

SEC NEWS DIGEST

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ENFORCEMENT PROCEEDINGS

ADMINISTRATIVE PROCEEDINGS INSTITUTED AGAINST RCG CAPITAL MARKETS GROUP, INC. AND ARTHUR MAX RAMRAS

The Commission announced that on February 24 it issued an Order Instituting a Public Administrative and Cease and Desist Proceeding (Order) against RCG Capital Markets Group, Inc. (RCG) and RCG's owner Arthur Max Ramras (Ramras). The Commission's Order alleges that between November 1998 and January 1999, RCG and Ramras touted the stocks of nine issuers by favorably describing the issuers and their stocks on RCG's website in exchange for compensation packages that included cash and performance-based stock options. The Order further alleges that RCG and Ramras failed to disclose the nature and amount of consideration received from the clients, in violation of Section 17(b) of the Securities Act of 1933.

RCG is based in Phoenix, Arizona, and offers financial relations services to small and microcap issuers. Ramras is the President, Chief Executive Officer and sole shareholder of RCG. Ramras is also associated as a registered representative with a registered broker-dealer.

A hearing will be scheduled to take evidence on the staff's allegations and to afford the respondents an opportunity to present any defenses thereto. The purpose of the hearing is to determine whether the allegations are true, whether cease and desist orders should be issued against respondents and whether any remedial action should be ordered against Ramras. (Rels. 33-7642; 34-41101; File No. 3-9836)

SCOTT FLYNN, STRATEGIC NETWORK DEVELOPMENT, INC. AND HASTINGS COMMUNICATIONS ARE NAMED IN SEC PROCEEDINGS FOR TOUTING ISSUERS' STOCKS ON INTERNET WEBSITE WITHOUT FULL DISCLOSURE OF PAYMENTS OF CASH AND STOCK RECEIVED FROM THE ISSUERS

The Commission announced today that on February 24 it issued an order to institute cease and desist proceedings against Scott P. Flynn (Flynn) and his company, Strategic Network Development, Inc. (Strategic), a Minnesota-based investor relations company, alleging that Flynn and Strategic violated the anti-touting provision of the Securities Act of 1933 by publishing profiles of publicly-traded companies on Stockprofiles.com, an Internet website, and by e-mail,

without disclosing fully that Strategic had received cash or stock from the issuers in exchange for the publications. In the same order, the Commission authorized an administrative proceeding to determine whether any remedial sanction against Flynn is appropriate and in the public interest based on his recent conviction for federal securities fraud.

The Commission's order alleges that Flynn, whose May 1998 securities fraud conviction stemmed from matters unrelated to the Commission's current allegations, and Flynn's company, Strategic, promoted the stock of ten different publicly-traded companies on the Stockprofiles.com website in exchange for over \$180,000 in cash and a total of 322,500 shares of stock from issuers profiled on the website. One of Strategic's featured companies, The Children's Beverage Group, was touted on the website as a "strong speculative buy." The Order further alleges that Flynn, through Strategic, reached out to Internet investors by broadcasting or "spamming" Strategic's "Low Price Stock Alerts" to 500,000 potential investors through unsolicited Internet e-mail. The Order alleges that as a result of the conduct described, Strategic and Flynn violated Section 17(b) of the Securities Act of 1933 by touting issuers' securities on the Internet website and by e-mail without disclosing fully the nature and amount of compensation received from the issuers. A hearing will be scheduled to determine whether the allegations are true, and if so, whether a cease and desist order should be entered against Flynn and Strategic and if any other remedial sanctions against Flynn are in the public interest. (Rel. 33-7641; 34-41102; File No. 3-9835)

In a related cease and desist proceeding, the Commission simultaneously instituted and settled administrative proceedings against Hastings Communications (Hastings), the owner and publisher of the Stockprofiles.com website. The Commission's order alleges that Hastings violated the anti-touting provisions of the securities laws by publicizing the securities of publicly-traded companies on the Internet without disclosing fully that it was compensated by these companies. Without admitting or denying the allegations in the Commission's order, Hastings consented to the entry of the Commission's order which requires the company to cease and desist from committing or causing any violation or any future violation of Section 17(b) of the Securities Act of 1933. (Rel. 33-7643; File No. 3-9837)

SEC SUES PRESIDENT OF INTERACTIVE MULTIMEDIA PUBLISHERS AND INTERNET STOCK TOUTERS FOR SECURITIES FRAUD SCHEME

On February 24, the Commission filed an enforcement action against P. Joseph Vertucci (Vertucci), the president and chief executive officer of Interactive Multimedia Publishers, Inc. (IMP), an Akron, Ohio software development firm, charging him with insider trading, financial fraud and stock price manipulation. According to the Commission's complaint, Vertucci, among other things, made false and misleading public statements about IMP's business relations and caused IMP to file reports with the Commission that grossly

overvalued IMP's assets. The SEC's complaint, filed in the U.S. District Court in Akron, Ohio, also names Bruce E. Straughn (Straughn), a broker in the Chicago office of La Jolla Capital Corporation, alleging that Straughn schemed with Vertucci to inflate the price of IMP's stock, and that both Straughn and Vertucci secretly sold shares through nominees when the price rose as a result of their manipulation.

The Commission also alleges that Vertucci caused IMP to assume fraudulently the identity of a dormant public company, and then making Commission filings as though IMP were the public entity. Based on the fiction that IMP was a public company, purportedly freely trading shares of IMP stock were distributed to nominee accounts of Vertucci and Straughn, as well as others. In this way, Vertucci evaded the registration requirements of the federal securities laws.

Others named in the suit are Richard M. Johnson of Houston, Texas; Roland R. "Raleigh" Baughman of Cuyahoga Falls, Ohio; Edward Meyer, Jr. (Meyer), of Hazlet, New Jersey; and Hazlet Investors, Inc., a corporation through which Meyer does business. These defendants are alleged to have promoted IMP stock, in print and on the internet, through false and misleading statements, in exchange for undisclosed compensation from the company; they also urged the public to buy IMP stock without disclosing that they were contemporaneously selling it. The complaint also names Robert V. Petry (Petry) of Kent, Ohio, who received unregistered IMP stock from Vertucci for facilitating the corporate merger with the purportedly public company, which Petry then sold into the market unlawfully. Finally, the complaint names Straughn's wife, Joanne C. Straughn, seeking to obtain from her approximately \$1 million in proceeds from Straughn's sales of IMP stock believed to be under her control. [SEC v. P. Joseph Vertucci, Bruce E. Straughn, Robert V. Petry, Roland R. Baughman, Richard M. Johnson, Edward Meyer, Jr., and Hazlet Investors, Inc., Civil Action No. 5:99CV426, N.D. Ohio] (LR-16069)

SEC OBTAINS FREEZE OF OVER \$425,000 IN CONNECTION WITH ALLEGED FOREIGN INSIDER TRADING IN PINKERTON'S, INC.

On February 24, the Commission filed a civil complaint in the United States District Court for the Southern District of New York against Goran Heden, a Swedish stockbroker with the firm of Den Norske Bank, and certain unknown purchasers who were clients of that firm, in connection the purchase on Friday, February 19, 1999, and the sale on Monday, February 22, 1999, of common stock of Pinkerton's, Inc. The complaint alleges that the defendants engaged in insider trading prior to the February 22, 1999 public announcement that California-based Pinkerton would be acquired by Securitas AB, a Swedish security and protection firm, in a cash tender offer. The complaint alleges that the defendants violated Sections 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder. The Commission is seeking injunctive relief, disgorgement, and civil penalties.

The complaint alleges that on Friday, February 19, 1999, the defendants purchased a total of 15,000 shares of the common stock of Pinkerton, which they sold on February 22, 1999, earning alleged illicit profits of approximately \$175,000. Simultaneously with the filing of the complaint, the Commission applied for a court order temporarily freezing the assets in the defendants' accounts attributable to the trading in Pinkerton common stock. Federal District Judge Shira Scheindlin issued an order freezing over \$425,000 of sales proceeds. [SEC v. Goran Heden and Certain Unknown Purchasers of Common Stock of Pinkerton's, Inc., Civil Action No. 99 Civ. 1418, SDNY] (LR-16070)

INVESTMENT COMPANY ACT RELEASES

NATIONSBANC COINVEST FUND 1999, L.P. AND BANKAMERICA CORP.

An order has been issued under Sections 6(b) and 6(e) of the Investment Company Act on an application filed by NationsBanc Coinvest Fund 1999, L.P. and BankAmerica Corporation for an exemption from all provisions of the Act except Section 9, Section 17 (other than certain provisions of paragraphs (a), (d), (e), (f), (g) and (j)), Section 30 (other than certain provisions of paragraphs (a), (b), (e) and (h)), Sections 36 through 53, and the rules and regulations thereunder. The order permits the formation of certain limited partnerships and limited liability companies that will be "employees' securities companies" within the meaning of Section 2(a)(13) of the Act. (Rel. IC-23703 - February 23)

SELF-REGULATORY ORGANIZATIONS

APPROVAL OF PROPOSED RULE CHANGES

The Commission approved a proposed rule change submitted by the National Association of Securities Dealers (SR-NASD-97-79) relating to fees and hearing session deposits for the arbitration of claims by public investors, members and associated persons. (Rel. 34-41056)

The Commission approved a proposed rule change submitted by the Philadelphia Stock Exchange (SR-PHLX-98-38) relating to the assessment of a fee on persons who unsuccessfully contest an options ruling involving a trading dispute. (Rel. 34-41079)

The Commission approved a proposed rule change submitted by the Philadelphia Stock Exchange (SR-Phlx-98-46) to amend its Rule 229, Philadelphia Stock Exchange Automatic Communication and Execution (PACE) System, raising the minimum order delivery requirement for specialists from 1099 shares to 2099 shares. Publication of the order is expected in the Federal Register during the week of March

1, 1999. (Rel. 34-41081)

The Commission approved a proposed rule change submitted by the Pacific Exchange (SR-PCX-98-57) to amend Equity Floor Procedure Advice 2-C to remove an exception regarding trade reporting responsibilities. The order is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41083)

The Commission approved a proposed rule change submitted by the New York Stock Exchange (SR-NYSE-98-34) to amend Rule 104.10 regarding odd-lot transactions. The order is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41084)

PROPOSED RULE CHANGES

The National Association of Securities Dealers filed a proposed rule change (SR-NASD-99-4) relating to microcap initiative - recommendation rule. Publication of the proposal is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41075)

The Cincinnati Stock Exchange filed a proposed rule change (SR-CSE-99-02) to implement a revenue sharing program with the Exchange's specialists. Publication of the proposal is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41082)

The Options Clearing Corp. filed a proposed rule change (SR-OCC-98-10) that will amend OCC's rules to impose fees for the submission of supplementary exercise notices on an expiration date. Publication of the proposal is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41088)

ACCELERATED APPROVAL OF A PROPOSED RULE CHANGE

The Options Clearing Corporation filed a proposed rule change (SR-OCC-98-14) that will modify the method by which OCC determines the closing price of an underlying security for purposes of expiration processing. The Commission has approved the proposed rule change on an accelerated basis. Publication of the proposal is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41089)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGES

A proposed rule change filed by the Chicago Board Options Exchange clarifying that the Exchange's arbitration rules exclude employment discrimination claims absent a post-claim arbitration agreement (SR-CBOE-99-01) has become effective under Section 19(b)(3)(A) of the Securities Exchange Act of 1934. Publication of the proposal is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41080)

The National Securities Clearing Corporation filed a proposed rule change (SR-NSCC-99-01). The proposed rule change, which became effective upon filing, revises NSCC's fee schedule with regard to its Annuity Processing Service (APS). Publication of the proposal

is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41086)

The MBS clearing Corporation filed a proposed rule change (SR-MBSCC-99-01) under Section 19(b)(3)(A) of the Securities Exchange Act. The proposed rule change, which became effective upon filing, eliminates the investment fee that MBSCC charges its participants on cash deposits to the participants fund. Publication of the proposal is expected in the Federal Register during the week of March 1, 1999. (Rel. 34-41087)

WITHDRAWALS SOUGHT

A notice has been issued giving interested persons until March 16, 1999, to comment on the application of HEICO Corporation to withdraw its Common Stock, \$0.01 Par Value, and Class A Common Stock, \$0.01 Par Value from listing and registration on the American Stock Exchange. (Rel. 34-41092)

A notice has been issued giving interested persons until March 16, 1999, to comment on the application of InfoCure Corporation to withdraw its Common Stock, \$.001 Par Value from listing and registration on the American Stock Exchange. (Rel. 34-41093)

DELISTINGS GRANTED

An order has been issued granting the application of the New York Stock Exchange to strike from listing and registration CML Group, Inc., Common Stock, \$0.10 Par Value. (Rel. 34-41094)

An order has been issued granting the application of the American Stock Exchange to strike from listing and registration O'okiep Copper Company Limited, American Depositary Receipts. (Rel. 34-41095)

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: <public info @ sec>. In most cases, this information is also available on the Commission's website: <www.sec.gov>.

F-3 KOREA ELECTRIC POWER CORPORATION, 167, SAMSUNG-DONG, KANGNAM-KU,
 SEOUL 135-7911 KOREA, NY 10286 (201) 894-8855 - 3,305,785 (\$99,999,996.25)
 FOREIGN COMMON STOCK (FILE 333-10010 - FEB. 12) (BR 2)

F-6 INFOSYS TECHNOLOGIES LTD, ELECTRONICS CITY HOSUR RD,
 BANGALORE KARNATAKA INDIA, (011) 918-0852 - 50,000,000 (\$2,500,000)
 DEPOSITARY RECEIPTS FOR COMMON STOCK (FILE 333-72199 - FEB. 11) (BR 3)

S-8 PROGRESS FINANCIAL CORP, PO BOX 3036, BLUE BELL, PA 19422 (610) 825-8800
 - 77,500 (\$1,133,437.50) COMMON STOCK (FILE 333-72543 - FEB 18) (BR 7)

S-8 VISION SCIENCES INC /DE/, 9 STRATHMORE ROAD, NATICK, MA 01760
 (508) 650-9971 - 2,000,000 (\$2,781,300) COMMON STOCK (FILE 333-72547 -
 FEB. 18) (BR 3)

S-8 MENS WEARHOUSE INC, 5803 GLENMONT DR, HOUSTON, TX 77081 (713) 295-7200
 - 750,000 (\$21,281,250) COMMON STOCK. (FILE 333-72549 - FEB 18) (BR 2)

S-3 PAN PACIFIC RETAIL PROPERTIES INC, 1631-B S MELROSE DR, VISTA, CA 92083
 (760) 727-1002 - 750,000 (\$13,710,000) COMMON STOCK (FILE 333-72551 -
 FEB 18) (BR 8)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262
 (513) 459-1200 - 8,677 (\$632,336) COMMON STOCK (FILE 333-72553 - FEB 18)
 (BR 2)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262
 (513) 459-1200 - 6,386 (\$465,380) COMMON STOCK (FILE 333-72555 - FEB 18)
 (BR 2)

S-8 STORAGE USA INC, 165 MADISON AVENUE SUITE 1300, SUITE 1100, MEMPHIS, TN
 38103 (901) 252-2000 - 500,000 (\$14,080,000) COMMON STOCK (FILE
 333-72557 - FEB 18) (BR 8)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262
 (513) 459-1200 - 6,982 (\$508,464 15) COMMON STOCK (FILE 333-72559 -
 FEB 18) (BR 2)

S-3 CINTAS CORP, 6800 CINTAS BLVD, P O BOX 625737, CINCINNATI, OH 45262
 (513) 459-1200 - 16,343 (\$1,190,996 13) COMMON STOCK (FILE 333-72561 -
 FEB 18) (BR 2)

S-3 DUPONT PHOTOMASKS INC, 131 OLD SETTLERS BLVD, ROUND ROCK, TX 78664
 (512) 244-0024 - 2,300,000 (\$106,806,250) COMMON STOCK (FILE 333-72563 -
 FEB 18) (BR 5)

S-8 SYNTEC INC, 669 RIVER DRIVE, RIVER DRIVE CENTER II, ELMWOOD PARK, NJ
 07407 (201) 703-3400 - 3,500,000 (\$159,591,002 90) COMMON STOCK (FILE
 333-72567 - FEB 18) (BR 6)

S-8 LECTEC CORP /MN/, 10701 RED CIRCLE DR, MINNETONKA, MN 55343
 (612) 933-2291 - 700,000 (\$1,400,000) COMMON STOCK (FILE 333-72569 -
 FEB 18) (BR 5)

S-8 LECTEC CORP /MN/, 10701 RED CIRCLE DR, MINNETONKA, MN 55343
 (612) 933-2291 - 200,000 (\$400,000) COMMON STOCK (FILE 333-72571 -
 FEB. 18) (BR 5)

S-8 CIRRUS LOGIC INC, 3100 W WARREN AVE, FREMONT, CA 94538 (510) 623-8300 -
 2,400,000 (\$19,272,000) COMMON STOCK (FILE 333-72573 - FEB 18) (BR 5)

S-3 ACT TELECONFERENCING INC, 1658 COLE BLVD, STE 162, GOLDEN, CO 80401
 (303) 235-9000 - 131,210 (\$688,852 50) COMMON STOCK (FILE 333-72575 -
 FEB 18) (BR 7)

S-4 GREENPOINT FINANCIAL CORP, 90 PARK AVE, NEW YORK, NY 10016
 (212) 834-1000 - 13,010,000 (\$393,552,500) COMMON STOCK (FILE 333-72577 -
 FEB 18) (BR 7)

S-4 CENTURY SOUTH BANKS INC, 60 MAIN STREET WEST, DAHLONEGA, GA 30533
 (770) 287-9092 - 699,186 (\$6,746,700) COMMON STOCK (FILE 333-72579 -
 FEB 18) (BR 7)

- S-3 UNITED ASSET MANAGEMENT CORP, ONE INTERNATIONAL PL, BOSTON, MA 02110
(617) 330-8900 - 50,000 (\$1,084,375) COMMON STOCK (FILE 333-72581 -
FEB 18) (BR 7)
- S-3 CALPINE CORP, 50 WEST SAN FERNANDO ST, SAN JOSE, CA 95113 (408) 995-5115
- 500,000,000 (\$500,000,000) STRAIGHT BONDS 6,900,000 (\$210,236,100)
COMMON STOCK (FILE 333-72583 - FEB. 18) (BR 2)
- S-3 SIMULATIONS PLUS INC, 40015 SIERRA HIGHWAY, BLDG B-145, PALMDALE, CA
93550 (805) 266-8500 - 530,000 (\$2,086,875) COMMON STOCK (FILE 333-72587
- FEB 18) (BR 9)
- S-8 EMERSON ELECTRIC CO, 8000 W FLORISSANT AVE, P O BOX 4100, ST LOUIS, MO
63136 (314) 553-2000 - 71,106 (\$2,419,361) COMMON STOCK (FILE 333-72591 -
FEB 18) (BR 5)
- S-1 BUCA INC /MN, 1300 NICOLLET MALL, SUITE 3043, MINNEAPOLIS, MN 55403
(612) 288-2382 - 3,047,500 (\$38,093,750) COMMON STOCK. (FILE 333-72593 -
FEB 18)
- S-8 STEREOSCAPE COM INC, 130 HIGHWAY 33 WEST, MANALAPAN, NJ 07726
(732) 617-1350 - 800,000 (\$768,750) COMMON STOCK (FILE 333-72597 -
FEB 19) (BR 9)