

Richard R. Best*
Sanjay Wadhwa (Bar Number 519704)
Alexander M. Vasilescu (Bar Number 2735143)
Gerald Gross*
James Hanson**
Attorneys for the Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
Brookfield Place
200 Vesey Street, Suite 400
New York, New York 10281
(212) 336-0178 (Vasilescu)
***Not Admitted in NDNY**
****Not Admitted in NDNY and will seek to be admitted**

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,

-against-

THE ESTATE OF RICHARD VENTRILLA, and
CYGNUS CAPITAL MANAGEMENT, LLC,

Defendants.

ECF CASE

COMPLAINT

5:20-cv-1102 (FJS/TWD)

JURY TRIAL
DEMANDED

Plaintiff Securities and Exchange Commission (“Commission”), for its Complaint against defendants The Estate of Richard Ventrilla (“Ventrilla”) and Cygnus Capital Management, LLC (“Cygnus”) (collectively, the “Defendants”), alleges as follows:

SUMMARY OF ALLEGATIONS

1. From at least September 2015 through at least March 2020, Ventrilla, now deceased, and his company, Cygnus, deceived investors by selling securities and lying about guaranteed 7% to 8% annual interest and returns and stealing assets from investment advisory clients.

2. In total, Ventrilla and Cygnus defrauded at least 22 investors, who invested a total of approximately \$989,000, by raising funds through the false guarantees of the 7% to 8% annual interest and returns, and by stealing the vast majority of such funds for Ventrilla's personal use.

3. Recently, Ventrilla's fraudulent scheme has collapsed and only a small amount of investors' funds remains in a frozen bank account.

4. On September 2, 2020, Ventrilla was found dead at his residence. The SEC, therefore, has brought this action against Ventrilla's estate and Cygnus to secure investor funds that remain in the name of Ventrilla and Cygnus, to prevent further harm to investors through the dissipation of assets, and to seek disgorgement stemming from Ventrilla's and Cygnus's wrongdoing so that any funds that remain can be returned to investors who were the victims of the fraud.

VIOLATIONS

5. By virtue of the conduct alleged herein: (a) Ventrilla and Cygnus, directly or indirectly, singly or in concert, have engaged, and Cygnus is engaging, in transactions, acts, practices and courses of business that constitute violations of Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)], and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and (b) Ventrilla and Cygnus, directly or indirectly, singly or in concert, have engaged, and Cygnus is engaging, in transactions, acts, practices and courses of business that constitute violations of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act") [15 U.S.C. §§ 80b-6(1) and 80b-6(2)].

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

6. The Commission brings this action pursuant to authority conferred by Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)], and Section 209(d) of the Advisers Act [15 U.S.C. § 80b-9(d)], seeking a final judgment: (a) restraining and permanently enjoining Cygnus from engaging in the acts, practices, transactions and courses of business alleged herein; (b) ordering Defendants to disgorge their ill-gotten gains and to pay prejudgment interest thereon; (c) imposing against Cygnus civil money penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)]; and (d) ordering such other and further relief as the Court may deem just and proper.

JURISDICTION AND VENUE

7. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331, Sections 20(b), 20(d) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d), 77v(a)], Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa], and Section 214(a) of the Advisers Act [15 U.S.C. § 808b-14(a)].

8. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b)(2), Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)], Section 27 of the Exchange Act [15 U.S.C. § 78aa], and Section 214 of the Advisers Act [15 U.S.C. § 80b-14]. Certain of the events constituting or giving rise to the violations alleged herein occurred in the Northern District of New York. For instance, Defendants sold securities to, and solicited investments from, certain investors in this district. Defendants also misappropriated assets located in this district including from investors located in this district. Also, prior to his death, Ventrilla resided in this district, and he and Cygnus maintained an office in this district.

DEFENDANTS

9. **Estate of Ventrilla** is the estate of Richard Ventrilla, who at age 61, died on September 2, 2020. At the time of his death, Ventrilla was a resident a resident of Clarence, New York (a suburb of Buffalo), and was the president, sole owner and manager of Cygnus. Neither he nor Cygnus had been registered with the Commission or any state as an investment adviser or in any other capacity. In 1999, Ventrilla pled guilty to one count of extortion and was sentenced to 46 months in prison. *U.S. v. Ventrilla*, 233 F.3d 166 (2d Cir. 2000). On September 2, 2020, Ventrilla was found dead in his home.

10. The Estate of Richard Ventrilla is the successor in interest to Mr. Ventrilla who is deceased. As of the date of this complaint, the executor of Mr. Ventrilla's estate is unknown.

11. **Cygnus** is a Delaware limited liability company solely owned and controlled by Ventrilla and located at his home. In response to a Commission subpoena in the investigation preceding this action, neither Cygnus nor Ventrilla produced any documents to the Commission.

FACTUAL ALLEGATIONS

12. In the period from at least September 2015 through at least March 2020 (the "Relevant Period"), Ventrilla and his company, Cygnus, defrauded investors by two methods. First, Ventrilla sold notes and/or investment contracts to at least six investors ("Note Investors") using false and misleading material statements, and then misappropriating their funds. Second, Ventrilla made false and misleading statements to at least sixteen other investors who became the Defendants' investment advisory clients ("Advisory Clients"), and then misappropriated their

assets. In total, during the Relevant Period, Ventrilla and Cygnus defrauded at least 22 investors, who invested a total of approximately \$989,000.¹

A. Ventrilla and Cygnus Defrauded the Note Investors

13. Defendants sold investments in Cygnus to the Note Investors, which included personal acquaintances, promising them a fixed rate of return to be paid in regular quarterly installments.

14. Several of these investments were documented by notes bearing a one-year term and guaranteeing between a 7% and 8% rate of return.

15. Some Note Investors just had oral agreements with Ventrilla on similar terms. Ventrilla told the Note Investors he would invest funds in publicly traded securities and repay them with trading profits. Ventrilla also told the Note Investors that he profited from achieving a higher return by trading public securities; that is, he profited by keeping all returns greater than the 7 or 8 percent he promised to pay his investors.

16. Ventrilla's statements to the Note Investors were false and misleading because, at the time, he had no basis for telling investors that his investments would yield profits sufficient to generate the promised returns or that he would use the funds primarily for trading.

17. At the time Ventrilla made these statements to the Note Investors, Ventrilla knew or recklessly disregarded that they were false and misleading.

18. Ventrilla had the Note Investors' funds initially deposited into a Cygnus bank account and then he transferred those funds partially or entirely, to a bank account or a brokerage account in Ventrilla's name.

¹ Ventrilla began his misconduct at least as early as in February 2014. Between then and June 2015, Ventrilla obtained approximately \$450,000 from investors as a result of such misconduct.

19. Ventrilla knowingly or recklessly deceived the Note Investors by misleadingly omitting to tell them that he was using the vast majority of investor funds for his personal purposes, such as ATM cash withdrawals, food, healthcare, and transportation.

20. Even his limited trading was not very successful, and Ventrilla was able to pay Note Investors their quarterly returns only by using money from other investors in a Ponzi-like manner.

21. Ventrilla knew or recklessly disregarded that he had no basis for telling the Note Investors that his trading would be sufficient to guarantee the promised returns. For example, between 2015 and 2017, his brokerage account sustained trading losses and was ultimately almost net flat over the duration of the account, which closed in June 2019.

B. Ventrilla and Cygnus Defrauded the Advisory Clients

22. Defendants engaged in investment advisory fraud with the Advisory Clients.

23. Ventrilla was introduced to most of the Advisory clients through Friend A (an individual Ventrilla had met in prison).

24. Ventrilla, who executed investment advisory contracts on behalf of Cygnus, told his clients, directly or indirectly through Friend A, that Cygnus had the ability to make good returns for clients by investing their money in a portfolio of publicly traded stocks.

25. Ventrilla told the Advisory Clients that he was able to guarantee high returns because he had experience successfully trading public securities.

26. Ventrilla told his Advisory Clients and/or led them to believe that Ventrilla would manage their assets using separately managed accounts, and that Ventrilla would be paid some reasonable investment advisory fee.

27. Ventrilla's statements to the Advisory Clients were false and misleading because, at the time, he had no basis for telling them that his investments would yield profits sufficient to generate the promised returns or that he would use the client funds primarily for trading.

28. Ventrilla had client funds initially deposited into a Cygnus bank account and then he transferred those funds partially or entirely, to a bank account or a brokerage account in Ventrilla's name.

29. Instead of investing client funds, Ventrilla misappropriated a significant amount of their funds to support his lifestyle.

30. Ventrilla knowingly or recklessly deceived the Advisory Clients by misleadingly omitting to tell them that he was using their funds for his personal purposes, such as ATM cash withdrawals, food, healthcare and transportation.

31. Although Ventrilla orally communicated with these clients via Friend A, Ventrilla provided written documents directly to all of his Advisory Clients.

32. Ventrilla lied to his Advisory Clients about their investment portfolios by sending them periodic statements showing that their funds were invested in specific publicly traded securities and that these investments generally had positive returns.

33. The trading information contained in the account statements Ventrilla sent to his Advisory Clients was false.

34. As an initial matter, Ventrilla never established trading accounts for the Advisory Clients as promised and as the client account statements implied.

35. Rather, Ventrilla co-mingled the Advisory Clients' assets into Cygnus's bank account and Ventrilla's bank and brokerage accounts.

36. Ventrilla misappropriated a significant portion to support his lifestyle. For example, bank and brokerage records show that, from 2015 to 2019, Ventrilla transferred \$179,867 from Cygnus's bank account into his personal brokerage account, and thereafter, he transferred \$169,767 from his brokerage account into his personal bank account.

37. Ventrilla also used the Advisory Clients' assets to pay some quarterly interest payments due to the Note Investors.

38. Ventrilla knew or recklessly disregarded that his statements and representations to the Advisory Clients, at the time they were made, were false and misleading.

C. Defendants' Fraud Collapses

39. Ventrilla used only approximately ten percent of total funds he raised from the Note Investors and the Advisory Clients to trade securities.

40. Ventrilla used the majority of investor funds to support his lifestyle or repay Note Investors their promised interest and/or return of principal.

41. In 2019, the Defendants' fraud began to collapse. In July 2019, Cygnus's bank account, which then had only approximately \$21,168 was frozen by the bank due to suspicious activity.

42. Since that time, Ventrilla opened a bank account for Cygnus at another bank that has received a total of \$25,036 in investor funds, but by November 2019, its balance had dropped to less than \$50.

43. In late 2019, with insufficient funds to pay Cygnus's Note Investors their quarterly interest payments, Ventrilla knowingly, or with reckless disregard, misled Note Investors by telling them that Cygnus's bank account had been frozen due to government action.

As Ventrilla was aware, or recklessly disregarded, the truth was that the bank froze the account due to suspicious activity resulting from Ventrilla's operation of a Ponzi-scheme.

44. Ventrilla knowingly or recklessly continued to mislead Note Investors by sending quarterly checks to these Note Investors as recently as March 2020, with instructions not to cash the checks because of the freeze.

45. As Ventrilla's fraud was collapsing, he created false documents to further deceive his Advisory Clients. For example, in April 2019, when one Advisory Client (Client A) asked for a partial account redemption, Ventrilla agreed and sent a check for the full amount.

46. Ventrilla knew or recklessly disregarded that that check could not be satisfied by the bank if deposited by the Advisory Client.

47. At the same time, however, Ventrilla also provided Client A with a fabricated letter, purportedly from Cygnus's bank stating that there had been a data breach which caused the Cygnus account to be frozen.

48. When Client A challenged the authenticity of the letter, Ventrilla admitted that he had forged the bank letter to buy time to secure additional money.

49. In an interview with the Commission staff, Ventrilla admitted that he engaged in wrongdoing: "things got a little out of hand, more than a little. I was using Peter to pay Paul and that was not supposed to happen, of course.... [I was] using [investor] funds to pay off another ... because of the losses."

FIRST CLAIM FOR RELIEF

**Violations of Section 17(a) of the Securities Act
(Against Ventrilla and Cygnus)**

50. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 6, 9 through 21, and 39 through 49 of this Complaint.

51. From at least September 2015 through at least March 2020, Ventrilla and Cygnus, directly or indirectly, singly or in concert, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails, in connection with the offer or sale of securities: (a) employed, and are employing, devices, schemes and artifices to defraud; (b) obtained, and are obtaining, money or property by means of untrue statements of material fact, or have omitted, and are omitting, to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged, and are engaging, in transactions, acts, practices and courses of business which would operate as a fraud or deceit upon the clients of Ventrilla and Cygnus.

52. By reason of foregoing, Ventrilla and Cygnus, directly or indirectly, singly or in concert, have violated, are violating, and unless Cygnus is enjoined, will continue to violate Section 17(a) of the Securities Act [15U.S.C. § 77q(a)].

SECOND CLAIM FOR RELIEF

**Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder
(Against Ventrilla and Cygnus)**

53. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 6, 9 through 21, and 39 through 49 of this Complaint.

54. From at least September 2015 through at least March 2020, Ventrilla and Cygnus, directly or indirectly, singly or in concert, by use of the means or instrumentalities of interstate commerce, or of the mails, or of the facilities of a national securities exchange, in connection with the purchase or sale of securities: (a) employed, and are employing, devices, schemes and artifices to defraud; (b) made, and are making, untrue statements of material fact, or have omitted, and are omitting, to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged, and are engaging, in transactions, acts, practices and courses of business which operated or would have operated as a fraud or deceit upon the clients of Ventrilla and Cygnus.

55. By reason of the foregoing, Ventrilla and Cygnus, directly or indirectly, singly or in concert, have violated, are violating, and unless Cygnus is 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].

THIRD CLAIM FOR RELIEF

**Violations of Sections 206(1) and 206(2) of the Advisers Act)
(Against Ventrilla and Cygnus)**

56. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 6, 9 through 12, and 22 through 49 of this Complaint.

57. From at least September 2015 through at least March 2020, Ventrilla and Cygnus, acting investment advisers, directly or indirectly, singly or in concert, by use of the mails or any means or instrumentality of interstate commerce or of the mails, have employed, and are employing, devices, schemes and artifices to defraud their clients, and

have engaged, and are engaging, in transactions, acts, practices and courses of business which operate as a fraud and deceit upon their clients.

58. By reason of the foregoing, Ventrilla and Cygnus, directly or indirectly, singly or in concert, have violated, are violating, and unless Cygnus is enjoined, will continue to violate, Sections 206(1) and 206(2) of the Advisers Act [15 U.S.C. §§ 80b-6(1) and 80b-6(2)].

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court enter Final Judgments:

I.

Permanently, restraining and enjoining Defendant Cygnus, its agents, servants, employees and attorneys, and all persons in active concert or participation with it, who receive actual notice of the injunction by personal service or otherwise, and each of them, from future violations of Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5], and Sections 206(1) and 206(2) of the Advisers Act [15 U.S.C. §§ 80b-6(1) and 80b-6(2)].

II.

Ordering each of the Defendants, the Estate of Richard Ventrilla and Cygnus, to disgorge all ill-gotten gains, and ordering each of them to pay prejudgment interest thereon.

III.

Ordering Defendant Cygnus to pay civil money penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)].

IV.

Ordering such other and further relief as this Court deems just and proper.

Dated: New York, New York
September 14, 2020

Respectfully submitted,

Sanjay Wadhwa

Richard R. Best*

Sanjay Wadhwa (Bar Number 519704)

Alexander M. Vasilescu (Bar 2735143)

Gerald Gross*

James Hanson**

Attorneys for the Plaintiff

Securities and Exchange Commission

New York Regional Office

200 Vesey Street, Suite 400

New York, New York 10281-1022

(212) 336-0178 (Vasilescu)

* Not admitted in Northern District of New York

**Not admitted in NDNY

and will seek to be admitted

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 NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

United States Securities and Exchange Commission

(b) County of Residence of First Listed Plaintiff New York (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Alexander Vasilescu (212 336-0178) James Hanson (212 336-0087) Sanjay Wadhwa (212 336-0181) SEC, 200 Vesey Street, Suite 400, NY, NY 10281

DEFENDANTS

THE ESTATE OF RICHARD VENTRILLA, and CYGNUS CAPITAL MANAGEMENT, LLC,

County of Residence of First Listed Defendant Erie County (IN U.S. PLAINTIFF CASES ONLY)

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

Attorneys (If Known)

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)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship and business location (Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation).

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

Large table with categories: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes various legal codes and checkboxes.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District (specify), 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 15 U.S.C. § 77q(a)], 15 U.S.C. § 78j(b)], [17 C.F.R. § 240.10b-5], 15 U.S.C. §§ 80b-6(1) and 80b-6(2)

Brief description of cause: Securities Fraud and Advisor Fraud enforcement case by U.S. SEC

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE 9/14/2020 SIGNATURE OF ATTORNEY OF RECORD Sanjay Wadhwa

FOR OFFICE USE ONLY

RECEIPT # AMOUNT waived APPLYING IFP JUDGE FJS MAG. JUDGE TWD

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading 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. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.