA

\* \* \* \* \*

**Report:** To receive an embargoed copy of the order execution quality report via e-mail, call 202.942.0020. (Available as of 9:00 a m. EST 1/8/01.) *Upon its availability the speech will be e-mailed to those who request the report.*

**Briefing:** SEC Staff will conduct a background briefing on the report and the speech on Monday, January 8, 2001 at 2:00 p.m. EST at the Securities and Exchange Commission, Room 1C50.

**Embargo:** The report, speech, and information from the briefing are embargoed until January 8, 2001 at 4:00 p m EST

**Teleconference:** To receive the teleconference call-in number call 202 942 0020.

**Other:** Credentialed media only, pen and pad only; no cameras; no tape recording for broadcast.

(Press Rel 2001-5

---

## **ENFORCEMENT PROCEEDINGS**

---

### **SEC SUES STOCK PROMOTER AND TWO FORMER OFFICERS OF VIP GLOBAL CAPITAL, INC. FOR SECURITIES FRAUD**

The Commission announced that it filed a civil injunctive action alleging that Timothy S Vasko, the former chairman and CEO of VIP Global Capital, Inc , made materially misleading disclosure in VIP's filings with the Commission, particularly with respect to VIP's credit arrangement with its major source of financing; that Vasko and Edward B Williamson, a stock promoter who published an investment newsletter, engaged in a scheme to tout VIP and manipulate the market for VIP's securities; and that Michael J Schuchard, a former senior vice president and member of VIP's board who also worked as a registered representative of a broker-dealer, fraudulently sold securities of VIP to his brokerage customers VIP, a now defunct holding company based in Denver, Colorado, was in the business of acquiring distressed businesses and trying to make them profitable.

The Commission's complaint seeks an order enjoining Vasko from violating Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5 and 13b2-1 and from aiding and abetting violations of Section 13(a) of the Exchange Act and Rule 13a-1, and imposing civil monetary penalties pursuant to Section 21 (d)(3) of the Exchange Act

Williamson, without admitting or denying the allegations of the complaint, has agreed to a settlement whereby he would be permanently enjoined from violating Sections 17(a) and 17(b) of the Securities Act, Section 10(b) of the Exchange Act, and Rule 10b-5, and would pay a \$10,000 civil penalty. Schuchard, without admitting or denying the allegations of the complaint, has agreed to a settlement whereby he would be permanently enjoined from violating Section 17(a) of the Securities Act. Section 10(b) of the Exchange Act, and Rule 10b-5, and from aiding and abetting violations of Section

13(a) of the Exchange Act and Rule 13a-1. Schuchard has consented to pay \$11,558 in disgorgement, representing illegal profits arising from his conduct, plus \$4,784.58 in prejudgment interest. Schuchard also has agreed, upon entry of the final judgment in this action, to the issuance of a Commission order pursuant to Sections 15(b)(6) and 19(h) of the Exchange Act that would bar him from association with any broker or dealer [SEC v. Timothy S. Vasko, Edward B. Williamson, and Michael J. Schuchard, U.S. District Court for the District of Colorado, C.A. No. 00-M-2592, December 29, 2000] (LR-16855)

---

## **HOLDING COMPANY ACT RELEASES**

---

### **NATIONAL GRID USA SERVICE COMPANY, INC.**

An order has been issued authorizing a proposal by National Grid USA Service Company, Inc. (Service Company) (formerly, New England Power Service Company), a direct wholly owned nonutility service company subsidiary of National Grid USA (collectively, Applicants), and an indirect wholly owned subsidiary of The National Grid Group PLC, a registered public utility holding company, to: (1) restructure Service Company's capitalization to reduce its equity capital, and (2) change Service Company's formula for its return on equity. Applicants request Commission authorization for the changes in Service Company's return on equity formula through December 31, 2004 (Rel. 35-27333)

### **ENTERGY CORP.**

An order has been issued authorizing Entergy Corporation (Entergy), a registered holding company, to acquire, directly or indirectly, through December 31, 2005, up to \$1.2 billion in energy-related, nonutility assets that are incidental to energy marketing and brokering, or the equity securities of companies substantially all of whose physical assets consist of those assets, and to engage in related transactions, all in connection with establishment and operation of a new subsidiary to be owned jointly by Entergy and a third party, Koch Energy, Inc. (Rel. 35-27333)

---

## **SELF-REGULATORY ORGANIZATIONS**

---

### **ACCELERATED APPROVAL OF A PROPOSED RULE CHANGE**

The Commission published notice and granted accelerated approval of a proposed rule change (SR-EMCC-00-07) filed by the Emerging Markets Clearing Corporation under Section 19(b)(1) of the Exchange Act. The proposed rule change allows EMCC to remove a security from its list of EMCC eligible instruments and to exit open

transactions in that security from its clearance system. Publication of the proposal is expected in the Federal Register during the week of January 8 (Rel 34-43810)

## **PROPOSED RULE CHANGES**

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-00-08) under Section 19(b)(1) of the Securities Exchange Act that would enable GSCC to provide offsets in the clearing fund calculation for category 2 levels of membership for dealers and futures commission merchants that meet all of GSCC's requirements for participating in the netting system but have less net worth than GSCC's category 1 dealers and FCMs. Publication of the proposal is expected in the Federal Register during the week of January 8. (Rel. 34-43793)

The Government Securities Clearing Corporation filed a proposed rule change (SR-GSCC-00-10) under Section 19(b)(1) of the Exchange Act. The proposed rule change will amend GSCC's rules relating to the submission of repo collateral substitutions. Publication of the proposal is expected in the Federal Register during the week of January 8 (Rel 34-43794)

The Emerging Markets Clearing Corporation filed a proposed rule change (SR-EMCC-00-08) under Section 19(b)(1) of the Exchange Act. The proposed rule change would permit members to satisfy clearing fund obligations with either immediately available funds or eligible treasury securities. Publication of the proposal is expected in the Federal Register during the week of January 8. (Rel 34-43808)

---

## **RECENT 8K FILINGS**

---

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		
ABAXIS INC	CA					X					10/04/00	AMEND
ADELPHIA COMMUNICATIONS CORP	DE					X	X				01/01/01	
ALASKA AIR GROUP INC	DE									X	01/05/01	
ALTEON INC /DE	DE					X					01/03/01	
AMERICAN ITALIAN PASTA CO	DE					X	X				01/05/01	
AMERICREDIT CORP	TX					X	X				01/05/01	
AMERINET GROUP COM INC	DE					X	X				12/21/00	
AMORTIZING RESI COLLATERAL TR MOR P AS THRU CERT SER 2000-BC3	DE					X	X				12/01/00	
APPLIED FILMS CORP	CO		X					X			12/31/00	
AREMISSOFT CORP /DE/	DE					X					01/05/01	
BATTLE MOUNTAIN GOLD CO	NV					X	X				01/05/01	
BELMONT BANCORP	OH						X	X			01/05/01	
BETHURUM LABORATORIES INC	UT					X	X				11/22/00	
CHARTER COMMUNICATIONS HOLDINGS CAP ITAL CORP	DE					X	X				01/05/01	
CHARTER COMMUNICATIONS HOLDINGS LLC	DE					X	X				01/05/01	
CHARTER COMMUNICATIONS INC /MO/	DE					X	X				01/05/01	
CHRYSLER FINANCIAL CO LLC	MI					X	X				12/21/00	
CLAIMSNET COM INC	DE							X	X		01/04/01	
CLEVELAND CLIFFS INC	OH							X	X		01/04/01	
CNL HOSPITALITY PROPERTIES INC	FL	X									12/21/01	
CSB BANCORP INC /OH	OH					X	X				01/04/01	
CTB INTERNATIONAL CORP	DE		X								01/05/01	
CV THERAPEUTICS INC	DE					X	X				01/05/01	
CWMBBS INC	DE					X	X				08/31/00	
CYBEROPTICLABS INC	NY		X								01/02/01	
EPLUS INC	DE					X					12/27/00	
EPLUS INC	DE					X					12/27/00	
EUROPEAN MICRO HOLDINGS INC	NV					X					12/28/00	
EUROPEAN MICRO HOLDINGS INC	NV					X					12/28/00	AMEND
FAIRPOINT COMMUNICATIONS INC	DE					X	X				01/05/01	
FIRST UNION COMMERCIAL MORTGAGE SEC URITIES INC	NC	X									12/18/00	
GE CAPITAL MORTGAGE SERVICES INC	NJ					X	X				12/26/00	
GIGA INFORMATION GROUP INC	DE					X	X				01/04/01	
GLOBALMEDIA COM	NV					X	X				12/29/00	
GREEN MOUNTAIN POWER CORP	VT	X									01/05/01	
GREENHOLD GROUP INC	FL	X	X					X			12/21/00	
GREENWICH CAPITAL ACCEPTANCE INC	DE					X	X				12/21/00	
HANOVER DIRECT INC	DE					X	X				01/05/01	
HEALTH MANAGEMENT ASSOCIATES INC	DE					X					01/02/01	

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT
		1	2	3	4	5	6	7	8	9		
HOME SECURITY INTERNATIONAL INC	DE		X					X			12/22/00	
HUMANA INC	DE					X	X				01/05/01	
INDIANA GAS CO INC	IN					X					01/05/01	
INFINITY BROADCASTING CORP /DE/	DE					X	X				01/05/01	
KVH INDUSTRIES INC \DE\	DE	X									12/29/00	
LAHAINA ACQUISITIONS INC	CO		X								12/29/00	
LANGER BIOMECHANICS GROUP INC	NY	X						X			12/28/00	

LEHMAN BROTHERS HOLDINGS INC	DE						X	X			01/05/01	
LIFECCELL CORP	DE						X	X			01/05/01	
LOTUS PACIFIC INC	DE						X				01/05/01	
MAVERICK TUBE CORPORATION	DE							X	X		01/05/01	
MCLEODUSA INC	DE							X	X		01/03/01	
MODEM MEDIA INC	DE						X	X			12/22/00	AMEND
MONEY STORE ASSET BACKED CERTIFICAT ES SERIES 1998-B							X	X			12/15/00	
MONEY STORE HOME EQUITY LOAN TRUST 1998-A	NJ						X	X			12/15/00	
MONEY STORE HOME IMPROVEMENT LOAN B ACKED CERT SERIES 1998-I							X	X			12/15/00	
MONEY STORE RESIDENTIAL TRUST 1998- I	NJ						X	X			12/15/00	
MONEY STORE TRUST 1998 C							X	X			12/15/00	
MULTIMEDIA K I D INC	DE						X				12/21/00	
NEMATRON CORP	MI						X				12/21/00	
NEWFIELD EXPLORATION CO /DE/	DE						X				12/29/00	
NEXT GENERATION MEDIA CORP	NV					X		X			07/07/00	
PACIFIC GAS & ELECTRIC CO	CA						X				01/05/01	
PAN PACIFIC RETAIL PROPERTIES INC	MD						X	X			01/04/01	
PENNACO ENERGY INC	DE						X	X			12/22/00	
PENNSYLVANIA REAL ESTATE INVESTMENT TRUST	PA						X	X			01/05/01	
PETROQUEST ENERGY INC	DE							X			12/27/00	AMEND
PG&E CORP	CA						X				01/05/01	
POINTE FINANCIAL CORP	FL						X	X			01/04/01	
PRANDIUM INC	DE	X					X				12/29/00	
PRINCETON VIDEO IMAGE INC	NJ						X	X			12/28/00	
PROBEX CORP	CO							X			09/29/00	AMEND
QAD INC	DE						X	X			12/28/00	
QUADRIC ACQUISITION CORP						X		X			01/03/01	
RDO EQUIPMENT CO	DE						X	X			12/29/00	
READING ENTERTAINMENT INC	DE							X			01/05/01	
REALCO INC /NM/	NM	X									12/31/00	
	STATE										8K ITEM NO.	
NAME OF ISSUER	CODE	1	2	3	4	5	6	7	8	9	DATE	COMMENT
RESIDENTIAL ASSET MORTGAGE PRODUCTS INC	DE							X			12/21/00	
RESIDENTIAL FUNDING MORTGAGE SECURI TIES II INC	DE							X			12/21/00	
RIBOZYME PHARMACEUTICALS INC	CO					X		X			12/29/00	
ROYAL BODYCARE INC/NV	DE				X			X			12/15/00	
SALIENT 3 COMMUNICATIONS INC	DE					X					12/29/00	
SANTA FE GAMING CORP	NV					X		X			12/29/00	
SAXON ASSET SEC TRUST 2000 1 MTG LN ASSET BK CERT SER 2000 1	VA	X									12/26/00	
SECURITY CAPITAL CORP/DE/ SEMTECH CORP	DE		X					X			12/21/00	
SIERRA HEALTH SERVICES INC	DE					X		X			01/04/01	
SIERRA HEALTH SERVICES INC	NV			X							01/05/01	
SINGING MACHINE CO INC	DE					X		X			01/05/01	
SOFTLOCK COM INC	DE					X					01/04/01	
ST JOHN KNITS INTERNATIONAL INC	DE					X		X			01/04/01	
ST MARY LAND & EXPLORATION CO	DE		X					X			01/04/01	
STERLING FINANCIAL CORP /PA/	PA	X									12/29/00	

STILWELL FINANCIAL INC	DE						X	X	01/05/01
STRATUS PROPERTIES INC	DE					X			01/05/01
STRUCTURED ASSET SEC CORP COMM MORT	DE		X				X		12/21/00
PAS THR CERT SER 2000 C5									
SURGE COMPONENTS INC	NY					X	X		12/04/00
TANDYCRAFTS INC	DE					X	X		01/05/01
TECHNOLOGY SYSTEMS INTERNATIONAL IN	FL	X					X		01/05/01
C /FL/									
TEXAS BIOTECHNOLOGY CORP /DE/	DE					X			01/02/01
TOYOTA AUTO LEASE TRUST 1997-A	CA					X	X		12/26/00
TOYOTA AUTO LEASE TRUST 1998 C	CA					X	X		12/26/00
TOYOTA AUTO LEASE TRUST 1998-B	CA					X	X		12/26/00
TRADESTATION GROUP INC	FL		X				X		12/29/00
TZF INTERNATIONAL INVESTMENTS INC	NV	X							12/21/00
U S INDUSTRIAL SERVICES INC	DE	X					X		12/21/00
U S VISION INC						X	X		12/27/00
U S WIRELESS DATA INC	CO		X			X	X		12/21/00
UNION PLANTERS MORT FIN CORP PAS TH	DE					X	X		07/25/00
RU CERT SE 2000 1									
UNION PLANTERS MORT FIN CORP PAS TH	DE					X	X		08/25/00
RU CERT SE 2000 1									
UNION PLANTERS MORT FIN CORP PAS TH	DE					X	X		09/25/00
RU CERT SE 2000 1									
UNION PLANTERS MORT FIN CORP PAS TH	DE					X	X		10/25/00
RU CERT SE 2000 1									

NAME OF ISSUER	STATE CODE	8K ITEM NO.									DATE	COMMENT	
		1	2	3	4	5	6	7	8	9			
UNION PLANTERS MORT FIN CORP PAS TH	DE					X	X					11/25/00	
RU CERT SE 2000 1													
UNION PLANTERS MORT FIN CORP PAS TH	DE					X	X					12/25/00	
RU CERT SE 2000 1													
USA BIOMASS CORP	DE					X						01/03/01	
UTI ENERGY CORP	DE					X	X					01/05/01	
VECTREN CORP	IN					X	X					12/22/00	
VECTREN CORP	IN					X						01/05/01	
VERDANT BRANDS INC	MN					X	X					01/04/01	
VIACOM INC	DE					X	X					01/05/01	
VIDELOCITY INTERNATIONAL INC	NV		X			X	X					12/22/00	
WATTAGE MONITOR INC	NV					X	X					01/05/01	
WILLIAMS COMPANIES INC	DE					X	X					12/26/00	
WISCONSIN PUBLIC SERVICE CORP	WI					X						01/01/01	
WORLD ACCESS INC /NEW/	DE					X	X					01/02/01	
WORLDWIDE XCEED GROUP INC	DE					X	X					01/05/01	
WPS RESOURCES CORP	WI					X						01/01/01	
3DSHOPPING COM	CA					X	X					12/06/00	