

# SEC NEWS DIGEST

Issue 2000-53

March 21, 2000

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## COMMISSION ANNOUNCEMENTS

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### THOMAS ZACCARO NAMED NEW REGIONAL TRIAL COUNSEL OF SEC'S PACIFIC REGIONAL OFFICE

The Commission announced that Thomas A. Zaccaro has assumed his duties as Regional Trial Counsel of the Securities and Exchange Commission's Pacific Regional Office. In the position of Regional Trial Counsel, Zaccaro will be in charge of the office's litigation of securities violations in the nine-state Pacific Region.

Mr. Zaccaro, 40, was formerly Co-Chairman of the Securities Litigation Practice Group of the Los Angeles law firm Manatt, Phelps & Phillips. Mr. Zaccaro served for approximately 6 years as an Assistant U.S. Attorney in the Southern District of New York, including over three years as Deputy Chief Appellate Attorney. Additionally, Mr. Zaccaro was trial attorney in the Department of Justice's Organized Crime and Racketeering Section.

Regional Director Valerie Caproni said, "We are very pleased that Tom has chosen to return to the public sector by joining the staff of the SEC. The trial skills he has honed over the years make him an excellent choice to lead the trial unit in the challenging litigation we face. I look forward to working with him during these very exciting times at the SEC."

Mr. Zaccaro obtained his law degree from Boston College Law School in 1984. He was Phi Beta Kappa at Georgetown University where he received a bachelor's degree in 1981. (Press Rel. 2000-37)

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## ENFORCEMENT PROCEEDINGS

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## **CEASE AND DESIST PROCEEDINGS INSTITUTED AND SETTLED AGAINST LASER TECHNOLOGY, INC. AND TWO DIRECTORS**

The Commission announced that it has instituted cease-and-desist proceedings against Laser Technology, Inc (Laser Tech) and two of its directors, Jeremy G Dunne and H DeWorth Williams. All three respondents simultaneously settled the proceedings by agreeing to cease and desist from violations of the federal securities laws.

The cease and desist order against Laser Tech makes findings, which the company neither admits nor denies, that Laser Tech improperly recorded revenue from two product shipments to a distributor in the 1993 fiscal year. When the distributor was unable to resell the products and pay Laser Tech, the company's former president and former chief financial officer carried out a scheme to send money to the distributor to pay for the products, and then recoup those funds by reselling the products to other customers. They used a secret bank account in Laser Tech's name to handle the resales and did not record the transactions on the company's books or disclose them to the company's auditors. Dunne and Williams engaged in personal transactions with the company that helped prolong the scheme. The scheme finally collapsed in late 1998 when a Laser Tech employee discovered the secret account.

The order against Dunne and Williams finds that they caused Laser Tech to fail to disclose their transactions as related party transactions in annual reports filed with the Commission. Dunne and DeWorth Williams neither admitted nor denied those findings, and are not charged with knowledge of the overall scheme. Laser Tech's former president and former chief financial officer have been charged in separate civil injunctive proceedings. (Rel 34-42547, AAE Rel 1235, File No 3-10161)

## **SEC ANNOUNCES SETTLEMENT IN ALABAMA INSIDER TRADING CASE**

The Commission announced today that on March 2, Judge U W Clemon of the United States District Court for the Northern District of Alabama entered Final Judgments against defendants Richard F Adler, Harvey L Pegram and Domer L Ishler in an insider trading case involving the securities of Comptronix Corporation, formerly located in Guntersville, Alabama. The Commission's Complaint, filed in August 1994, alleges that in November, 1992, Adler, then a Comptronix director, learned in confidential board meetings that top officers of Comptronix had perpetrated a financial fraud which caused the company to overstate sales and profits in prior and current years. Adler shortly thereafter tipped Pegram, his business customer and friend, who in turn tipped his business associate Ishler as to the fraud. Both Pegram and Ishler traded in Comptronix stock prior to the public announcement of the fraud on November 25, 1992.

The Final Judgments to which Adler, Pegram and Ishler consented, without admitting or denying the Complaint's allegations, enjoin them from further violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and order (i) Pegram to pay disgorgement in the amount of \$154,000, plus prejudgment interest thereon in the amount of \$116,000, and to pay a civil penalty of \$100,000; and (ii) Adler and Ishler each

to pay a civil penalty of \$50,000 See LR-14198 and LR-14034 for additional information [SEC v Richard Adler, et al., N D. Ala , 94-C-2018-S] (LR-16477)

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## INVESTMENT COMPANY ACT RELEASES

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### MEDALLION FINANCIAL CORP.

A notice has been issued giving interested persons until April 11, 2000, to request a hearing on an application filed by Medallion Financial Corp. for an order under Section 61(a)(3)(B) of the Investment Company Act of 1940 approving applicant's amended stock option plan for directors who are neither employees nor officers of applicant. The order would supersede an existing order. (Rel. IC-24342 - March 17)

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## SELF-REGULATORY ORGANIZATIONS

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### APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change submitted by the American Stock Exchange (SR-Amex-99-39) amending certain listing standards. (Rel 34-42539)

### DELISTING GRANTED

An order has been issued granting the application of the Boston Stock Exchange to strike from listing and registration Hollywood com, Inc (formerly Big Entertainment, Inc ), Common Stock, par value \$ 01 per share (Rel 34-42544)

An order has been issued granting the application of Price Communications Corporation to withdraw its Voting Common Stock, \$.01 par value, and Common Stock Purchase Rights from listing and registration on the American Stock Exchange (Rel 34-42545)

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## SECURITIES ACT REGISTRATIONS

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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-1 NOGATECH INC, 5201 GREAT AMERICA PARKWAY, STE 465, SANTA CLARA, CA  
95054  
(408) 562-6200 - \$57,500,000 COMMON STOCK. (FILE 333-32372 - MAR. 14)  
(BR. 36)
- S-1 CARESCIENCE INC, 3600 MARKET STREET 6TH FLOOR, PHILADELPHIA, PA 19101  
(215) 387-9401 - \$86,250,000 COMMON STOCK. (FILE 333-32376 - MAR. 14)  
(BR. 8 - NEW ISSUE)
- S-3 LJL BIOSYSTEMS INC, 405 TASMAN DR, SUNNYVALE, CA 94089 (408) 541-8787  
-  
2,875,000 (\$95,162,500) COMMON STOCK. (FILE 333-32378 - MAR. 14) (BR. 5)
- S-8 IVI CHECKMATE CORP, 1003 MANSELL ROAD, ROSWELL, GA 30076 (770) 594-  
6000  
- 46,300 (\$125,010) COMMON STOCK. (FILE 333-32382 - MAR. 14) (BR. 3)
- S-1 2BRIDGE, 221 MAIN ST., SUITE 800, SAN FRANCISCO, CA 94105 (415) 543-  
4600  
- \$57,500,000 COMMON STOCK. (FILE 333-32384 - MAR. 14) (BR. 8 - NEW  
ISSUE)
- S-8 TIMBERLAND BANCORP INC, 624 SIMPSON AVE, HOQUIAM, WA 98550  
(360) 533-4747 - 925,750 (\$9,405,620) COMMON STOCK. (FILE 333-32386 -  
MAR. 14) (BR. 7)
- S-1 PRINTCAFE INC, 40 24TH STREET 5TH FLOOR, PITTSBURGH, PA 15222 -  
\$143,750,000 COMMON STOCK. (FILE 333-32388 - MAR. 14) (BR. 8 - NEW  
ISSUE)
- S-4 MEDICALOGIC INC, 20500 NW EVERGREEN PARKWAY, STE 400, HILLSBORO, OR  
97124 (503) 645-6442 - 25,348,954 (\$187,979,656.10) COMMON STOCK. (FILE  
333-32390 - MAR. 14) (BR. 3)
- S-8 ORTHALLIANCE INC, 23848 HAWTHORNE BLVD STE 200, TORRANCE, CA 90505 -  
280,000 (\$2,830,520) COMMON STOCK. (FILE 333-32392 - MAR. 14) (BR. 1)
- S-8 NORSTAN INC, 605 N HIGHWAY 169, 12TH FL, PLYMOUTH, MN 55441  
(612) 420-1100 - 400,000 (\$2,900,000) COMMON STOCK. (FILE 333-32394 -  
MAR. 14) (BR. 7)
- S-8 FAIR ISAAC & COMPANY INC, 111 SMITH RANCH ROAD, SAN RAFAEL, CA 94903  
(415) 472-2211 - 470,000 (\$15,284,375) COMMON STOCK. (FILE 333-32396 -  
MAR. 14) (BR. 8)
- S-8 FAIR ISAAC & COMPANY INC, 111 SMITH RANCH ROAD, SAN RAFAEL, CA 94903  
(415) 472-2211 - 709,633 (\$35,902,994.59) COMMON STOCK. (FILE 333-32398  
-  
MAR. 14) (BR. 8)

S-8 CORIXA CORP, 1124 COLUMBIA STREET SUITE 200, SEATTLE, WA 98104  
(206) 667-5711 - 150,000 (\$7,964,063) COMMON STOCK. (FILE 333-32400 -  
MAR. 14) (BR. 1)

S-8 ADVANCED RADIO TELECOM CORP, 500 108TH AVE NE, SUITE 2600, BELLEVUE,  
WA  
98004 (425) 688-8700 - 4,000,000 (\$154,547,830.25) COMMON STOCK. (FILE  
333-32404 - MAR. 14) (BR. 7)

S-8 BLACKROCK INC /NY/, 345 PARK AVENUE 29TH FLOOR, 212-754-5534, NEW YORK,  
NY 10154 (212) 754-5560 - 5,305,553 (\$116,058,972) COMMON STOCK. (FILE  
333-32406 - MAR. 14) (BR. 6)

S-3 LOCKHEED MARTIN CORP, 6801 ROCKLEDGE DR, BETHESDA, MD 20817  
(301) 897-6000 - 1,000,000,000 (\$1,000,000,000) STRAIGHT BONDS. (FILE  
333-32408 - MAR. 14) (BR. 5)

S-8 MAGNA ENTERTAINMENT CORP, 285 WEST HUNTINGTON DRIVE, ARCADIA, CA 91007  
(626) 574-7223 - 8,000,000 (\$38,320,000) COMMON STOCK. (FILE 333-32414 -  
MAR. 14) (BR. 5)

S-8 ADC TELECOMMUNICATIONS INC, 12501 WHITEWATER DR., MINNETONKA, MN 55343  
(612) 938-8080 - 14,835,400 (\$723,225,750) COMMON STOCK. (FILE 333-32416  
-  
MAR. 14) (BR. 7)

S-8 EXODUS COMMUNICATIONS INC, 2831 MISSION COLLEGE BLVD, SANTA CLARA, CA  
95054 (408) 346-2200 - 8,101,358 (\$1,242,493,613) COMMON STOCK. (FILE  
333-32422 - MAR. 14) (BR. 8)

S-8 HEALTH FITNESS CORP /MN/, 3500 W 80TH ST, STE 130, BLOOMINGTON, MN  
55431  
(612) 831-6830 - 150,000 (\$103,050) COMMON STOCK. (FILE 333-32424 -  
MAR. 14) (BR. 1)

S-3 EPITOPE INC/OR/, 8505 SW CREEKSIDE PL, BEAVERTON, OR 97005  
(503) 641-6115 - 536,667 (\$8,653,755) COMMON STOCK. (FILE 333-32426 -  
MAR. 14) (BR. 1)

S-4 KANA COMMUNICATIONS INC, 740 BAY RD, REDWOOD CITY, CA 94063  
(650) 325-9850 - 33,090,590 (\$4,515,071,385) COMMON STOCK. (FILE  
333-32428 - MAR. 14) (BR. 8)

S-1 HOB ENTERTAINMENT INC /DE/, 6255 SUNSET BOULEVARD, 16TH FLOOR,  
HOLLYWOOD, CA 90028 (323) 769-4600 - \$100,000,000 COMMON STOCK. (FILE  
333-32430 - MAR. 14) (BR. 5)

S-3 GOOD GUYS INC, 7000 MARINA BLVD, BRISBANE, CA 94005 (415) 615-5000 -  
281,200 (\$1,388,425) COMMON STOCK. (FILE 333-32432 - MAR. 14) (BR. 2)

S-3 URSUS TELECOM CORP, 440 SAWGRASS CORPORATE PKWY, STE 112, SUNRISE, FL  
33325 (954) 846-7887 - 945,113 (\$18,220,960) COMMON STOCK. (FILE  
333-32434 - MAR. 14) (BR. 7)

S-8 PORTAL SOFTWARE INC, 20883 STEVENS CREEK BLVD, CUPERTINO, CA 95014  
(408) 343-4400 - 9,535,590 (\$688,946,377.50) COMMON STOCK. (FILE  
333-32436 - MAR. 14) (BR. 3)

S-4 CHOICEPOINT INC, 1000 ALDERMAN DR, ALPHARETTA, GA 30005 (770) 752-6000  
- 12,360,327 (\$484,401,215) COMMON STOCK. (FILE 333-32438 - MAR. 14)  
(BR. 2)

S-8 EAGLE BANCORP/MT, 1400 PROSPECT AVE, HELENA, MT 59604 (406) 442-3080 -  
597,125 (\$4,777,000) COMMON STOCK. (FILE 333-32440 - MAR. 14) (BR. 9)

S-8 WILSON BANK HOLDING CO, 623 W MAIN STREET, P.O. BOX 768, LEBANON, TN  
37087 (615) 444-2265 - 100,000 (\$3,200,000) COMMON STOCK. (FILE 333-  
32442  
- MAR. 14) (BR. 7)

S-1 FUTURE MEDIA PRODUCTIONS, FUTURE MEDIA PRODUCTIONS INC,  
25136 ANZA DRIVE, VALENCIA, CA 91355 (805) 294-5575 - \$70,000,000  
COMMON STOCK. (FILE 333-32444 - MAR. 14) (BR. 2)

S-4 CURIS INC, 45 MOULTON ST, CAMBRIDGE, MA 02138 (617) 876-0086 -  
29,111,654 (\$794,255,598.63) COMMON STOCK. (FILE 333-32446 - MAR. 14)  
(NEW ISSUE)

S-8 CONEXANT SYSTEMS INC, 4311 JAMBOREE RD, NEWPORT BEACH, CA 92660  
(949) 221-4600 - 1,627,141 (\$24,147,973.98) COMMON STOCK. (FILE 333-  
32448  
- MAR. 14) (BR. 5)

S-3 LYNX THERAPEUTICS INC, 3832 BAY CENTER PL, HAYWARD, CA 94545  
(510) 670-9300 - \$114,496,875 COMMON STOCK. (FILE 333-32450 - MAR. 14)  
(BR. 1)

S-4 SHOPNOW COM INC, 411 FIRST AVE S, STE 200 N, SEATTLE, WA 98104  
(206) 223-1996 - 2,593,876 (\$33,359,715) COMMON STOCK. (FILE 333-32452 -  
MAR. 14) (BR. 8)

S-3 UNIFY CORP, 181 METRO DR, 3RD FL, SAN JOSE, CA 95110 (408) 467-4500 -  
216,931 (\$4,000,207.64) COMMON STOCK. (FILE 333-32454 - MAR. 14) (BR. 3)

S-8 VASTAR RESOURCES INC, 15375 MEMORIAL DR, HOUSTON, TX 77079  
(713) 584-6155 - 400,000 (\$24,464,000) COMMON STOCK. (FILE 333-32456 -  
MAR. 14) (BR. 4)

S-1 PACKETVIDEO CORP, 10350 SCIENCE CENTER DR BUILDING 14, SUITE 140,  
SAN DIEGO, CA 92121 (858) 320-2120 - \$64,400,000 COMMON STOCK. (FILE  
333-32458 - MAR. 14)

S-8 KANA COMMUNICATIONS INC, 740 BAY RD, REDWOOD CITY, CA 94063  
(650) 325-9850 - 4,038,941 (\$487,922,766) COMMON STOCK. (FILE 333-32460  
-  
MAR. 14) (BR. 8)

S-8 INCHORUS COM, 2041 MISSION COLLEGE BLVD, SUITE 259, SANTA CLARA, CA  
95054 (408) 496-6668 - 2,450,250 (\$5,358,696) COMMON STOCK. (FILE  
333-32462 - MAR. 14) (BR. 9)

- S-3 PSW TECHNOLOGIES INC, 6300 BRIDGEPOINT PKWY BLDG 3, STE 200, AUSTIN,  
TX  
78730 (512) 343-6666 - 2,875,000 (\$152,734,375) COMMON STOCK. (FILE  
333-32464 - MAR. 14) (BR. 3)
- S-1 DRIVEWAY CORP, 380 BRANNAN STREET, SAN FRANCISCO, CA 94107 -  
\$75,000,000 COMMON STOCK. (FILE 333-32466 - MAR. 14)
- S-3 CONEXANT SYSTEMS INC, 4311 JAMBOREE RD, NEWPORT BEACH, CA 92660  
(949) 221-4600 - 650,000,000 (\$650,000,000) COMMON STOCK. (FILE 333-  
32468  
- MAR. 14) (BR. 5)
- S-8 AFFORDABLE HOMES OF AMERICA INC, 4505 W HACIENDA AVE, UNIT I 1,  
LAS VEGAS, NV 89118 (702) 579-4800 - 400,000 (\$400,000) COMMON STOCK.  
(FILE 333-32470 - MAR. 14) (BR. 9)
- S-1 GENOMICA CORP /DE/, 4001 DISCOVERY DRIVE, SUITE 130, BOULDER, CO 80303  
(303) 402-9800 - 6,900,000 (\$117,300,000) COMMON STOCK. (FILE 333-32472  
-  
MAR. 15) (NEW ISSUE)
- S-1 SIMPLE TECHNOLOGY INC, 3001 DAIMLER STREET, SANTA ANA, CA 92705  
(800) 367-7330 - \$57,500,000 COMMON STOCK. (FILE 333-32478 - MAR. 15)  
(NEW ISSUE)