

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MINNESOTA**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**TOM SHANAHAN and CLEM HANNON,**

**Defendants**

**Case No.:**

**Judge**

**Magistrate**

**COMPLAINT**

Plaintiff, Securities and Exchange Commission (Commission), alleges the following:

**NATURE OF THE ACTION**

1. This action involves a financial fraud perpetrated by two senior officers of the Irish subsidiary of Zomax, Inc. (Zomax), a former U.S. public corporation that was based in Plymouth, Minnesota. From the end of 2003 through 2004, Tom Shanahan (Shanahan), the former general manager of Zomax Limited (Zomax Ireland) and Clem Hannon (Hannon), the former financial controller of Zomax Ireland, engaged in a scheme to fraudulently inflate the financial results of Zomax Ireland and caused Zomax to file with the Commission financial statements that materially misrepresented its true financial condition for at least the first three quarters of 2004.

2. Defendants Shanahan and Hannon, directly or indirectly, have engaged in, and unless restrained and enjoined by this Court will continue to engage in, transactions, acts, practices, and courses of business which violate Sections 10(b) and 13(b)(5) of the Securities and Exchange Act of 1934 (Exchange Act) [15 U.S.C. §§78j(b) and 78m(b)(5)] and Rules 10b-5, and 13b2-1 thereunder [17 C.F.R. §§240.10b-5 and 240.13b2-1], and have aided and abetted, and unless restrained and enjoined by this court, will continue to aid and abet violations of Sections 13(a) and 13(b)(2)(A) of the Exchange Act [15 U.S.C. §§78m(a) and 78m(b)(2)(A)] and Rules 12b-20 and 13a-13 thereunder [17 C.F.R. §§240.12b-20 and 240.13a-13].

3. The Commission brings this action to enjoin such transactions, acts, practices, and courses of business pursuant to Sections 20(e), 21(d) and 21(e) of the Exchange Act [15 U.S.C. §§ 78t(e), 78u(d), and 78u(e)].

### **JURISDICTION AND VENUE**

4. The Court has jurisdiction over this action pursuant to Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§78u(d), 78u(e), and 78aa].

5. Venue is proper in this Court pursuant to Section 27 of the Exchange Act [15 U.S.C. §78aa].

6. Shanahan and Hannon are residents of Ireland.

7. Shanahan and Hannon purposefully directed their activities towards the United States by supplying false financial information to Zomax at its company headquarters in Plymouth, Minnesota in 2003 and 2004.

8. Shanahan and Hannon knew that Zomax was a publicly traded U.S. company.

9. Shanahan and Hannon knew that the false financial information that they sent to Zomax would be consolidated into Zomax's quarterly financial statements.

10. Shanahan and Hannon knew that Zomax's quarterly financial statements would be included in its Forms 10-Q filed with the Commission, and made available to the public.

11. Shanahan and Hannon's fraudulent scheme caused foreseeable and substantial harm to the U.S. securities markets and to U.S. investors.

12. Shanahan and Hannon, directly or indirectly, have made use of the means or instrumentalities of interstate commerce in connection with acts, practices, or courses of business alleged herein, in the District of Minnesota and elsewhere.

13. Shanahan and Hannon will, unless enjoined, continue to engage in acts, practices, or courses of business set forth in this Complaint and acts, practices, or courses of business of similar purport and object.

#### **DEFENDANTS**

14. Tom Shanahan, age 50, is an Irish citizen and a resident of Dublin, Ireland. Shanahan was appointed the general manager and a director of Zomax Ireland in June 2003, having previously been the director of marketing services at Zomax Ireland for two years. Shanahan has also been licensed as a Chartered Accountant in Ireland since 1983. In May 2005, Zomax terminated Shanahan because of his role in Zomax Ireland's fraudulent accounting practices.

15. Clem Hannon, age 39, is an Irish citizen and a resident of Newbridge, Ireland. Hannon was hired as the financial controller of Zomax Ireland in November 2003. Hannon has been licensed as a Chartered Accountant in Ireland since 1993. In February 2005, while conducting its review of accounting irregularities at Zomax Ireland, Zomax requested Hannon's resignation because of improper accounting practices, and Hannon then tendered his resignation that same month.

## **RELEVANT ENTITIES**

16. Zomax, Inc. (Zomax) was a Minnesota corporation founded in February 1996 with its headquarters in Plymouth, Minnesota. Zomax is a manufacturer of CDs and DVDs, and provides software and related services to computer manufacturers and other producers of multimedia products.

17. During the relevant time period, Zomax's common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act and was listed on the Nasdaq National Market (Nasdaq). Pursuant to section 13(a) of the Exchange Act, and the rules and regulations thereunder, Zomax filed periodic and other informational reports, including Forms 10-K and Forms 10-Q, with the Commission. These periodic reports contained Zomax's consolidated financial statements. In October 2006, after receiving shareholder approval, Zomax was acquired by a private equity fund and subsequently merged into another subsidiary of this private equity fund.

18. During the relevant time period, Zomax Ireland was an Irish limited liability company and the Irish subsidiary of Zomax. Zomax Ireland was comprised of two distinct divisions; the Marketing Service Group located in Santry, Ireland (Marketing Service Group) and the Operations Facility located in Clondalkin, Ireland (Operations Facility). The Marketing Service Group was a customer contact center, and the Operations Facility was engaged in replication, print management, printing, packaging, warehousing, and distribution activities.

### **ZOMAX IRELAND'S FINANCIAL REPORTING STRUCTURE**

19. Shanahan and Hannon were the Zomax Ireland employees primarily responsible for reporting Zomax Ireland's financial results to Zomax.

20. Shanahan, as the Zomax Ireland general manager and as a Zomax Ireland director, was the top executive officer of Zomax Ireland. Shanahan reported directly to Zomax's Chief Executive Officer (CEO).

21. Shanahan's duties included managing the day to day operations of Zomax Ireland and being responsible for the accurate reporting of Zomax Ireland's financial results to Zomax on a monthly and a quarterly basis.

22. Hannon, as the financial controller, was the top financial officer of Zomax Ireland.

23. Hannon had a direct reporting line to Zomax's corporate controller and he also reported to Shanahan. In practice, Shanahan acted as Hannon's supervisor, not Zomax's corporate controller.

24. Hannon's duties included ensuring the accuracy of Zomax Ireland's accounts on a monthly and a quarterly basis and reporting this financial information to Zomax. He also was responsible for conducting monthly reconciliations of the balance sheet accounts and for assisting Shanahan in strategic planning.

25. Zomax Ireland's financial accountant for its operations facility (the Zomax Ireland Accountant) reported directly to Hannon, and he also took direction from Shanahan.

26. At the direction of Shanahan and Hannon, the Zomax Ireland Accountant made journal entries for the Operations Facility and sent Zomax Ireland's monthly financial packages to Zomax.

27. Zomax required monthly financial packages from Zomax Ireland to review the performance of this subsidiary and to consolidate corporate financial information.

28. Shanahan and Hannon directed the Zomax Ireland Accountant to prepare these monthly financial packages for Zomax Ireland. Shanahan and Hannon then reviewed the

monthly financial packages for Zomax Ireland. After Shanahan and Hannon reviewed the monthly financial packages, the Zomax Ireland Accountant sent the packages via email to Zomax's corporate finance department.

29. Each month throughout 2004, Zomax's CEO, Chief Financial Officer (CFO), and Executive Vice President of Marketing and Business Development conducted a telephone conference with Shanahan and Hannon to review the information contained in the monthly financial package and to discuss the performance of Zomax Ireland.

30. Zomax included Zomax Ireland's monthly financial information in its consolidated monthly financial reports. Zomax used these monthly reports to prepare its quarterly and annual financial statements, which were reported in Zomax's Forms 10-Q and 10-K.

31. Shanahan and Hannon knew that the Zomax Ireland monthly financial information that they reported to Zomax would be consolidated into Zomax's quarterly and annual financial reports filed with the Commission and disclosed to U.S. investors.

32. In early 2004, Shanahan and Hannon signed certificates of compliance stating that they had received, read, and understood Zomax's Code of Ethics and Business Conduct. The Zomax Code of Ethics and Business Conduct stated in part that "all officers, employees and directors of the Company who are responsible for financial or accounting matters are also required to ensure full, fair, accurate, timely and understandable disclosure in all reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company."

33. At the end of 2003, and throughout 2004, Shanahan and Hannon also provided Zomax with quarterly site certifications to support the integrity of the financial information that

they submitted for Zomax Ireland. These certifications, signed by Shanahan and Hannon, stated that they reviewed Zomax Ireland's financial statements and, to the best of their knowledge, the information contained in the financial statements was complete, valid, and accurate in accordance with Sections 302 and 906 of the Sarbanes-Oxley Act. The certifications that Shanahan and Hannon signed further stated that they knew that Zomax's senior officers would be relying on Zomax Ireland's financial statements in connection with the certifications required by the Sarbanes-Oxley Act for Zomax's periodic filings with the Commission.

**SHANAHAN AND HANNON ENGAGED IN A FRAUDULENT SCHEME  
TO INFLATE ZOMAX IRELAND'S FINANCIAL RESULTS**

34. Zomax Ireland's performance started to decline in late 2003, due to increased manufacturing costs, decreased customer demand for its products and services, and a corresponding drop in prices to attempt to address the falling customer demand.

35. Zomax Ireland's performance problems were caused by a substantial increase in the cost of its raw materials, specifically petroleum-based materials, which drastically increased Zomax Ireland's costs. Also, many of Zomax Ireland's customers switched to companies with production plants located in Eastern Europe and other parts of the world with lower labor costs. Finally, Zomax Ireland's machinery was aging, making it more difficult to produce CDs and DVDs in a cost effective manner. These problems led to significant declines in Zomax Ireland's operating performance beginning in late 2003 and continuing throughout 2004.

36. Shanahan responded to Zomax Ireland's business downturn by fostering a corporate environment that placed achieving financial targets above accurately reporting financial results.

37. From the end of 2003 through 2004, Shanahan and Hannon engaged in a fraudulent scheme involving the overstatement of assets and understatement of expenses in multiple accounts to hide the declining performance of Zomax Ireland. Among other things, Defendants sought to conceal Zomax Ireland's losses by overstating the sales accrual account via false entries, capitalizing spare machine parts that should have been expensed and understating accruals for employee holiday pay.

**A. Fraudulent Entries to the Sales Accrual Account**

38. The Zomax Ireland sales accrual account was used to accrue accounts receivable related to revenue earned from services rendered or products sold by Zomax Ireland, but not yet invoiced.

39. In late 2003 and during 2004, Defendants used the sales accrual account to fraudulently manipulate the earnings of Zomax Ireland in two ways.

40. In December 2003, Zomax informed Zomax Ireland that it was due to receive income from one of Zomax's customers in return for reserving manufacturing capacity for this customer during 2003. Zomax Ireland then issued a \$96,000 invoice in December 2003.

41. Shanahan and Hannon, anticipating difficulties in meeting financial performance targets for the first quarter of 2004, decided to use the \$96,000 as a credit to the sales accrual account and reserve the \$96,000 for use in the first quarter of 2004.

42. During the first three months of 2004, Shanahan and Hannon then instructed the Zomax Ireland Accountant to release the \$96,000 that they had reserved. Zomax Ireland should instead have recognized the \$96,000 in 2003 when the amount was realized and earned.

43. During 2004, Shanahan and Hannon also used the sales accrual account to defer expenses.

44. At the end of each month during 2004, Shanahan, Hannon, and the Zomax Ireland Accountant met and reviewed the actual financial results for Zomax Ireland. During these meetings, if the losses for the month were greater than expected, Shanahan and Hannon directed the Zomax Ireland Accountant to artificially increase the sales accrual account by an amount to offset certain expenses and, in turn, minimize the monthly losses.

45. Defendants' fraudulent scheme to manipulate the sales accrual account resulted in the sales accrual account being substantially overstated by \$367,424 in the first quarter of 2004, by \$573,804 in the second quarter of 2004, and by \$392,266 in the third quarter of 2004. These sales accrual overstatements, in turn, resulted in operating loss being understated for the first three quarters of 2004.

**B. The Improper Capitalization of Spares to Defer Losses**

46. Spares are "spare" machine parts that Zomax Ireland kept on hand for the repair of machinery used in the production process. In 2004, Zomax's company policy was to expense spares at the time that they were purchased.

47. Shanahan and Hannon knew the Zomax policy for treatment of spares.

48. As Zomax Ireland's performance continued to decline during the second quarter of 2004, Shanahan and Hannon, in violation of company policy, caused Zomax Ireland to capitalize spares. This improper accounting practice resulted in understating expenses.

49. Shanahan and Hannon directed the Zomax Ireland accountant to capitalize spares as part of their attempts to cover up Zomax Ireland's actual losses.

50. By capitalizing spares, the spares became an asset on the balance sheet instead of an expense, and losses were deferred into future periods.

51. The total amount of spares that were capitalized during the second quarter of 2004 was \$136,470. Therefore, expenses and operating losses were correspondingly understated and earnings were overstated by \$136,470 in the second quarter of 2004.

52. At the end of the second quarter, in June 2004, Zomax's operations controller discovered that Zomax Ireland was capitalizing spares and deferring losses and instructed Shanahan and Hannon to stop capitalizing spares and to expense them in accordance with the company policy.

53. Shanahan and Hannon did not follow the Zomax operations controller's directive. Instead, at the beginning of the third quarter, in July 2004, Shanahan and Hannon directed Zomax Ireland's Accountant to move the spares to the prepayment account. The prepayment account was also an asset on the Zomax Ireland balance sheet.

54. By moving spares into the prepayment account, Shanahan and Hannon hid their continuing capitalization of spares from Zomax, thus giving Zomax the false impression that they were following the directive from Zomax's operations controller and the company policy regarding accounting for spares.

55. Shanahan and Hannon then continued to cause Zomax Ireland to capitalize spares through the third quarter of 2004. By moving the spares to the prepayment account and continuing to capitalize them, spares remained an asset on the balance sheet and losses were deferred into future periods.

56. The amount of spares improperly capitalized in the third quarter of 2004 was approximately \$66,815. Therefore, expenses were correspondingly understated and losses were understated by approximately \$66,815 in the third quarter of 2004.

**C. The Fraudulent Understating of the Holiday Pay Accrual Account**

57. The holiday pay accrual account was used to record accruals for holiday and vacation time earned by each employee. Then when employees took holidays and vacations, a corresponding debit entry was to be made to the holiday pay accrual account.

58. From January 2004 through December 2004, in an effort to reduce losses, Shanahan and Hannon directed the Zomax Ireland Accountant to under report the accruals in the holiday pay accrual account, which caused Zomax Ireland to fail to recognize expenses associated with employee holiday pay.

59. During the third quarter of 2004, the Zomax Ireland Accountant became concerned about the increasing amount of the under accruals in the holiday pay account. In August 2004, he notified Shanahan and Hannon that the “current balance” for the holiday pay accrual amount was \$33,183 and that the true balance for this account “should be” \$67,595. Shanahan and Hannon nonetheless did nothing to correct the understated holiday pay accrual.

60. As a result, the holiday pay accrual remained understated from August 2004 until after the fraud was discovered in February 2005. An adjustment of \$54,896 was required to correct this understated expense in the holiday pay accrual account for 2004.

**D. Shanahan and Hannon Made Misstatements to Zomax Regarding Zomax Ireland’s Financial Condition During 2004**

61. Throughout 2004, Shanahan and Hannon continually misrepresented Zomax Ireland’s true financial status to Zomax.

62. Shanahan and Hannon submitted to Zomax Zomax Ireland’s monthly financial packages, which misrepresented Zomax Ireland’s financial condition as a result of their improper accounting practices.

63. Shanahan and Hannon made further misrepresentations during the monthly telephone meetings with Zomax's senior officers by affirming the false financial results in the Zomax Ireland monthly financial packages.

64. During the first three quarters of 2004, Shanahan and Hannon also signed and submitted false quarterly site certifications to Zomax. In these documents, Defendants certified that they had reviewed Zomax Ireland's financial statements and, to the best of their knowledge, the information contained in the financial statements was complete, valid, and accurate in accordance with Sections 302 and 906 of the Sarbanes-Oxley Act. Shanahan and Hannon also certified that they had no knowledge of fraudulent activities at Zomax Ireland. These representations in the site certifications signed by Shanahan and Hannon for the first three quarters of 2004 were false.

65. Shanahan and Hannon also certified that they knew that Zomax's senior officers would be relying on Zomax Ireland's financial statements in connection with the certifications required by the Sarbanes-Oxley Act for Zomax's filings with the Commission.

66. As a result of Defendants' fraudulent conduct, during the first three quarters of 2004, Zomax filed Forms 10-Q with the Commission and issued corresponding earnings releases containing the false Zomax Ireland financial information.

**E. The Financial Impact of the Fraud and Zomax's Restatement**

67. Zomax discovered Defendants' improper accounting at the end of January 2005, when Zomax's auditor raised a number of questions during the course of its audit in connection with the preparation of Zomax's 2004 Form 10-K.

68. Zomax, with the assistance of its auditor, identified that adjustments of \$1.8 million were required in order to correct its reported financial results for the first three quarters of 2004.

69. On March 1, 2005, Zomax filed a Form 8-K with the Commission announcing the restatement of its financial statements for 2003 and the first three quarters of 2004. The next day, Zomax's share price dropped 9 percent, from \$4.28 to \$3.88 per share.

70. On March 31, 2005, Zomax filed its Form 10-K that restated its financial results for 2003 and the first three quarters of 2004. The next day, Zomax's stock price closed at \$2.89 per share, a decline of 32 percent since the day before the announcement of the restatement.

71. The restatement, caused primarily by Shanahan and Hannon's fraudulent accounting in the first three quarters of 2004, negatively impacted the previously reported quarterly results for 2004. For the first quarter of 2004, Zomax previously reported a net loss of \$981,000; the restatement increased this net loss by \$565,000 to \$1,546,000, which represents a 58% increase in net loss. For the second quarter of 2004, Zomax previously reported net income of \$1,252,000; the restatement decreased net income for this period by \$718,000 to \$534,000, which represents a 57% decrease in net income. For the third quarter of 2004, Zomax previously reported a net loss of \$5,497,000; the restatement increased this net loss by \$540,000 to \$6,037,000, which represents a 10% increase in net loss.

72. The fraudulent accounting entries associated with the sales accruals, the spares, and the holiday pay accrual had the cumulative effect of understating Zomax's operating losses by 15%, 44%, and 5% for the first, second, and third quarters of 2004, respectively. For the nine month period ended September 24, 2004, the fraudulent accounting entries had the cumulative effect of understating Zomax's operating losses by 11%.

## COUNT I

### **Violations of Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5 thereunder [17 C.F.R. §240.10b-5]**

73. Paragraphs 1 through 72 are realleged and incorporated by reference herein.

74. By the conduct alleged above, Defendants Shanahan and Hannon, in connection with the purchase and sale of Zomax's securities, by the use of the means or instrumentalities of interstate commerce, or by the use of the mails, or by the use of the facilities of a national securities exchange, directly and indirectly: employed devices, schemes, or artifices to defraud; made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and engaged in acts, practices, or courses of business which would and did operate as a fraud and deceit upon the purchasers and sellers of such securities.

75. Defendants Shanahan and Hannon knew or were reckless in not knowing of the facts and circumstances described in paragraphs 73 and 74.

76. By reason of the activities alleged in paragraphs 73 through 75, Defendants Shanahan and Hannon violated Section 10(b) of the Exchange Act [15 U.S.C. §78j(b)] and Rule 10b-5 [17 C.F.R. §240.10b-5].

## COUNT II

### **Violations of Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)]**

77. Paragraphs 1 through 72 are realleged and incorporated herein by reference.

78. From December 2003 through December 2004, Defendants Shanahan and Hannon knowingly circumvented and knowingly failed to implement a system of internal accounting controls and knowingly falsified books, records and accounts described in Section 13(b)(2) of the

Exchange Act [15 U.S.C. § 78m(b)(2)] as more fully described in paragraphs 1 through 72 above.

79. As a result of the conduct alleged in paragraphs 77 and 78, Defendants Shanahan and Hannon violated Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)].

### **COUNT III**

#### **Violations of Exchange Act Rule 13b2-1 [17 C.F.R. 240.13b2-1]**

80. Paragraphs 1 through 72 are realleged and incorporated herein by reference.

81. From December 2003 through December 2004, Defendants Shanahan and Hannon, directly and indirectly, falsified or caused to be falsified books, records and accounts subject to Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. §§ 78m(b)(2)(A)] as more fully described in paragraphs 1 through 72 above.

82. As a result of the conduct alleged in paragraphs 80 and 81, Defendants Shanahan and Hannon violated Rule 13b2-1 [17 C.F.R. 240.13b2-1] promulgated under Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

### **COUNT IV**

#### **Aiding and Abetting Violations of Section 13(a) of the Exchange Act [15 U.S.C. §78m(a)] and Rules 12b-20 and 13a-13 thereunder [17 CFR 240.12b-20 and 240.13a-13]**

83. Paragraphs 1 through 72 are realleged and incorporated herein by reference.

84. Between May 2004 through October 2004, Zomax filed with the Commission quarterly reports on Form 10-Q that were not in accordance with such rules and regulations that the Commission has prescribed as necessary and appropriate in the public interest and for the protection of investors, and also failed to include in those reports such further material information as was necessary to make the required statements, in light of the circumstances under

which they were made, not misleading, as more fully described in paragraphs 1 through 72 above.

85. As a result of the conduct alleged in paragraphs 83 and 84, Zomax violated Section 13(a) of the Exchange Act [15 U.S.C. §78m(a)] and Rules 12b-20 and 13a-13 thereunder [17 CFR 240.12b-20 and 240.13a-13].

86. By their conduct alleged in paragraphs 83 through 85 above, Defendants Shanahan and Hannon knowingly and substantially assisted Zomax's violations of Section 13(a) of the Exchange Act [15 U.S.C. §78m(a)] and Rules 12b-20 and 13a-13 thereunder [17 CFR 240.12b-20 and 240.13a-13], and thereby aided and abetted Zomax's violations of these provisions of the federal securities laws.

#### **COUNT V**

##### **Aiding and Abetting Violations of Section 13(b)(2)(A) [15 U.S.C. § 78m(b)(2)(A)] of the Exchange Act**

87. Paragraphs 1 through 72 are realleged and incorporated herein by reference.

88. From December 2003 through December 2004, Zomax failed to make and keep books, records, and accounts, which in reasonable detail accurately and fairly reflected the transactions and disposition of the assets of Zomax, as more fully described in paragraphs 1 through 74 above.

89. As a result of the conduct alleged in paragraphs 87 and 88, Zomax violated Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)].

90. By their conduct alleged in paragraphs 87 through 89, Defendants Shanahan and Hannon knowingly and substantially assisted Zomax's violations of Section 13(b)(2)(A) of the

Exchange Act [15 U.S.C. § 78m(b)(2)(A)], and thereby aided and abetted Zomax's violations of these provisions of the federal securities laws.

**PRAYER FOR RELIEF**

**WHEREFORE**, the Commission respectfully requests that this Court enter a Judgment:

- A. Finding that Defendants committed the violations alleged above;
- B. Permanently enjoining Defendants, Shanahan and Hannon, their agents, servants, employees, attorneys and those persons in active concert or participation with them who receive actual notice of the Judgment, by personal service or otherwise, from directly or indirectly, as principals or aiders and abettors, violating Sections 10(b), 13(a), 13(b)(2)(A), and 13(b)(5) of the Exchange Act [15 U.S.C. §§ 78j(b), 78m(a), 78m(b)(2)(A), and 78m(b)(5)] and Rules 10b-5, 12b-20, 13a-13, and 13b2-1 thereunder [17 C.F.R. §§ 240.10b-5, 240.12b-20, 240.13a-13 and 240.13b2-1.];
- C. Prohibiting Defendants Shanahan and Hannon from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)], pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)];
- D. Retaining jurisdiction of this action in order to implement and carry out the terms of all orders and decrees that may be entered; and

E. Granting such further relief as the Court may deem appropriate.

Respectfully submitted,

s/ Dee A. O'Hair

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