

SEC NEWS DIGEST

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COMMISSION ANNOUNCEMENTS

ELIZABETH KING NAMED ASSOCIATE DIRECTOR OF THE DIVISION OF MARKET REGULATION

Securities and Exchange Commission Market Regulation Director Annette L. Nazareth today announced that Elizabeth K. King has been named Associate Director in that Division. In her new position, Ms. King will share responsibilities with current Associate Director Belinda Blaine for the Office of Market Supervision, including regulation and oversight of the exchanges and the NASD.

Ms. Nazareth said, "Elizabeth is a tremendous asset to the Division. She is hard working, and her abilities will prove invaluable during this important period in the development of our securities markets. Her judgment and advice have been key to the success of many of the important reforms to the U.S. securities markets. I know she will be a success in her new position."

Ms. King has been an attorney in the Division of Market Regulation since 1993, serving most recently as Senior Special Counsel to the Director. In that position, she played a central role in developing the Commission's positions on many important market issues. Ms. King also led the team of lawyers that updated the Commission's regulation of national securities exchanges and alternative trading systems.

Ms. King, 33, is a graduate of the University of Pennsylvania School of Law and Duke University. She is a member of the Virginia and District of Columbia bars. (Press Rel. 2000-26)

APRIL 2000 REGULATORY FLEXIBILITY ACT AGENDA

The Commission has authorized the publication of its April 2000 Regulatory Flexibility Act Agenda. The agenda is a general announcement to the public intended to provide advance notice of rulemaking actions. The agenda, which will not be available to the public until its publication, has been submitted by the Commission to the Regulatory Information Service Center for inclusion in the Unified Agenda of Federal Regulations scheduled for publication.

in the Federal Register in April 2000. Public comments regarding the agenda and the individual agenda entries are due by June 30, 2000. (Rel Nos. 33-7807, 34-42499, 35-27146, 39-2383; IC-24328, IA-1859, File No S7-07-00)

ENFORCEMENT PROCEEDINGS

COMMISSION REJECTS EAJA CLAIM OF RITA VILLA

The Commission has denied the application of Rita C. Villa of Los Angeles for reimbursement of attorneys' fees and costs under the Equal Access to Justice Act (EAJA). Villa was chief accounting officer, controller, and a vice president of First Capital Holdings Corp. (FCH), a California financial services holding company whose principal subsidiaries were two life insurance companies.

Villa's EAJA claim arose from the Commission's dismissal of its proceeding charging Villa with causing FCH to violate reporting and recordkeeping provisions of the securities acts. The EAJA provides that a respondent who has prevailed against a government agency in an adversary adjudication may recover the fees and expenses incurred unless the position of the agency was "substantially justified." In denying Villa's EAJA claim, the Commission concluded that its staff's position in the underlying action against Villa was substantially justified. It determined that, in connection with FCH's concealment of the proposed disallowance of its subsidiary's claimed statutory surplus by the California Department of Insurance, there was a reasonable basis for charging that Villa knew or should have known that she was breaching her affirmative duties of accurate reporting and recordkeeping. (Rel. 34-42502, File No. 3-8527 EAJ)

SEC FILES SETTLED FINANCIAL FRAUD CASE AGAINST INAMED CORPORATION'S FORMER CEO DONALD MCGHAN

On March 8, the Securities and Exchange Commission filed a settled civil injunctive action against Donald K. McGhan, Inamed Corporation's former Chairman and Chief Executive Officer (SEC v. Donald K. McGhan, Civ. Action No. 00CV00475). The complaint alleges that in 1996 and 1997, Inamed Corporation, a publicly owned breast implant manufacturer, made materially false and misleading statements and omissions in its financial statements and periodic reports filed with the Commission and in press releases distributed to the investing public. As Inamed's former Chairman and Chief Executive Officer, McGhan was responsible for the company's public financial disclosures and either knew or was reckless in not knowing of the company's materially false and misleading statements and omissions during this period. Without admitting or denying the allegations of the complaint, McGhan consented to the entry of a final judgment permanently enjoining him from violating the antifraud, record-keeping and internal controls provisions of Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 and Rules 10b-5 and 13b2-1, thereunder, and ordering him to pay a \$50,000 civil penalty.

The complaint alleges that Inamed failed to record a \$1.4 million interest expense relating to a waiver of an indenture default and thus materially overstated income and shareholder equity for the quarter ended June 30, 1996. McGhan signed the Form 10-Q and knew or was reckless in not knowing that it contained false and misleading financial statements. For the quarter ended September 30, 1996, the complaint alleges that McGhan knowingly or recklessly caused Inamed to improperly reduce the allowance for product returns by nearly \$1.9 million from the prior quarter, which resulted in material overstatements in Inamed's pre-tax income and shareholder equity.

The complaint also alleges that between May and September 1997, McGhan was unable to resolve Inamed's several outstanding issues with its auditors. On September 9, 1997, over five months after the required filing date, McGhan reviewed and authorized Inamed's filing of its Annual Report on Form 10-K with unaudited financial statements. Where the auditor's report should have been located in the Form 10-K, Inamed simply inserted the notation "To Come." McGhan caused Inamed to make the filing without informing its auditors, whose work on the audit continued, and without a chief financial officer to review the financial statements. Inamed again understated its allowance for product returns and incorrectly recorded a deferred tax asset of \$2,022,382. Moreover, Inamed failed properly to account for its intercompany transfers of inventory and the concomitant elimination of intercompany profit, resulting in approximately a \$1.2 million overstatement of inventories and gross profit. The cumulative effect of these misstatements was that Inamed reported a net loss of \$7,071,660, or \$0.91 per share, when it should have reported a net loss of at least \$11,379,000, or \$1.46 per share, a 60% understatement. Thus, had Inamed correctly reported its losses, the company's losses on a per share basis would have increased substantially from the prior year, rather than remaining the same. The complaint alleges that McGhan knew or was reckless in not knowing that Inamed's unaudited financial statements in its 1996 Form 10-K were false and misleading. Inamed also failed to disclose a related party transaction between the company and an entity controlled by McGhan.

The complaint also alleges that in connection with a default of a covenant relating to approximately \$6 million of convertible debentures issued in January 1997, Inamed, at the direction of McGhan, failed to disclose either the default or the additional costs associated with the default in its quarterly reports for the periods ended March 31, June 30 and September 30, 1997. As a result Inamed failed to report interest expense of \$192,067 for the period ended March 31, 1997, \$736,000 for the six months ended June 30, 1997 and \$1.2 million for the nine months ended September 30, 1997. The default costs alone caused Inamed's income to be materially overstated in each of its 1997 Form 10-Qs.

In a related cease-and-desist proceeding, *In the Matter of Inamed Corporation* (File No. 3-9976, August 17, 1999), the Commission entered a settled order against Inamed Corporation ordering it to cease-and-desist from violations from Sections 10(b), 13(B)(2)(A) and 13(B)(2)(B) of the Exchange Act and Rule 10b-5 thereunder [SEC v. Donald K. McGhan, Civ. Action No. 00CV00475] (LR-16466).

INVESTMENT COMPANY ACT RELEASES

AMERICAN INTERNATIONAL GROUP, INC., ET AL.

An order has been issued on an application filed by American International Group, Inc. (AIG), et al., under Section 6(c) of the Investment Company Act for an exemption from all provisions of the Act. The order permits certain subsidiaries of AIG to sell certain debt securities and use the proceeds to finance the business activities of certain companies controlled by AIG. (Rel IC-24331 - March 7)

CALAMOS ADVISORS TRUST, ET AL.

A notice has been issued giving interested persons until March 31 to request a hearing on an application filed by Calamos Advisors Trust and Calamos Asset Management, Inc. (collectively, Applicants). Applicants seek an order under Section 6(c) of the Investment Company Act granting exemptions from the provisions of Sections 9(a), 13(a), 15(a) and 15(b) of the Act and Rules 6e-2(b)(15) and 6e-3(T)(b)(15) thereunder, to the extent necessary to permit shares of any current or future series of the fund and shares of any other investment company that is offered as a funding medium for insurance products and for which Calamos Asset Management or any of its affiliates serve, now or in the future, as investment adviser, administrator, manager, principal underwriter, or sponsor, to be offered and sold to, and held by (1) variable annuity and variable life insurance separate accounts of both affiliated and unaffiliated life insurance companies, and (2) qualified pension and retirement plans outside of the separate account context. (Rel IC-24332 - March 7)

BANKERS TRUST COMPANY, ET AL.

The Commission has extended a temporary order exempting Bankers Trust Company (BT) and entities of which BT is or becomes an affiliated person from Section 9(a) of the Investment Company Act until the Commission takes final action on an application for a permanent order or, if earlier, July 10, 2000. (Rel IC-24333 - March 8)

HOLDING COMPANY ACT RELEASES

EASTERN UTILITIES ASSOCIATES

A notice has been issued giving interested persons until March 28 to request a hearing on a proposal by Eastern Utilities Associates (EUA), a registered holding company. EUA proposes to guarantee certain performance obligations of EUA Cogenex Corporation (Cogenex), a wholly owned subsidiary of EUA, in connection with (1) Cogenex's sale of certain assets to Fleet Business Credit Corporation (Fleet), and (2) the proposed

restructuring and additional funding by Fleet of certain Cogenex contracts previously sold to Fleet (Rel 35-27149)

VECTREN CORPORATION

An order has been issued authorizing Vectren Corporation (Vectren), an Indiana corporation not currently subject to the Act, to acquire all of the issued and outstanding common stock of SIGCORP, Inc and Indiana Energy, Inc, both Indiana corporations and public-utility holding companies exempt under Section 3(a)(1) by Rule 2 from all provisions of the Act except Section 9(a)(2) (Rel. 35-27150)

SELF-REGULATORY ORGANIZATIONS

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Philadelphia Stock Exchange relating to Registration and Annual Fees for Off-Floor Traders (SR-Phlx-00-09) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act. Publication of the proposal is expected in the Federal Register during the week of March 13. (Rel 34-42497)

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>

S-8 TOP IMAGE SYSTEMS LTD, 20 TUVAL ST, RAMAT GAN 52522 ISRAEL, L3 -
365,000 (\$1,226,085) FOREIGN COMMON STOCK. (FILE 333-11560 - FEB. 28)
(BR. 3)

F-3 NEXUS TELOCATION SYSTEMS LTD, 6B TFUZOT ISRAEL ST, GIVATAYIM 53583
ISRA,
L3 - 11,157,596 (\$55,787,980) FOREIGN COMMON STOCK. (FILE 333-11562 -
FEB. 28) (BR. 7)

F-6 RYANAIR HOLDINGS PLC /ADR, 48 WALL ST, C/O BANK OF NEW YORK, NEW YORK,

NY 10286 (212) 495-1727 - 10,000,000 (\$500,000)
DEPOSITARY RECEIPTS FOR COMMON STOCK. (FILE 333-11568 - FEB. 28) (BR. 99)

S-3 ANAREN MICROWAVE INC, 6635 KIRKVILLE RD, EAST SYRACUSE, NY 13057
(315) 432-8909 - 1,840,000 (\$131,394,400) COMMON STOCK. (FILE 333-31460 -
MAR. 02) (BR. 5)

S-3 FIRST UNION CORP, ONE FIRST UNION CTR, CHARLOTTE, NC 28288
(704) 374-6565 (FILE 333-31462 - MAR. 02) (BR. 7)

S-8 ESB FINANCIAL CORP, 600 LAWRENCE AVE, ELLWOOD CITY, PA 16117
(724) 758-5584 - 43,030 (\$331,761) COMMON STOCK. (FILE 333-31464 -
MAR. 02) (BR. 7)

S-8 FORD MOTOR CO, THE AMERICAN RD, DEARBORN, MI 48121 (313) 322-3000 -
175,000,000 (\$175,000,000) OTHER SECURITIES INCLUDING VOTING TRUST. (FILE
333-31466 - MAR. 02) (BR. 5)

S-8 AIRNET COMMUNICATIONS CORP, 100 RIALTO PLACE, SUITE 300, MELBOURNE, FL
32901 (407) 984-1990 - 2,950,000 (\$161,696,875) COMMON STOCK. (FILE
333-31468 - MAR. 02) (BR. 7)

S-4 LEAPNET INC, 22 W HUBBARD ST, CHICAGO, IL 60610 (312) 494-0300 -
14,000,000 (\$97,132,000) COMMON STOCK. (FILE 333-31470 - MAR. 02) (BR. 2)

S-3 SURGICAL SAFETY PRODUCTS INC, 2018 OAK TERRACE, SARASOTA, FL 34231
(941) 927-7874 - 20,038,097 (\$29,415,926) COMMON STOCK. (FILE 333-31472 -
MAR. 02) (BR. 9)

S-3 OSI PHARMACEUTICALS INC, 106 CHARLES LINDBERGH BLVD, UNIONDALE, NY
11553
(516) 222-0023 - 3,325,000 (\$74,912,250) COMMON STOCK. (FILE 333-31474 -
MAR. 02) (BR. 1)

S-8 NOVA PHARMACEUTICAL INC, 31712 CASINO DRIVE SUITE 7B, LAKE ELSINORE, CA
92530 - 2,000,000 (\$3,620,000) COMMON STOCK. (FILE 333-31480 - MAR. 02)
(BR. 9)

S-8 CONCORD COMMUNICATIONS INC, 600 NICKERSON RD, MARLBORO, MA 01752
(508) 460-4646 - 265,962 (\$437,451.43) COMMON STOCK. (FILE 333-31484 -
MAR. 02) (BR. 3)

S-8 MAJESTIC COMPANIES LTD, 8880 RIO SAN DIEGO 8TH FLOOR, SAN DIEGO, CA
92108 - 15,000,000 (\$1,607,000) COMMON STOCK. (FILE 333-31486 - MAR. 02)
(BR. 9)

S-8 SWITCHBOARD INC, 115 FLANDERS RD, WESTBOROUGH, MA 01581 (508) 898-1122
- 300,000 (\$4,500,000) COMMON STOCK. (FILE 333-31492 - MAR. 02) (BR. 8)

S-8 SWITCHBOARD INC, 115 FLANDERS RD, WESTBOROUGH, MA 01581 (508) 898-1122
- 4,721,376 (\$45,230,637) COMMON STOCK. (FILE 333-31498 - MAR. 02)
(BR. 8)

S-8 SECURITY FEDERAL CORPORATION, 1705 WHISKEY RD SOUTH, AIKEN, SC 29803
(803) 641-3000 - 40,000 (\$2,400,000) COMMON STOCK. (FILE 333-31500 -
MAR. 02) (BR. 7)

S-3 PACCAR FINANCIAL CORP, 777 106TH AVE N E, PO BOX 1518, BELLEVUE, WA 98004 (425) 455-7400 - 2,500,000,000 (\$2,500,000,000) STRAIGHT BONDS. (FILE 333-31502 - MAR. 02) (BR. 7)

S-3 KEYSTONE PROPERTY TRUST, 200 FOUR FALLS CORPORATE CENTER, SUITE 208, WEST CONSHOHOCKEN, PA 19428 (484) 530-1800 - 1,556,379 (\$19,548,120.24) COMMON STOCK. (FILE 333-31504 - MAR. 02) (BR. 8)

S-8 AMDOCS LTD, C/O TOWER HILL HOUSE, LE BORDAGE GYL 3QT, ST PETER PORT, E7 00000 (314) 821-3242 - 6,700,000 (\$412,678,460) FOREIGN COMMON STOCK. (FILE 333-31506 - MAR. 02) (BR. 3)

S-8 CORDIANT COMMUNICATIONS GROUP PLC /ADR, 48 WALL ST, C/O BANK OF NEW YORK, NEW YORK, NY 10286 (212) 495-1727 - 7,996,856 (\$42,171,436) FOREIGN COMMON STOCK. (FILE 333-31508 - MAR. 02) (BR. 2)

S-8 CAIS INTERNET INC, 1255 22ND STREET N W, FOURTH FLOOR, WASHINGTON, DC 20037 (202) 715-1300 - 2,849,495 (\$11,614,835) COMMON STOCK. (FILE 333-31510 - MAR. 02) (BR. 3)

S-8 BEAUTICONTROL COSMETICS INC, 2121 MIDWAY, CARROLLTON, TX 75006 (972) 458-0601 - 1,100,000 (\$2,849,000) COMMON STOCK. (FILE 333-31512 - MAR. 02) (BR. 2)

S-8 COCA COLA ENTERPRISES INC, 2500 WINDY RIDGE PKWY, ATLANTA, GA 30339 (770) 989-3000 - 100,000 (\$2,328,125) COMMON STOCK. (FILE 333-31516 - MAR. 02) (BR. 2)

S-8 U S TECHNOLOGIES INC, 2001 PENNSYLVANIA AVE NW STE 675, SUITE 300, WASHINGTON, DC 20006 (770) 565-4311 - 3,115,000 (\$10,653,300) COMMON STOCK. (FILE 333-31518 - MAR. 02) (BR. 5)

SB-2 FIRST SHARES BANCORP INC, 996 SOUTH STATE ROAD 135, GREENWOOD, IN 46143 (317) 882-4780 - 862,500 (\$9,487,500) COMMON STOCK. (FILE 333-31520 - MAR. 02) (BR. 7 - NEW ISSUE)

S-3 ALBANY MOLECULAR RESEARCH INC, 21 CORPORATE CIRCLE, ALBANY, NY 12203 (518) 464-0279 - 660,531 (\$28,320,267) COMMON STOCK. (FILE 333-31522 - MAR. 02) (BR. 1)

S-8 HEALTHGATE DATA CORP, 25 CORPORATE DRIVE, STE 310, BURLINGTON, MA 01803 (781) 685-4000 - 3,559,997 (\$30,704,974.12) COMMON STOCK. (FILE 333-31524 - MAR. 02) (BR. 8)

S-8 SYMANTEC CORP, 20330 STEVENS CREEK BLVD, CUPERTINO, CA 95014 (408) 253-9600 - 500,000 (\$34,796,875) COMMON STOCK. (FILE 333-31526 - MAR. 02) (BR. 3)

S-8 EVENFLO CO INC, NORTHWOODS BUSINESS CENTER II, 707 CROSSROADS CT, VANDALIA, OH 45377 (937) 415-3300 - 1,850,000 (\$9,250,000) COMMON STOCK. (FILE 333-31528 - MAR. 02) (BR. 2)

S-3 AT HOME CORP, 450 BROADWAY STREET, REDWOOD CITY, CA 94063 (650) 569-5000 - 5,285,600 (\$176,902,425) COMMON STOCK. (FILE 333-31530 - MAR. 02) (BR. 3)

- S-8 AT HOME CORP, 450 BROADWAY STREET, REDWOOD CITY, CA 94063 (650) 569-5000
- 2,736,118 (\$79,847,263.39) COMMON STOCK. (FILE 333-31532 - MAR. 02)
(BR. 3)
- S-1 TRINET GROUP INC, 101 CALLAN AVENUE, 2ND FL, SAN LEANDRO, CA 94577
(510) 352-5000 - \$57,500,000 COMMON STOCK. (FILE 333-31534 - MAR. 02)
- S-8 MONARCH SERVICES INC, 4517 HARFORD RD, BALTIMORE, MD 21214
(410) 254-9200 - 300,000 (\$1,074,000) COMMON STOCK. (FILE 333-31536 -
MAR. 02) (BR. 5)
- S-3 INTERNATIONAL ISOTOPES INC, 3100 JIM CHRISTAL ROAD, STE 105, DENTON, TX
76207 (940) 484-9492 - 1,616,978 (\$10,914,601) COMMON STOCK. (FILE
333-31538 - MAR. 02) (BR. 9)
- S-8 SYMANTEC CORP, 20330 STEVENS CREEK BLVD, CUPERTINO, CA 95014
(408) 253-9600 - 200,000 (\$2,600,000) COMMON STOCK. (FILE 333-31540 -
MAR. 03) (BR. 3)
- S-3 BIOJECT MEDICAL TECHNOLOGIES INC, 7620 S W BRIDGEPORT RD, PORTLAND, OR
97224 (503) 639-7221 - 372,869 (\$5,802,773.81) COMMON STOCK. (FILE
333-31542 - MAR. 03) (BR. 5)
- S-1 IPASS INC, 3800 BRIDGE PARKWAY, REDWOOD SHORES, CA 94065 (650) 232-4115
- \$100,000,000 COMMON STOCK. (FILE 333-31546 - MAR. 03)
- S-3 GENZYME CORP, ONE KENDALL SQ, CAMBRIDGE, MA 02139 (617) 252-7500 (FILE
333-31548 - MAR. 03) (BR. 1)

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