

SEC NEWS DIGEST

Issue 2000-98

May 23, 2000

ENFORCEMENT PROCEEDINGS

INTERNET STOCK TOUTERS JASON GREIG AND LIBERTY CAPITAL ENJOINED

On April 28, 2000, Jason A. Greig and Liberty Capital Group, Inc. were enjoined, by consent, from violating the anti-touting provision of the Federal securities laws [Section 17(b) of the Securities Act of 1933] and were ordered to pay a civil money penalty of \$35,000. The Securities and Exchange Commission's complaint, filed October 27, 1998, charged that Greig, a Bellingham, Washington publicist, distributed information regarding certain microcap companies on the Internet without disclosing compensation received from those companies. Chief Judge John C. Coughenour of the United States District Court for the District of Washington issued the order.

The complaint alleged that from April 1996 until April 1998, Greig, through Liberty Capital, published Jay Greig's Liberty Letter in which he provided general information on approximately twenty companies quoted on the Nasdaq Smallcap market, the Nasdaq Bulletin Board, and also traded on the Canadian Exchanges. During 1997, Greig developed a website for Liberty and began publicizing on the website, as well as through e-mails and postings on the Internet bulletin boards, three of the companies featured in the newsletter, as well as six other companies. Although the newsletter generally disclosed that Liberty received compensation from issuers for publicizing their stocks, it failed to disclose the existence of agreements between Liberty and certain of the publicized companies, and failed to disclose the actual amounts of compensation received from those companies. The Liberty website only made a vague, general disclosure about the receipt of compensation, and also failed to disclose the existence of the agreements and any specifics on past or agreed upon compensation. [SEC v Liberty Capital Group, Inc and Jason A. Greig, Civil Action No C98-1515C, USDC, WA] (LR-16559)

SEC CHARGES LARRY ELLIS, D/B/A ATM TECHNOLOGY SYSTEMS, WITH SECURITIES FRAUD

On May 17, Judge Jorge Solis granted the Commission's *Ex Parte* Application for Temporary Restraining Order and Other Equitable Relief against Larry W. Ellis d/b/a/ ATM

Technology Systems The Commission accuses Ellis of falsely claiming that automated teller machine "ATM" investments he offered were safe and would provide lucrative returns. In reality, after making a few payments on these investments, Ellis typically ceased paying investors.

The complaint alleges that Ellis raised approximately \$1 million from investors through various claims that he had become wealthy through his ATM business, which he purportedly started in the early 1990s, that he owned an ATM manufacturing company, and most recently, that he would soon take his company public. Ellis offered recent investors stock options he claimed were simply "icing on the cake," and claimed that through press releases, he could push up the price of the stock. Ellis claimed to investors that they would be investing in a specific ATM machine, and would receive monthly payments, comprised of 12 percent interest on three-year promissory note, and a 20 to 25 percent share in the profits of their ATM. In reality, Ellis' introduction to the ATM business was 1996 when he reached an agreement with an established ATM service provider to find lease locations for its machines. Further, Ellis defaulted on this agreement, and in June 1998, a \$250,000 default judgment was entered against him.

The complaint charges that Ellis violated the antifraud provisions found in Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities and Exchange Act of 1934 and Rule 10b-5 thereunder, and seeks a temporary restraining order, preliminary and permanent injunctions, an asset freeze, accounting, disgorgement with prejudgment interest and civil penalties. The complaint also seeks an order prohibiting the movement, alteration and destruction of books and records and an order expediting discovery. [SEC v. Larry W. Ellis, d/b/a ATM Technology Systems, USDC/ND Texas/Dallas Division, Civil Action No. 3-00CV1040-P] (LR-16560)

SEC SUES FORMER CHEMICAL SECURITIES ANALYST AND ISRAELI MONEY MANAGERS IN INTERNATIONAL INSIDER TRADING CASE

The Commission announced the filing of a settled civil injunctive action alleging illegal insider trading by Anthony Pollak, 31, an Israeli citizen and resident who was formerly a financial analyst at Chemical Securities, Inc., Yosi Rubenstein, 44, and Michael Shemmer, 54, formerly partners in Rubenstein-Shemmer Investments, a Tel Aviv money management firm. The complaint, filed in the United States District Court for the Southern District of New York, alleges that from February through July 1995, Pollak repeatedly misappropriated material nonpublic confidential information to which he had access at Chemical, and tipped Rubenstein and Shemmer to buy the securities of five separate issuers: DSG International Ltd., Truck Components Corp., Playtex Products, Inc., Maxus Energy Corp., and Best Products Company, Inc. The securities were allocated to Rubenstein's and Shemmer's own accounts, to an account in Pollak's name, and to accounts of other customers in the firm. The complaint alleges that the insider trading based on Pollak's tips generated profits of \$542,177. Simultaneous with the filing of the complaint, Pollak, Rubenstein, and Shemmer each settled the Commission's action against them, without admitting or denying the allegations, by consenting to injunctions against future violations of Sections 10(b) and 14(e) of the Exchange Act and Rules 10b-5 and 14e-3 thereunder. Rubenstein and Shemmer agreed to disgorge,

jointly and severally, \$542,177, together with prejudgment interest thereon; however, collection of all those funds, with the exception of \$15,000 to be paid by Rubenstein has been waived based on their demonstrated inability to pay based upon the sworn representations in their statements of financial condition. Pollak, the alleged tipper, has agreed to pay the \$527,177 balance of the principal disgorgement obligation [SEC v. Anthony Pollak, Yosi Rubenstein and Michael Shemmer, Civil Action No 00-CIV-3892, SDNY, SHS] (LR-16561)

INVESTMENT COMPANY ACT RELEASES

THE OHIO NATIONAL INSURANCE COMPANY, ET AL.

A notice has been issued giving interested persons until June 13, 2000, to request a hearing on an application filed by The Ohio National Life Insurance Company (Ohio National), Ohio National Variable Account A (Account), and Ohio National Equities, Inc. (Applicants) Applicants seek an order under Section 6(c) of the Investment Company Act granting exemptions from the provisions of Sections 2(a)(32), 22(c), and 27(i)(2)(A) of the Act and Rule 22c-1 thereunder, to permit the recapture of certain credits applied to purchase payments made under certain deferred variable annuity contracts that Ohio National will issue through the Account. (Rel. IC-24460 – May 19)

SELF-REGULATORY ORGANIZATIONS

WITHDRAWAL GRANTED

An order has been issued granting the application of InterDigital Communications Corporation to withdraw its Common Stock, \$01 par value, and Series B Junior Participating Preferred Stock Rights from listing and registration on the American Stock Exchange (Rel. 34-42804)

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-1 CARSDIRECT COM INC, 10567 JEFFERSON BLVD, CULVER CITY, CA 90232
(180) 043-1250 - \$172,500,000 COMMON STOCK. (FILE 333-37106 - MAY. 16)
(BR. 8)
- S-8 METLIFE INC, ONE MADISON AVENUE, NEW YORK, NY 10010 (212) 578-2211 -
41,000,000 (\$713,810,000) COMMON STOCK. (FILE 333-37108 - MAY. 16)
(BR. 1)
- SB-2 SILK BOTANICALS COM INC, 975 S CONGRESS AVE, STE 102, DELRAY BEACH, FL
33445 (561) 265-3600 - 3,018,666 (\$10,000,000) COMMON STOCK. (FILE
333-37110 - MAY. 16) (BR. 5)
- S-3 TEPPCC PARTNERS LP, 2929 ALLEN PKWY, P O BOX 2521, HOUSTON, TX 77252
(713) 759-3636 - \$700,000,000 STRAIGHT BONDS. (FILE 333-37112 - MAY. 16)
(BR. 4)
- S-8 MOTOROLA INC, 1303 E ALGONQUIN RD, SCHAUMBURG, IL 60196 (847) 576-5000
- 95,449 (\$8,629,545) COMMON STOCK. (FILE 333-37114 - MAY. 16) (BR. 7)
- S-8 COMPUTERIZED THERMAL IMAGING INC, 476 HERITAGE PARK BLVD SUITE 210,
LAYTON, UT 84041 (401) 776-4700 - 5,250,000 (\$43,988,750) COMMON STOCK.
(FILE 333-37120 - MAY. 16) (BR. 9)
- S-3 EARTHWEB INC, 3 PARK AVE, NEW YORK, NY 10016 (212) 725-6550 - 393,171
(\$5,531,915.97) COMMON STOCK. (FILE 333-37122 - MAY. 16) (BR. 3)
- S-8 BOISE CASCADE CORP, 1111 WEST JEFFERSON STREET, P O BOX 50, BOISE, ID
83728 (208) 384-6111 - 100,000 (\$3,287,500) COMMON STOCK. (FILE 333-37124
- MAY. 16) (BR. 4)
- S-8 BOISE CASCADE CORP, 1111 WEST JEFFERSON STREET, P O BOX 50, BOISE, ID
83728 (208) 384-6111 - 1,800,000 (\$59,175,000) COMMON STOCK. (FILE
333-37126 - MAY. 16) (BR. 4)
- S-3 INTERFACE SYSTEMS INC, 5855 INTERFACE DR, ANN ARBOR, MI 48103
(734) 769-5900 - \$ 0,000,000 COMMON STOCK. (FILE 333-37128 - MAY. 16)
(BR. 3)
- S-8 ASPECT MEDICAL SYSTEMS INC, TWO VISION DRIVE, NATICK, MA 01760
(508) 653-0603 - 6,860,000 (\$314,061,090) COMMON STOCK. (FILE 333-37130 -
MAY. 16) (BR. 5)
- S-8 KASPER A S L LTD, 77 METRO WAY, SECAUCUS, NJ 07094 (201) 864-0328 -
2,500,000 (\$7,025,000) COMMON STOCK. (FILE 333-37132 - MAY. 16) (BR. 2)
- S-8 INFONET SERVICES CORP, 2100 E. GRAND AVE, EL SEGUNDO, CA 90245
(310) 335-2600 - 18,014,362 (\$323,244,154) COMMON STOCK. (FILE 333-37134
-
MAY. 16) (BR. 8)
- S-8 KEITHLEY INSTRUMENTS INC, 28775 AURORA RD, SOLON, OH 44139
(216) 248-0400 - 8 0,000 (\$46,050,000) COMMON STOCK. (FILE 333-37136 -
MAY. 16) (BR. 5)

S-8 PAREXEL INTERNATIONAL CORP, 195 WEST ST, WALTHAM, MA 02151
(781) 487-9900 - 800,000 (\$6,988,000) COMMON STOCK. (FILE 333-37138 -
MAY. 16) (BR. 1)

S-3 RIMAGE CORP, 7725 WASHINGTON AVE S, EDINA, MN 55439 (612) 944-8144 -
625,608 (\$11,592,516) COMMON STOCK. (FILE 333-37140 - MAY. 16) (BR. 3)

S-8 HILB ROGAL & HAMILTON CO /VA/, 4235 INNSLAKE DR, GLEN ALLEN, VA 23060
(804) 747-6500 - 1,200,000 (\$33,864,000) COMMON STOCK. (FILE 333-37142 -
MAY. 16) (BR. 1)

S-3 ONYX PHARMACEUTICALS INC, 3031 RESEARCH DR, BLDG A, RICHMOND, CA 94806
(510) 222-9700 - 2,000,000 (\$25,000,000) COMMON STOCK. (FILE 333-37144 -
MAY. 16) (BR. 1)

S-8 PROVANT INC, 67 BATTERYMARCH ST SUITE 600, BOSTON, MA 02110
(617) 261-1600 - 577,212 (\$3,896,374.13) COMMON STOCK. (FILE 333-37146 -
MAY. 16) (BR. 8)

S-8 CENTURYTEL INC, P O BOX 4065, 100 CENTURY PARK DR, MONROE, LA 71203
(318) 388-9000 - 4,000,000 (\$101,500,000) COMMON STOCK. (FILE 333-37148 -
MAY. 16) (BR. 7)

S-8 PER SE TECHNOLOGIES INC, 2840 MT WILKINSON PARKWAY, SUITE 300, ATLANTA,
GA 30339 (770) 444-5300 - 3,000,000 (\$20,520,000) COMMON STOCK. (FILE
333-37150 - MAY. 16) (BR. 3)

S-8 PER SE TECHNOLOGIES INC, 2840 MT WILKINSON PARKWAY, SUITE 300, ATLANTA,
GA 30339 (770) 444-5300 - 250,000 (\$1,710,000) COMMON STOCK. (FILE
333-37152 - MAY. 16) (BR. 3)

S-8 PLEXUS CORP, 55 JEWELERS PARK DR, NEENAH, WI 54957 (920) 722-3451 -
1,000,000 (\$77,060,500) COMMON STOCK. (FILE 333-37154 - MAY. 16) (BR. 5)

S-1 INTERLIANT INC, TWO MANHATTANVILLE ROAD, PURCHASE, NY 10577
(914) 640-9000 - 154,825,000 (\$92,314,406) STRAIGHT BONDS. (FILE
333-37156 - MAY. 16) (BR. 8)

S-8 FAHNESTOCK VINEY HOLDINGS INC, SUITE 1110, P.O. BOX 2015,
20 EGLINTON AVE. WEST, TORONTO, ON M4R 1 (41) 6)3-22-1 - 1,130,000
(\$19,986,875) COMMON STOCK. (FILE 333-37158 - MAY. 16) (BR. 7)

S-3 EMERGING VISION INC, 1500 HEMPSTEAD TURNPIKE, EAST MEADOW, NY 11554
(516) 390-2100 - 6,542,710 (\$23,815,464) COMMON STOCK. (FILE 333-37160 -
MAY. 16) (BR. 2)

S-1 PEMSTAR INC, 355 TECHNOLOGY DR NW, ROCHESTER, MN 55901 (507) 288-6720
- \$115,000,000 COMMON STOCK (FILE 333-37162 - MAY. 16)

S-3 PAINWEBBER ASSET ACCEPTANCE CORP, 1285 AVE OF THE AMERICAS, NEW YORK,
NY 10019 (212) 713-2000 - 1,000,000 (\$1,000,000)
EQUIPMENT TRUST CERTIFICATES. (FILE 333-37164 - MAY. 16) (NEW ISSUE)

S-4 THERMO ELECTRON CORP, 81 WYMAN ST, P O BOX 9046, WALTHAM, MA 02454
(781) 622-1000 - 3,224,411 (\$58,227,480) COMMON STOCK. (FILE 333-37166 -
MAY. 16) (BR. 5)

- S-8 CARAUSTAR INDUSTRIES INC, 3100 WASHINGTON STREET, AUSTELL, GA 30106
(770) 948-3101 - 2,200,000 (\$34,856,250) COMMON STOCK. (FILE 333-37168 -
MAY. 16) (BR. 4)
- S-4 COMVERSE TECHNOLOGY INC/NY/, 170 CROSSWAYS PARK DR, WOODBURY, NY 11797
(516) 677-7200 - 2,169,163 (\$147,017,093) COMMON STOCK. (FILE 333-37170 -
MAY. 16) (BR. 7)
- S-4 THERMO ELECTRON CORP, 81 WYMAN ST, P O BOX 9046, WALTHAM, MA 02454
(781) 622-1000 - 1,441,838 (\$16,384,522.50) COMMON STOCK. (FILE 333-37172
- MAY. 16) (BR. 5)
- S-3 PHARMANETICS INC, 5301 DEPARTURE DRIVE, RALEIGH, NC 27616 (919) 954-
9871
- 1,596,000 (\$23,640,750) COMMON STOCK. (FILE 333-37174 - MAY. 16)
(BR. 36)
- SB-2 GIMMEABID COM INC, 174 G WORLD TRADE CTR, P O BOX 420132, DALLAS, TX
75342 (214) 752-6070 - 2,700,000 (\$51,300,000) COMMON STOCK. (FILE
333-37176 - MAY. 16)
- S-8 ABC NACO INC, 201 BUTTERFIELD ROAD, SUITE 502, DOWNES GROVE, IL 60515
(312) 322-4614 - 600,000 (\$4,350,000) COMMON STOCK. (FILE 333-37178 -
MAY. 17) (BR. 6)
- S-3 NEOTHERAPEUTICS INC, 157 TECHNOLOGY DR, STE J-821, IRVINE, CA 92618
(949) 788-6700 - 6,348,892 (\$178,172,254) COMMON STOCK. (FILE 333-37180 -
MAY. 16) (BR. 1)
- S-8 CYBER CARE INC, 1903 S CONGRESS AVE, STE 400, BOYNTON BEACH, FL 33426
(561) 737-2227 - 6,239 (\$94,770) COMMON STOCK. (FILE 333-37182 - MAY. 17)
(BR. 1)
- S-8 CYBER CARE INC, 1903 S CONGRESS AVE, STE 400, BOYNTON BEACH, FL 33426
(561) 737-2227 - 50,000 (\$759,500) COMMON STOCK. (FILE 333-37184 -
MAY. 17) (BR. 1)
- S-4 LEAP WIRELESS INTERNATIONAL INC, 10307 PACIFIC CENTER COURT, SAN DIEGO,
CA 92121 (877) 977-5327 - 893,000,000 (\$560,803,600) STRAIGHT BONDS.
(FILE 333-37186 - MAY. 17) (BR. 7)
- S-4 GREAT PLAINS SOFTWARE INC, 1701 S W 38TH ST, FARGO, ND 58103
(701) 281-0550 - \$1,384,000 COMMON STOCK. (FILE 333-37188 - MAY. 17)
(BR. 3)