

UNITED STATES DISTRICT COURT  
for the  
SOUTHERN DISTRICT OF FLORIDA

FILED BY JK D.C  
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CARLOS J. JENKE  
CLERK U.S. DIST. CT.  
S.D. OF FLA.-MIAMI

\_\_\_\_\_  
SECURITIES AND EXCHANGE COMMISSION, )  
 )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
 )  
RONALD J. MITCHELLETTE AND )  
ROBERT HARDY, )  
 )  
Defendants. )  
\_\_\_\_\_

CIVIL ACTION NO:

**97-8064**  
**CIV - HURLEY**  
MAGISTRATE JUDGE  
LYNCH

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff, Securities and Exchange Commission ("Commission"),  
alleges that:

1. This is an action for injunctive and other relief to prevent defendants Ronald J. Mitchellette ("Mitchellette") and Robert Hardy ("Hardy") from violating the federal securities laws by committing material misrepresentations or omissions, either in the direct solicitation of investors or in the preparation or distribution of offering materials, in connection with the offer and sale of securities.

2. Mitchellette's and Hardy's activities resulted in approximately \$1 million in losses to investors. Immediate injunctive relief is required to ensure that they do not fraudulently induce additional investors to entrust funds to them.

*JK*

**THE DEFENDANTS**

3. Defendant Mitchellette, age 60, was chairman, CEO and president of Carlisle-Asher Management Company ("CAMC"), an investment advisory firm. He was also an indirect shareholder of CAMC.

4. Defendant Hardy, age 63, was CAMC's director of marketing between April 1992 and January 1993, before becoming CAMC's president, chief operating officer and a director from January 1, 1993 to November 12, 1993. At all relevant times, Hardy was registered with the Commission as a securities broker.

**RELATED ENTITY**

5. CAMC was incorporated in Delaware on February 8, 1975, but was administratively dissolved on March 1, 1994 for failing to pay state taxes. CAMC's corporate charter was reinstated by the State of Delaware on or about February 14, 1995. CAMC was registered with the Commission as an investment adviser from 1968 through 1993.

**JURISDICTION AND VENUE**

6. This Court has jurisdiction over this action pursuant to Sections 20(b) and 22(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77t(b) and 77v(a), and pursuant to Sections 21(d), 21(e) and 27 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78u(d), 78u(e), and 78aa.

7. The Commission brings this action pursuant to Section 20(b) of the Securities Act, 15 U.S.C. § 77t(b), and Sections 21(d) and 21(e) of the Exchange Act, 15 U.S.C. §§ 78u(d) and 78u(e), to restrain and enjoin Mitchellette and Hardy from engaging in such acts and practices, and for other equitable relief against Mitchellette and Hardy.

8. Certain of the acts and transactions constituting violations of the Securities Act and the Exchange Act occurred within the Southern District of Florida. Mitchellette and Hardy maintained and operated an office, operated CAMC and engaged in the acts and practices complained of herein within the Southern District of Florida. CAMC's principal place of business was in the Southern District of Florida. Hardy resides in Palm Beach, Florida. Mitchellette resides in San Francisco, California.

9. Mitchellette and Hardy, directly or indirectly, have made use of the means and instrumentalities of interstate commerce and the means and instruments of transportation and communication in interstate commerce, and the mails, in connection with the acts, practices, and courses of business complained of herein.

#### **OVERVIEW OF THE SCHEME**

10. Between April 1992 and March 1993, CAMC issued and sold, in a private offering, debt securities to approximately 50 investors by

means of a fraudulent offering document ("Private Placement Memorandum" or "PPM") prepared, jointly, by Mitchellette and Hardy, with the assistance of counsel. The PPM contained false and misleading statements concerning the source and value of fee-generating mutual funds under CAMC's management; legal proceedings against CAMC and its parent company; CAMC's efforts to acquire other investment advisers; CAMC's financial condition; the amount of commissions paid to brokers; the backgrounds and composition of CAMC's management; and the use of offering proceeds. In all, the Defendants raised \$1,000,000 in the CAMC offering. The investors lost virtually all of their investment.

#### **NATURE OF THE SECURITIES**

11. From April 1992 through March 1993, the PPM was used to induce investors to purchase the subject securities -- promissory notes issued by CAMC. CAMC investors purchased the notes to earn profit -- a guaranteed rate of return -- and for the opportunity to later convert the convertible notes into shares of CAMC common stock. The investors' funds were to be used by CAMC for its business operations and for purported expansion through the acquisition of other investment advisory firms. The investment returns to each investor were dependent upon the efforts of CAMC's management, namely, Mitchellette and Hardy.

**MISREPRESENTATIONS AND OMISSIONS**

12. The PPM used in CAMC's securities offering, prepared by Defendants Mitchellette and Hardy, contained misrepresentations and omissions of material fact calculated to deceive investors and prospective investors including, among other things, the following:

**A. Overstatement of the Value of Funds under CAMC's Management**

13. The PPM inflated the value of CAMC's advisory portfolio in order to show an enhanced fee-generating capacity. The chief instance was the statement in the PPM that "[CAMC] recently acquired Centurion Capital Management Co., Inc. ['Centurion'], ... an investment management firm" and that CAMC, "together with the Centurion acquisition currently has over \$140,000,000 under management."

14. The foregoing statement was materially false. CAMC never purchased Centurion; it was purchased in August 1991 by CAMC's parent company, Carlisle Management Acquisition Company ("Carlisle Management"), which was owned by Mitchellette and an associate. CAMC never had any legal rights to manage or otherwise derive benefits from Centurion. At the time of the offering, and all times thereafter, CAMC managed only Afuture Fund (the "Fund"), an investment company registered with the Commission, which had a

portfolio of just \$5 million, and which proved to be entirely unprofitable to CAMC.

15. By attributing to CAMC \$140 million "under management," the PPM, without basis, imputed to CAMC the "benefit" of the Centurion acquisition.

16. The representations regarding the Centurion acquisition were misleading for three additional reasons:

a) Not only did CAMC not "acquire" Centurion, but its actual purchaser, Carlisle Management, acquired Centurion in the qualified sense of an installment-based purchase. The PPM failed to disclose this fact, or the fact that Carlisle Management was a shell corporation with no assets (other than its ownership of CAMC) and no revenues. CAMC investors could not have known by reading the PPM that Carlisle Management, not CAMC, was Centurion's purchaser, or that Centurion's actual purchaser (Carlisle Management) had no independent means of satisfying its payment obligation under the installment contract.

b) In June 1991, approximately 11 months prior to the CAMC offering, Mitchellette had pledged all issued and outstanding shares of stock in Carlisle Management to an elderly couple (the "Jacobsons") as security for a \$350,000 loan used to fund Carlisle Management's purchase, in 1991, of CAMC. By April 1992, the date of

the offering, the loan was in default. This fact, which was material to Carlisle Management's ability to complete the Centurion acquisition as well as to the future ownership and control of CAMC, was not disclosed in the PPM. The Jacobsons later filed suit to collect on the loan and, on November 2, 1992, Mitchellette, CAMC and Carlisle Management, among others, agreed to pay the couple more than \$364,000 in settlement. The PPM was never modified to disclose the lawsuit or the settlement, even though CAMC, the issuer of the offering, was a party to both.

c) As of year end 1991, Centurion itself managed funds with an approximate total value of only \$35 million. The remaining \$100 million, which CAMC gave the misleading impression resulted from its purchase of Centurion, involved a sham one-page "Investment Advisory Agreement" between Centurion and an insurance company, Investors Insurance Corp. ("IIC"), purportedly for the management by Centurion of IIC's alleged \$100 million portfolio. In return, Centurion was entitled, as set forth in the advisory agreement, to a maximum annual fee of \$1000 -- a fee percentage vastly less than the industry norm. The PPM failed to disclose this fee limitation, in spite of the express reference in the PPM "Summary" to CAMC's "140 million under management," an amount expressly linked -- also in the PPM Summary -- to CAMC's "profitability."

**B. CAMC's Purported "Agreement" with Alla Corp.**

17. The PPM also falsely characterized the status of negotiations involving CAMC as prospective purchaser of another investment advisory firm, Alla Corp. ("Alla"). By Mitchellette's own admission, the acquisition of Alla was crucial to CAMC's financial survival.

18. The PPM misrepresented that "The Company [CAMC] has entered into an agreement scheduled to close on June 30, 1992, to acquire an asset management company with approximately \$45,000,000 of funds under management and a historical annual fee income of approximately \$450,000." In fact, neither CAMC nor any of its affiliates ever entered into a purchase agreement with Alla. Further, there was no reasonable basis to even suggest that a deal between the two companies would close by June 30, 1992.

19. At the time Mitchellette and Hardy drafted the Alla statement, they knew or should have known there was no written agreement between CAMC and Alla. They also knew the potential significance of such an acquisition to CAMC's financial future in light of their knowledge of CAMC's infirm financial condition. Despite this knowledge, and the certainty that a prospective CAMC investor would attribute material significance to the Alla representation, they included it in the PPM based solely on



preliminary negotiations between the two companies and an unexecuted letter "agreement to agree."

20. The PPM is further misleading since it fails to disclose the material fact that the source of the \$250,000 downpayment CAMC was to pay to acquire Alla, as set forth in the drafts of the purchase agreement, would have been CAMC's private placement proceeds. In other words, there was no disclosure in the PPM that the purported "agreement scheduled to close on June 30, 1992" could not have closed unless CAMC had succeeded by that time in raising \$250,000 through its offering.

**C. CAMC's Fraudulent Balance Sheet**

21. Appended to each distributed copy of the PPM was a one-page exhibit entitled "Financial Statements." These financials, which were prepared by Mitchellette, were misleading because they attributed \$298,874 to CAMC as "intangible assets," representing the cost of CAMC's purported acquisition of Centurion when, as discussed above, Carlisle Management, not CAMC, was the purchaser of Centurion. The financials were further misleading because they failed to include a \$91,000 contingent liability associated with the installment acquisition of Centurion. The purchase agreement underlying Centurion's acquisition called for a \$91,000 payment over a specified period.

22. In addition, the same financials were utilized even after Centurion was returned, at a substantial loss, to its original owner, and after CAMC consented to a \$364,000 judgment, with no disclosure or accounting of these material subsequent events.

**D. The 8% Brokerage Commission**

23. The PPM fraudulently misstated the brokerage commission paid in connection with the CAMC private placement: the commission was 12%, not the 8% repeatedly mentioned in the PPM. The increased amount was the result of a 4% "overriding" commission or "referral fee" that Mitchellette and Hardy agreed to pay to one broker for referring another high-producing broker. In fact, Hardy, who personally made two sales totalling \$160,000, received a 12% commission for his sales.

**E. Undisclosed Resignations of Management**

24. Mitchellette and Hardy fraudulently concealed from CAMC's investors the resignation of Milton Barbarosh ("Barbarosh"), a Canadian-chartered accountant, as CAMC's chairman. As early as January 1992, Barbarosh expressed to Mitchellette his intention to resign the position and his concern that official acknowledgement of his intention be made without delay. Over the next several months Mitchellette repeatedly assured Barbarosh that he would "take care of it." To the contrary, Mitchellette, with Hardy's concurrence,

identified Barbarosh as chairman of CAMC, with a lengthy personal profile, in the PPM they drafted.

25. On June 12, 1992, Barbarosh issued a written resignation as CAMC's chairman. A CAMC resolution acknowledging the resignation followed that same day. Aware generally that CAMC was conducting a private offering, Barbarosh sought confirmation in a letter dated July 14, 1992 to Mitchellette and CAMC's counsel that his name was not included in any CAMC offering memorandum. As on many prior occasions, Barbarosh was assured that there was no such reference.

26. In September 1992, Barbarosh learned, when he chanced upon a copy of the PPM, that he had -- all along and despite assurances to the contrary -- been identified in the document as CAMC's chairman.

27. Mitchellette and Hardy also fraudulently concealed from CAMC investors the resignation of David Olmsted ("Olmsted") as executive vice president of CAMC. Olmsted, identified in the PPM as "Executive Vice President," and garnering almost a full-page curriculum vitae, resigned as an officer of CAMC on April 8, 1992.

#### DIVERSION OF OFFERING PROCEEDS

28. In October and November 1992, Mitchellette misappropriated \$258,334 of CAMC's offering proceeds to purchase newly-issued common stock of a Palm Beach, Florida bank holding company, Governors Bank Corp. ("GBC"), which he placed in the name of a nominee company.

Mitchellette used an additional \$10,000 of CAMC offering proceeds to purchase additional GBC shares pursuant to stock option agreements with two dissident GBC shareholders. Not a single GBC share, however acquired, was ever registered in the name of CAMC.

29. In the latter months of 1993, Mitchellette arranged for the sale to a number of individuals of approximately one half of the GBC stock that he had purchased with offering proceeds. In all but a few instances, the sales of GBC stock directly enriched Mitchellette, with no benefit, direct or indirect, to CAMC or its investors. In November 1993, Mitchellette assigned his remaining shares of GBC stock to a creditor, in satisfaction of a personal loan the creditor had extended to Mitchellette in 1992. Hardy became aware in late 1992, upon becoming president of CAMC, that offering proceeds had been used by Mitchellette to purchase GBC stock in the name of Mitchellette's nominee. He did not pursue the issue.

**COUNT ONE**  
**FRAUD**  
**VIOLATIONS OF SECTION 17(a)(1) OF THE SECURITIES ACT**

The Commission incorporates and realleges herein paragraphs 1 through 29 of this Complaint.

30. Between April 1992 and continuing through at least March 1993, defendants Mitchellette and Hardy, directly or indirectly, by the use of the means or instruments of transportation or communication in interstate commerce, or by the use of the mails, in the offer or sale of securities, as described herein, knowingly, willfully and/or recklessly employed devices, schemes or artifices to defraud, through acts which included, but are not limited to, the activities described in paragraphs 1 through 29, above.

31. By reason of the foregoing, defendants Mitchellette and Hardy violated and, unless enjoined, will continue to violate Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

**COUNT TWO**  
**FRAUD**  
**VIOLATIONS OF SECTION 10(b) OF THE EXCHANGE ACT**  
**AND RULE 10b-5**

The Commission incorporates and realleges herein paragraphs 1 through 29 of this Complaint.

32. Between April 1992 and continuing through at least March 1993, defendants Mitchellette and Hardy, directly or indirectly, by

use of the means or instrumentalities of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of securities, as described herein, knowingly, willfully and/or recklessly: (i) employed devices, schemes or artifices to defraud; (ii) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (iii) engaged in acts, practices or courses of business which operated, or would have operated as a fraud or deceit upon any person in connection with the purchase or sale of such securities, through acts which included, but are not limited to, making the misrepresentations and omissions of material fact described in paragraphs 1 through 29, above.

33. By reason of the foregoing, defendants Mitchellette and Hardy violated and, unless enjoined, will continue to violate Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 [17 C.F.R. 240.10b-5], thereunder.

**COUNT THREE**  
**FRAUD**  
**VIOLATIONS OF SECTIONS 17(a)(2) AND**  
**17(a)(3) OF THE SECURITIES ACT**

The Commission incorporates and realleges herein paragraphs 1 through 29 of this Complaint.

34. Between April 1992 and continuing through at least March 1993, defendants Mitchellette and Hardy, directly or indirectly, by the use of the means or instruments of transportation or communication in interstate commerce, or by the use of the mails, in the offer or sale of securities, as described herein:

(a) obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and/or

(b) engaged in transactions, practices, or a course of business which operated as a fraud and deceit upon the purchasers of such securities, through acts which included, but are not limited to, the activities described in paragraphs 1 through 29 above.

35. By reason of the foregoing, defendants Mitchellette and Hardy violated and, unless enjoined, will continue to violate Sections 17(a)(2) and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77(q)(a)(2) and 77(q)(a)(3).

WHEREFORE, the Commission respectfully requests that the Court:

**I.**

**Declaratory Relief**

(a) Declare, determine and find that defendants Mitchellette and Hardy committed the violations of the federal securities laws alleged herein; and

(b) Declare, determine and find that defendants Mitchellette and Hardy received ill-gotten gains through their violations of the federal securities laws, as described herein.

**II.**

**Accounting and Disgorgement**

Issue an Order requiring an accounting by defendants Mitchellette and Hardy of all proceeds and benefits received by them, directly or indirectly, pursuant to the scheme described in this complaint, and awarding disgorgement in an amount to be determined by the court against defendants Mitchellette and Hardy, jointly and severally, including prejudgment interest, to effect the remedial purposes of the federal securities laws.



**III.**

**Civil Money Penalties**

Issue an Order setting third-tier civil money penalties against defendants Mitchellette and Hardy pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78(d)(3), for violations of the federal securities laws as complained herein.

**IV.**

**Permanent Injunction**

Issue a Permanent Injunction, restraining and enjoining defendants Mitchellette and Hardy, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating Section 17(a) of the Securities Act, [15 U.S.C. § 77q(a)], and Section 10(b) of the Exchange Act, [15 U.S.C. § 78j(b)], and Rule 10b-5 [17 C.F.R. 240.10b-5], thereunder.

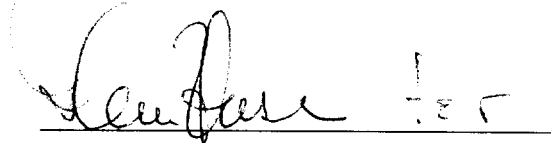
**V.**

**Further Relief**

Grant such other and further relief as may be necessary and appropriate. Further, the Commission respectfully requests that this Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that may hereby be

entered, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Charles V. Senatore", is written over a horizontal line. To the right of the signature, the date "1/30" is written.

Charles V. Senatore  
Regional Director  
Florida Bar No. 308935

Glenn Harris  
Florida Bar No. 357588

Jeffrey A. Cohen  
Florida Bar No. 606601

DATE: January 30, 1997

Attorneys for Plaintiff  
SECURITIES AND EXCHANGE COMMISSION  
1401 Brickell Avenue, Suite 200  
Miami, Florida 33131  
Telephone: (305) 982-6341  
Facsimile: (305) 536-7465

**CIVIL COVER SHEET**

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

**I (a) PLAINTIFFS**

**SECURITIES AND EXCHANGE COMMISSION**

**(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF** \_\_\_\_\_  
(EXCEPT IN U.S. PLAINTIFF CASES)

*A Palm Beach 97-8064 DTKH/FTL*

**(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)**

**Glenn A. Harris, Esq. (305) 982-6341  
SEC, 1401 Brickell Ave., Suite 200, Miami,  
FL 33131**

**(d) CIRCLE COUNTY WHERE ACTION AROSE:**

DADE, MONROE, BROWARD, **PALM BEACH**, MARTIN, ST. LUCIE, INDIAN RIVER, OKEECHOBEE, HIGHLANDS

**II. BASIS OF JURISDICTION** (PLACE AN X IN ONE BOX ONLY)

- 1 U.S. Government Plaintiff**
- 2 U.S. Government Defendant**
- 3 Federal Question** (U.S. Government Not a Party)
- 4 Diversity** (Indicate Citizenship of Parties in Item III)

**DEFENDANTS**

**97-8064**

**RONALD J. MITCHELLETTE and  
ROBERT HARDY**

**CIV. HURLEY  
MAGISTRATE JUDGE**

**COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT** Lynch Palm Beach  
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED

**ATTORNEYS (IF KNOWN)** **Michael Pucillo, Esq.**  
**Burt & Pucillo, 222 Lakewood Ave., Suite 200 E.,  
West Palm Beach, FL 33401**

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (PLACE AN X IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. CAUSE OF ACTION** (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

**15 U.S.C. § 77q(a)(1), 15 U.S.C. § 78j(b), 17 C.F.R. 240.10b-5, 15 U.S.C. §§ 77q(a)(2) and (3). Violations of the antifraud provision of the federal securities laws.**  
IVa. 3 days estimated (for both sides) to try entire case.

**V. NATURE OF SUIT** (PLACE AN X IN ONE BOX ONLY)

A CONTRACT	A TORTS	B FORFEITURE/PENALTY	A BANKRUPTCY	A OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury  <b>PERSONAL INJURY</b> <input type="checkbox"/> 362 Personal Injury—Med Malpractice <input type="checkbox"/> 365 Personal Injury—Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability  <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other  <b>A LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157  <b>A PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark  <b>B SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395f) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))  <b>A FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input checked="" type="checkbox"/> <b>850 Securities/Commodities/Exchange</b> <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions
A REAL PROPERTY	A CIVIL RIGHTS	B PRISONER PETITIONS		
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus. <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input checked="" type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights *A or B		

**VI. ORIGIN** (PLACE AN X IN ONE BOX ONLY)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Refiled
- 5 Transferred from another district (specify)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judgment

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A **CLASS ACTION**  UNDER F.R.C.P. 23 **DEMAND \$** \_\_\_\_\_ **JURY DEMAND:**  YES  NO

**VIII. RELATED CASE(S) IF ANY** (See instructions):

Accounting and Disgorgement  
JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

DATE 1-30-97 SIGNATURE OF ATTORNEY OF RECORD Glenn A. Harris

UNITED STATES DISTRICT COURT S/F I-2 REV. 6/90  
FOR OFFICE USE ONLY: Receipt No. \_\_\_\_\_ Amount: \_\_\_\_\_  
Date Paid: \_\_\_\_\_ N/1fp: \_\_\_\_\_