

SEC NEWS DIGEST

Issue 2000-107

June 6, 2000

COMMISSION ANNOUNCEMENTS

CHANGE IN THE MEETING: CANCELLATION OF THE MEETING

The closed meeting scheduled for Thursday, June 15, 2000, at 11:00 a.m. has been cancelled.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 942-7070.

RULES AND RELATED MATTERS

ADOPTION OF AMENDMENTS TO RULE 17Ac2-2 AND FORM TA-2 AND THE RESCISSION OF RULE 17a-24

The Securities and Exchange Commission (Commission) has adopted amendments to Rule 17Ac2-2 and related Form TA-2 and has rescinded Rule 17a-24 under the Securities Exchange Act of 1934. The amendments make Form TA-2 clearer and easier for transfer agents to complete and allow the Commission to obtain more comprehensive information from transfer agents about their activities. By rescinding Rule 17a-24 and incorporating revised lost securityholder questions in Form TA-2, the amendments allow the Commission to obtain better information about lost securityholder accounts. (Rel 34-42892)

ENFORCEMENT PROCEEDINGS

SEC STEPS IN TO HALT FRAUD AGAINST THE ELDERLY

The Commission filed a complaint in U.S. District Court against Gene Irving Garland, Jr., doing business as Association for Retired Persons Financial Services, and Sharla Dawn Holland alleging that from at least June 1995 through February 2000, the defendants targeted senior citizens and defrauded approximately 60 individuals of approximately \$1.8 million. Under the guise of providing estate and financial planning services, the defendants solicited information about the senior citizens' assets and investments. Upon obtaining this information, the defendants encouraged the individuals to liquidate their legitimate investments and individual retirement accounts and to use the proceeds to purchase "annuities" issued by RPFS purportedly paying 11 percent interest. Concealed from investors, however, were the facts that RPFS had minimal business operations and insufficient revenue to pay the promised interest rate and that Garland and Holland used funds from later investors to make principal and interest payments to earlier investors, as well as for their own personal uses. Garland and Holland misappropriated at least \$900,000 of the \$1.8 million raised.

The complaint charges violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5, seeking injunctive relief, disgorgement with prejudgment interest, an accounting and civil money penalties. [SEC v. Gene Irving Garland, Jr., individually and dba Association for Retired Persons Financial Services and Sharla Dawn Holland, Case No. 3-00CV1149-X, USDC, NDTX, Dallas Division] (LR-16582)

SEC SETTLES FRAUD CASE AGAINST RONALD MOSKOWITZ, FORMER FERROFLUIDICS CHAIRMAN AND CEO

On May 31, 2000, the U.S. District Court for the Southern District of New York entered a final judgment against Ronald Moskowitz, the former Chairman and CEO of Ferrofluidics Corporation, in a pending case (SEC v. Ferrofluidics Corp., Ronald Moskowitz, Jerome R. Allen, Jan R. Kirk, Stephen P. Morin, Bruce S. Moody, and the 1991 RPM Irrevocable Trust). The judgment enjoins Moskowitz from future violations of the antifraud provisions and certain reporting, internal controls, and record-keeping provisions of the federal securities laws. Without admitting or denying the Commission's allegations, Moskowitz consented to the entry of the judgment, which also bars him from acting as an officer or director of a public company.

In its complaint, the Commission alleged that from early 1991 through June 1993, Moskowitz devised and, with the assistance of members of the company's senior management and others, implemented a broad-ranging scheme to defraud the investing public and enrich himself by materially inflating the company's revenues and earnings and by making numerous other materially false and misleading disclosures about the company's business. As part of the scheme, Moskowitz and other defendants prepared

and disseminated a series of materially false and misleading public statements concerning, among other things, a sham private placement of stock by the company, sales of the company's products, and equity investments made by the company. Moskowitz and other defendants also disseminated favorable projections concerning Ferrofluidics' future business prospects and profitability, without having any reasonable basis for such projections. As a result of these activities, potential and actual investors were led to believe that Ferrofluidics was a profitable company with tremendous opportunities for rapid growth and earnings. In fact, Ferrofluidics was then experiencing problems in developing and manufacturing its products. During the relevant period, Moskowitz sold (through seven family trusts that he controlled), and directed to be sold, Ferrofluidics stock worth millions of dollars, in a series of private placements and open market transactions, while in the possession of material, nonpublic information about the company.

The judgment enjoins Moskowitz from violating Sections 17(a) of the Securities Act, Sections 10(b), Section 13(d), and 16(a) of the Exchange Act, and Rules 10b-5, 13b2-1, 13b2-2, 13d-2, 16a-2 and 16a-3 thereunder. The judgment also bars him from acting as an officer or director of any issuer required to file periodic reports with the Commission pursuant to Sections 12 or 15(d) of the Exchange Act; and orders him to disgorge unjust enrichment alleged in the complaint of \$6,605,687, plus prejudgment interest. Based on Moskowitz's inability to pay, disgorgement was waived and no penalty was assessed.

In a related criminal proceeding (U.S. v. Ronald Moskowitz, 97 Cr. 1122 (MBM)), Moskowitz was sentenced to eight years in prison on two counts, conspiracy and securities fraud. On May 25, 2000, the U.S. Court of Appeals for the Second Circuit affirmed the criminal judgment and sentence as to Moskowitz (U.S. v. Ronald Moskowitz, Nos. 99-1745 (L), 99-1769 (CON)(MBM), 2000 U.S. LEXIS 11733).

The Commission previously instituted five related administrative proceedings: In the Matter of Paul Y. Okuda, Stephen A. Thorpe, and David J. Chester, Admin. Proc. File No. 3-9345 (July 1, 1997), In the Matter of Helen Chalut and Saleem Noorani, Admin. Proc. File No. 3-9344 (July 1, 1997); In the Matter of Sheldon S. Traube and George F. Sweeney, Admin. Proc. File No. 3-9283 (March 27, 1997), In the Matter of Kedar Gupta, Alvan Chorney, and Herbert Moskowitz, Admin. Proc. File No. 3-9435 (September 26, 1997); In the Matter of Dickinson & Co. and T. Marshall Swartwood, Admin. Proc. File No. 3-9321 (May 28, 1997). In related criminal proceedings, former Ferrofluidics CFO Jan R. Kirk was sentenced to five years in prison (U.S. v. Jan R. Kirk, 97 Cr. 1032 (MBM)), and former Ferrofluidics consultant Jerome Allen was sentenced to six months in prison (U.S. v. Robert Jerome Allen, 97 Cr. 979 & 98 Cr. 884 (MBM)). [SEC v. Ferrofluidics Corp., Ronald Moskowitz, Jerome R. Allen, Jan R. Kirk, Stephen P. Morin, Bruce S. Moody, and the 1991 RPM Irrevocable Trust (97 Civ 7174 (RMB), S.D.N.Y.) (LR-16584)]

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change and Amendment Nos. 1, 2, and 3 thereto (SR-NYSE-99-30) submitted by the New York Stock Exchange under Rule 19b-4. The proposal, as amended, revises the Exchange's procedures for delisting securities and issuer appeals. Publication of the proposal is expected in the Federal Register during the week of June 5. (Rel. 34-42863)

The Commission approved a proposed rule change filed by The Options Clearing Corporation (SR-OCC-99-9) under Section 19(b)(2) of the Securities Exchange Act of 1934 that will revise OCC's By-Laws and Rules to merge the currently separated equity and non-equity elements of the OCC's clearing fund into one combined clearing fund. (Rel. 34-42897)

PROPOSED RULE CHANGE

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-99-69) amending certain provisions of its listing standards. Publication of the proposal is expected in the Federal Register during the week of June 5. (Rel. 34-42876)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGES

The Commission granted accelerated approval to a proposed rule change submitted by the National Securities Clearing Corporation (SR-NSCC-00-03) that allows NSCC to receive, calculate, and redistribute to its members trade data about U.S. government security transactions on the American Stock Exchange. The proposed rule change will also permit NSCC to transmit such data to GSCC for settlement. Publication of the order is expected in the Federal Register during the week of June 5. (Rel. 34-42893)

The Commission granted accelerated approval to a proposed rule change submitted by the National Association of Securities Dealers (SR-NASD-00-18) relating to the entry of locking/crossing quotations prior to the Nasdaq Market Opening. Publication of the order is expected in the Federal Register during the week of June 5. (Rel. 34-42896)

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>.

SB-2 PINNACLE FINANCIAL PARTNERS INC, 3401 WEST END AVENUE, SUITE 306,
NASHVILLE, TN 37203 (615) 250-1800 - 2,816,500 (\$28,165,000) COMMON
STOCK.
(FILE 333-38018 - MAY. 30) (NEW ISSUE)

S-8 GRANT PRIDECO INC, 1450 LAKE ROBBINS DRIVE, SUITE 600, THE
WOODLANDS, TX
77380 (281) 297-8500 - 500,000 (\$10,390,625) COMMON STOCK. (FILE
333-38020 - MAY. 30) (BR. 4)

S-8 TTR TECHNOLOGIES INC, 1841 BROADWAY, NEW YORK, NY 10023 (011) 979-
9766
- 1,525,000 (\$6,100,000) COMMON STOCK. (FILE 333-38022 - MAY. 30) (BR.
9)

S-8 DEL GLOBAL TECHNOLOGIES CORP, 1 COMMERCE PARK, VALHALLA, NY 10595
(914) 686-3600 - 770,000 (\$6,375,600) COMMON STOCK. (FILE 333-38024 -
MAY. 30) (BR. 5)

S-1 PACIFIC WEBWORKS INC, 180 SOUTH 300 WEST SUITE 400, SALT LAKE CITY,
UT
84101 (801) 578-9020 - 1,800,000 (\$6,075,000) COMMON STOCK. (FILE
333-38026 - MAY. 30) (BR. 3)

S-8 UNITED COMMUNITY FINANCIAL CORP, 275 FEDERAL PLAZA WEST, YOUNGSTOWN,
OH
44503 (330) 742-0500 - 3,471,562 (\$21,193,723.40) COMMON STOCK. (FILE
333-38028 - MAY. 30) (BR. 7)

S-8 NETRATINGS INC, 830 HILLVIEW CT STE 225, MILPITAS, CA 95035
(408) 957-0699 - 4,971,175 (\$58,381,176.06) COMMON STOCK. (FILE 333-
38030
- MAY. 30) (BR. 8)

S-3 SUSQUEHANNA BANCSHARES INC, 26 N CEDAR ST, LITITZ, PA 17543
(717) 626-4721 - 2,360,000 (\$31,270,000) COMMON STOCK. (FILE 333-38032
-
MAY. 30) (BR. 7)

S-8 DYNACORP, 11710 PLAZA AMERICA DRIVE, RESTON, VA 20190 (703) 264-0330
-
800,000 (\$19,600,000) COMMON STOCK. (FILE 333-38034 - MAY. 30) (BR. 6)

S-3 HOUSEHOLD RECEIVABLES FUNDING LLC, 2700 SANDERS RD, PROSPECT HEIGHTS, IL
60070 (847) 564-7968 - 1,000,000 (\$1,000,000) EQUIPMENT TRUST CERTIFICATES.

(FILE 333-38036 - MAY. 30) (NEW ISSUE)

S-3 CNH CAPITAL RECEIVABLES INC, 100 SOUTH SAUNDERS RD., LAKE FOREST, IL
60045 (847) 735-9200 - 1,000,000 (\$1,000,000) MORTGAGE BONDS. (FILE 333-38040 - MAY. 30) (NEW ISSUE)

S-3 DEL GLOBAL TECHNOLOGIES CORP, 1 COMMERCE PARK, VALHALLA, NY 10595
(914) 686-3600 - 65,000 (\$524,095) COMMON STOCK. (FILE 333-38042 - MAY. 30) (BR. 5)

SB-2 GUARDIAN TECHNOLOGIES INTERNATIONAL INC, 22570 MARKEY COURT, DULLES, VA

20166 (703) 444-7931 - 3,900,000 (\$3,276,000) COMMON STOCK. (FILE 333-38044 - MAY. 30) (BR. 2)

S-3 ANCHOR NATIONAL LIFE INSURANCE CO, 1 SUNAMERICA CENTER, C/O THOMAS B PHILLIPS, LOS ANGELES, CA 90067 (310) 772-6000 - \$10,000,000

VARIABLE ANNUITY ISSUES. (FILE 333-38046 - MAY. 30) (BR. 20)

S-8 ZOLL MEDICAL CORPORATION, 32 SECOND AVENUE, BURLINGTON, MA 01803
(781) 229-0020 - 40,000 (\$1,947,500) COMMON STOCK. (FILE 333-38048 - MAY. 30) (BR. 5)

S-3 HARKEN ENERGY CORP, 16285 PARK TEN PLACE SUITE 600, HOUSTON, TX 77084
77084
(281) 717-1300 - 2,461,538 (\$1,846,153.50) COMMON STOCK. (FILE 333-38050 - MAY. 30) (BR. 4)

S-3 ZAMBA CORP, 7301 OHMS LANE STE 200, MINNEAPOLIS, MN 55439 (612) 832-9800
- 320,001 (\$1,870,022) COMMON STOCK. (FILE 333-38054 - MAY. 30) (BR. 3)

S-8 LASV ENTERPRISES INC, 201 1736 152ND STREET, SUITE 200, SURREY BC, CA
92629 (949) 488-8494 - 200,000 (\$75,000) COMMON STOCK. (FILE 333-38056 - MAY. 30) (BR. 9)

S-8 MARKEL CORP, 4521 HIGHWOODS PARKWAY, GLEN ALLEN, VA 23060 (804) 747-0136
- 100,000 (\$13,996,875) COMMON STOCK. (FILE 333-38062 - MAY. 30) (BR. 1)

S-8 TUBOSCOPE INC /DE/, 2835 HOLMES RD, HOUSTON, TX 77051 (713) 799-5100
- 4,200,000 (\$87,281,250) COMMON STOCK. (FILE 333-38064 - MAY. 30) (BR. 4)

S-8 TUBOSCOPE INC /DE/, 2835 HOLMES RD, HOUSTON, TX 77051 (713) 799-5100
 -
 2,930,644 (\$43,804,207) COMMON STOCK. (FILE 333-38066 - MAY. 30) (BR. 4)

S-8 VISUAL NETWORKS INC, 2092 GAITHER RD, SUITE 220-I, ROCKVILLE, MD 20850
 (301) 296-2300 - 7,000,000 (\$260,330,000) COMMON STOCK. (FILE 333-38072 - MAY. 30) (BR. 3)

S-3 TODAYS MAN INC, 835 LANCER DR, MOORESTOWN WEST CORPORATE CNTR, MOORESTOWN, NJ 08057 (609) 235-5656 - 5,427,792 (\$14,655,038.40) COMMON STOCK. (FILE 333-38074 - MAY. 30) (BR. 2)

S-8 MAXYGEN INC, 515 GALVESTON DRIVE, REDWOOD CITY, CA 94063 (650) 298-5300
 - 1,500,000 (\$58,687,500) COMMON STOCK. (FILE 333-38078 - MAY. 30) (BR. 1)

S-8 AGILENT TECHNOLOGIES INC, 3000 HANOVER ST, MS 20 BQ, PALO ALTO, CA 94304
 (650) 850-1501 - 4,000,000 (\$227,880,000) COMMON STOCK. (FILE 333-38080 - MAY. 30) (BR. 36)

S-3 TRIO TECH INTERNATIONAL, 355 PARKSIDE DR, SAN FERNANDO, CA 91340
 (818) 365-9200 - 686,350 (\$2,831,193.75) COMMON STOCK. (FILE 333-38082 - MAY. 30) (BR. 1)

S-8 GREENLAND CORP, 1935 AVENIDA DEL ORO, SUITE D, OCEANSIDE, CA 92056
 (619) 458-4226 - 937,116 (\$281,135) COMMON STOCK. (FILE 333-38084 - MAY. 30) (BR. 9)

S-1 JAWS TECHNOLOGIES INC /NY, 1013 17TH AVE SW, CALGARY ALBERTA CANADA, AO
 T2T 0 (403) 508-5055 - 5,196,669 (\$22,345,677) COMMON STOCK. (FILE 333-38088 - MAY. 30) (BR. 3)

S-3 VALENTIS INC, 863A MITTEN RD, BURLINGAME, CA 94010 (650) 697-1900 - 1,915,000 (\$14,182,968.75) COMMON STOCK. (FILE 333-38092 - MAY. 30) (BR. 1)

S-8 AVANIR PHARMACEUTICALS, 9393 TOWNE CENTRE DR, STE 200, SAN DIEGO, CA 92121 (858) 410-2600 - 2,300,000 (\$6,109,375) COMMON STOCK. (FILE 333-38094 - MAY. 30) (BR. 1)

SB-2 MONROE JAMES BANCORP INC, 3033 WILSON BLVD, ARLINGTON, VA 22201
 (703) 524-8100 - 7,000,000 (\$7,000,000) COMMON STOCK. (FILE 333-38098 - MAY. 30) (NEW ISSUE)

S-8 ENNIS BUSINESS FORMS INC, 1510 N HAMPTON SUITE 300, DESOTO, TX 75115
 (972) 228-7801 - 300,000 (\$2,268,750) COMMON STOCK. (FILE 333-38100 - MAY. 31) (BR. 5)

S-3 RHYTHMS NET CONNECTIONS INC, 7337 S REVERE PKWY SUITE 100,
ENGLEWOOD, CO
80112 (303) 476-4200 - 1,200,000 (\$17,736,000) COMMON STOCK. (FILE
333-38102 - MAY. 31) (BR. 7)

S-8 ARTISTDIRECT INC, 5670 WILSHIRE BLVD., SUITE # 200, LOS ANGELES, CA
90036 ((32) 3) -634- - 7,000,000 (\$28,490,000) COMMON STOCK. (FILE
333-38104 - MAY. 31) (BR. 8)

S-1 MCDATA CORP, 310 INTERLOCKEN PARKWAY, BROOMFIELD, CO 80021
(303) 460-9200 - \$100,000,000 COMMON STOCK. (FILE 333-38106 - MAY. 31)