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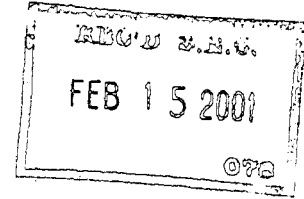
NON-PUBLIC

CONFIDENTIAL

13FCOMP

11/20/03

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



Form 13F

Form 13F COVER PAGE

Report for the calendar year or quarter ended: December 31, 2000

Check here if Amendment [ ]; Amendment Number: \_\_\_\_\_  
This Amendment (Check only one.): [ ] is a restatement.  
[ ] adds new holdings entries.

Institutional Investment Manager Filing this Report:

Name: Staro Asset Management, L.L.C.  
Address: 1500 W. Market Street  
Suite 200  
Mequon, WI 53092

CONFIDENTIAL TREATMENT EXPIRES  
*and*  
CONFIDENTIAL TREATMENT DENIED

Form 13F File Number: 28- 5806

The institutional investment manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person Signing this Report on Behalf of Reporting Manager

PROCESSED

Name: Michael A. Roth  
Title: Managing General Partner  
Phone: (262) 241-1810

JAN 23 2004  
THOMSON FINANCIAL

Signature, Place, and Date of Signing:

Michael A. Roth

Mequon, WI February 13, 2001

Report Type (Check only one.):

CONFIDENTIAL

- 13F HOLDINGS REPORT. (Check here if all holdings of this reporting manager are reported in this report.)
- 13F NOTICE. (Check here if no holdings reported are in this report, and all holdings are reported by other reporting manager(s).)
- 13F COMBINATION REPORT. (Check here if a portion of the holdings for this reporting manager are reported in this report and a portion are reported by other reporting manager(s).)

List of Other Managers Reporting for this Manager: None.

## FORM 13F SUMMARY PAGE

## Report Summary:

Number of Other Included Managers: 0

Form 13F Information Table Entry Total: 209

Form 13F Information Table Value Total: \$1,549,214  
(thousands)

## List of Other Included Managers:

Provide a numbered list of the name(s) and Form 13F file number(s) of all institutional investment managers with respect to which this report is filed, other than the manager filing this report.

None.

Form 13F  
STARO ASSET MANAGEMENT

| Column 1:<br>Name of<br>Issuer | Column 2:<br>Title of<br>Class | Column 3:<br>CUSIP<br>Number | Column 4:<br>Fair Market<br>Value<br>(X\$1000) | Column 5:                        |                      | Column 6:<br>Investment<br>Discretion | Column 7:<br>Other<br>Managers | Column 8:    |                  |
|--------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|                                |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| Analog Devices                 | Common                         | 032654105                    | \$2,365  | 46,200                           | Shares               | Sole                                  |                                | X            |                  |
| Affymetrix Inc.                | Debt                           | 00826TAD0                    | \$3,308  | 4,501                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Affymetrix Inc.                | Debt                           | 00826TAB4                    | \$25,206                                       | 18,500                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| American International Group   | Option                         | 026874907                    | \$22,699                                       | 2,300                            |                      | Call                                  |                                | X            |                  |
| Standard Automotive Corp.      | Common                         | 853097103                    | \$44   | 44,000                           | Shares               | Sole                                  |                                | X            |                  |
| Standard Automotive Corp.      | Preferred                      | 853097202                    | \$114  | 76,300                           | Shares               | Sole                                  |                                | X            |                  |
| Alpharma Inc.                  | Debt                           | 020813AD3                    | \$16,618                                       | 11,500                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Alpharma Inc.                  | Debt                           | 020813AB7                    | \$36,283                                       | 23,333                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Applied Materials Inc.         | Option                         | 038222905                    | \$1,909  | 500                              |                      | Call                                  |                                | X            |                  |
| Amgen Inc.                     | Option                         | 031162900                    | \$12,786                                       | 2,000                            |                      | Call                                  |                                | X            |                  |
| American Tower Corp. - CIA     | Common                         | 029912201                    | \$1,359  | 36,000                           | Shares               | Sole                                  |                                | X            |                  |
| American Tower Corp.           | Debt                           | 029912AD4                    | \$31,277                                       | 25,956                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| American Tower Corp.           | Debt                           | 029912AB8                    | \$11,695                                       | 6,910                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| America Online                 | Debt                           | 02364JAC8                    | \$4,547  | 9,400                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Anadarko Petroleum Corp.       | Option                         | 032511907                    | \$7,108  | 1,000                            |                      | Call                                  |                                | X            |                  |
| Apollo Group Inc. - CIA        | Option                         | 037604905                    | \$2,459  | 500                              |                      | Call                                  |                                | X            |                  |
| Arch Wireless Inc.             | Common                         | 039392105                    | \$279  | 445,837                          | Shares               | Sole                                  |                                | X            |                  |
| A C Neilson Corp.              | Common                         | 004833109                    | \$2,719  | 75,000                           | Shares               | Sole                                  |                                | X            |                  |
| AT&T Wireless Corp.            | Common                         | 001957406                    | \$6,728  | 388,600                          | Shares               | Sole                                  |                                | X            |                  |
| AT&T Wireless Corp.            | Option                         | 001957906                    | \$2,597  | 1,500                            |                      | Call                                  |                                | X            |                  |
| Alza Corp.                     | Debt                           | 022615AC2                    | \$123,123                                      | 111,047                          | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Banc America Corp.             | Option                         | 060505904                    | \$9,175  | 2,000                            |                      | Call                                  |                                | X            |                  |
| Broadcom Communications Sys.   | Option                         | 111621908                    | \$9,201  | 3,400                            |                      | Call                                  |                                | X            |                  |
| Biovail Corp.                  | Preferred                      | 09067J208                    | \$5,679  | 83,510                           | Shares               | Sole                                  |                                | X            |                  |
| Biovail Corp.                  | Option                         | 09067J909                    | \$2,330  | 600                              |                      | Call                                  |                                | X            |                  |
| Biovail Corp.                  | Warrant                        | 09067J117                    | \$79,004                                       | 668,900                          | Shares               | Sole                                  |                                | X            |                  |
| Citigroup Inc.                 | Option                         | 172967901                    | \$7,659  | 1,500                            |                      | Call                                  |                                | X            |                  |
| Citigroup Inc.                 | Common                         | 172967101                    | \$739  | 14,480                           | Shares               | Sole                                  |                                | X            |                  |
| Cascade Corp.                  | Common                         | 147195101                    | \$1,869  | 116,340                          | Shares               | Sole                                  |                                | X            |                  |

Form 13F  
STARO ASSET MANAGEMENT

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|--------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|                                |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| Cephalon Inc.                  | Preferred                      | 156708406                    | \$21,993                                       | Shares<br>123,254                | Shares               | Sole                                  |                                | X            |                  |
| Chiron Corp.                   | Option                         | 170040909                    | \$2,225  | 500                              |                      | Sole                                  |                                | X            |                  |
| Charter Communications Inc.    | Option                         | 16117M907                    | \$4,538  | 2,000                            |                      | Sole                                  |                                | X            |                  |
| Charter Communications Inc.    | Debt                           | 16117MAA5                    | \$1,220  | Prn. Amt.<br>1,000               |                      | Sole                                  |                                | X            |                  |
| Celestica Inc.                 | Common                         | 15101Q108                    | \$814  | Shares<br>15,000                 | Shares               | Sole                                  |                                | X            |                  |
| Cellstar Corp.                 | Common                         | 150925105                    | \$150  | Shares<br>104,200                | Shares               | Sole                                  |                                | X            |                  |
| Cellstar Corp.                 | Debt                           | 150925AC9                    | \$6,957  | Prn. Amt.<br>28,629              |                      | Sole                                  |                                | X            |                  |
| Chase Manhattan Corp.          | Option                         | 16161A908                    | \$13,631                                       | 3,000                            |                      | Sole                                  |                                | X            |                  |
| Comcast Corp. - CI A           | Option                         | 200300900                    | \$4,175  | 1,000                            |                      | Sole                                  |                                | X            |                  |
| Comverse Technology            | Debt                           | 205862AG0                    | \$237,233                                      | Prn. Amt.<br>46,780              |                      | Sole                                  |                                | X            |                  |
| CNF Transportation Inc.        | Preferred                      | 12612V205                    | \$3,376  | Shares<br>73,790                 | Shares               | Sole                                  |                                | X            |                  |
| Canadian Nat'l Railway Co.     | Preferred                      | 136375409                    | \$2,589  | Shares<br>58,180                 | Shares               | Sole                                  |                                | X            |                  |
| Conexant Systems Inc.          | Option                         | 207142950                    | \$389  | 250                              |                      | Sole                                  |                                | X            |                  |
| Costco Wholesale Corp.         | Option                         | 22160K905                    | \$3,994  | 1,000                            |                      | Sole                                  |                                | X            |                  |
| Covad Communications           | Common                         | 222814204                    | \$414  | Shares<br>250,000                | Shares               | Sole                                  |                                |              |                  |
| Curagen Corp.                  | Debt                           | 23126RAC5                    | \$2,420  | Prn. Amt.<br>3,625               |                      | Sole                                  |                                | X            |                  |
| Cintas Corp.                   | Option                         | 172908905                    | \$2,659  | 500                              |                      | Sole                                  |                                | X            |                  |
| CV Therapeutics Inc.           | Debt                           | 126667AB0                    | \$14,200                                       | Prn. Amt.<br>11,500              |                      | Sole                                  |                                | X            |                  |
| Dell Computer                  | Option                         | 247025909                    | \$4,700  | 2,000                            |                      | Sole                                  |                                | X            |                  |
| Echostar Communications        | Option                         | 278762909                    | \$12,114                                       | 5,325                            |                      | Sole                                  |                                | X            |                  |
| Echostar Communications        | Debt                           | 278762AD1                    | \$16,258                                       | Prn. Amt.<br>21,750              |                      | Sole                                  |                                | X            |                  |
| Genentech Inc.                 | Option                         | 368710906                    | \$2,853  | 350                              |                      | Sole                                  |                                | X            |                  |
| Duramed Pharmaceuticals Inc.   | Common                         | 266354109                    | \$316  | Shares<br>94,432                 | Shares               | Sole                                  |                                | X            |                  |
| Devon Energy Corporation       | Option                         | 25179M903                    | \$6,097  | 1,000                            |                      | Sole                                  |                                | X            |                  |
| Elan Corp PLC                  | Warrant                        | 284131703                    | \$4,423  | Shares<br>77,600                 | Shares               | Sole                                  |                                | X            |                  |
| Earthweb Inc.                  | Debt                           | 27032CAB4                    | \$881  | Prn. Amt.<br>2,500               |                      | Sole                                  |                                | X            |                  |
| Federated Department Stores    | Warrant                        | 31410H127                    | \$6,366  | Shares<br>707,300                | Shares               | Sole                                  |                                | X            |                  |
| Federal Express Corp.          | Option                         | 31428X906                    | \$1,998  | 500                              |                      | Sole                                  |                                | X            |                  |
| Friede Goldman Halter Inc.     | Debt                           | 358430AA4                    | \$2,489  | Prn. Amt.<br>5,080               |                      | Sole                                  |                                | X            |                  |

**Form 13F**  
**STARO ASSET MANAGEMENT**

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|--------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|--------------|---------------------------------------|--------------------------------|------------------|------|
|                                |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. | Put/<br>Call |                                       |                                | Voting Authority | None |
| Federal-Mogul Corp.            | Common                         | 313549107                    | \$627  | 271,200                          | Shares               |              | Sole                                  |                                | X                |      |
| Fannie Mae                     | Option                         | 313586909                    | \$8,675  | 1,000                            |                      | Call         | Sole                                  |                                | X                |      |
| Four Seasons Hotels Inc.       | Debt                           | 35100EAD6                    | \$1,844  | 5,000                            | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Corning Inc.                   | Option                         | 219350905                    | \$2,641  | 500                              |                      | Call         | Sole                                  |                                | X                |      |
| Georgia-Pac                    | Option                         | 373298908                    | \$5,978  | 2,000                            |                      | Call         | Sole                                  |                                | X                |      |
| Gap Inc.                       | Option                         | 364760908                    | \$2,550  | 1,000                            |                      | Call         | Sole                                  |                                | X                |      |
| Quantum Corp.                  | Common                         | 747906303                    | \$692  | 86,500                           | Shares               |              | Sole                                  |                                | X                |      |
| Human Genome                   | Debt                           | 444903AH1                    | \$10,611                                       | 12,901                           | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Human Genome                   | Debt                           | 444903AF5                    | \$22,468                                       | 16,415                           | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Health Mgmt Associates Inc.    | Debt                           | 421933AA0                    | \$12,184                                       | 59,000                           | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Health Mgmt Associates Inc.    | Common                         | 421933102                    | \$884  | 42,600                           | Shares               |              | Sole                                  |                                | X                |      |
| Hercules Inc.                  | Option                         | 427056906                    | \$3,813  | 2,000                            |                      | Call         | Sole                                  |                                | X                |      |
| Hutchinson Tech                | Debt                           | 448407AC0                    | \$812  | 1,200                            | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Hewlett-Packard Co.            | Option                         | 428236903                    | \$6,313  | 2,000                            |                      | Call         | Sole                                  |                                | X                |      |
| Hewlett-Packard Co.            | Debt                           | 428236AC7                    | \$7,950  | 15,000                           | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Int'l Business Machines Corp.  | Common                         | 459200101                    | \$2,542  | 29,900                           | Shares               |              | Sole                                  |                                | X                |      |
| Int'l Business Machines Corp.  | Option                         | 459200901                    | \$17,000                                       | 2,000                            |                      | Call         | Sole                                  |                                | X                |      |
| Imax Corp                      | Common                         | 45245E109                    | \$41   | 15,000                           | Shares               |              | Sole                                  |                                | X                |      |
| Inhale Therapeutic Sys. Inc.   | Option                         | 457191904                    | \$1,010  | 200                              |                      | Call         | Sole                                  |                                | X                |      |
| Inhale Therapeutic Sys. Inc.   | Debt                           | 457191AF1                    | \$5,810  | 4,035                            | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Intel Corp.                    | Option                         | 458140900                    | \$1,716  | 500                              |                      | Call         | Sole                                  |                                | X                |      |
| International Paper            | Common                         | 460146103                    | \$1,118  | 27,400                           | Shares               |              | Sole                                  |                                | X                |      |
| IT Group Inc.                  | Preferred                      | 465266302                    | \$8,164  | 518,380                          | Shares               |              | Sole                                  |                                | X                |      |
| Invitrogen Corp.               | Debt                           | 46185RAB6                    | \$9,648  | 7,941                            | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Johnson & Johnson              | Option                         | 478160904                    | \$7,354  | 700                              |                      | Call         | Sole                                  |                                | X                |      |
| Juniper Networks Inc.          | Debt                           | 48203RAA2                    | \$1,700  | 1,700                            | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Kestrel Solution               | Debt                           | 49254QAA0                    | \$1,000  | 1,000                            | Prn. Amt.            |              | Sole                                  |                                | X                |      |
| Kmart Corp.                    | Preferred                      | 498778208                    | \$3,673  | 137,943                          | Shares               |              | Sole                                  |                                | X                |      |
| Kmart Corp.                    | Option                         | 482584909                    | \$6,933  | 13,050                           |                      | Call         | Sole                                  |                                | X                |      |

**Form 13F**  
**STARO ASSET MANAGEMENT**

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|--------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|                                |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| Coca-Cola Company              | Common                         | 191216100                    | \$13,557                                       | 222,466                          | Shares               | Sole                                  |                                | X            |                  |
| Lamar Advertising Co.          | Debt                           | 512815AF8                    | \$7,793  | 7,622                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Lilly (Eli) & Co.              | Option                         | 532457908                    | \$13,959                                       | 1,500                            |                      | Sole                                  | Call                           | X            |                  |
| Lodgian Inc.                   | Common                         | 54021P106                    | \$914  | 275,800                          | Shares               | Sole                                  |                                | X            |                  |
| Loral Space & Communications   | Preferred                      | G56462149                    | \$2,735  | 227,877                          | Shares               | Sole                                  |                                | X            |                  |
| LSI Logic                      | Debt                           | 502161AD4                    | \$10,391                                       | 8,216                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| McDonald's Corporation         | Option                         | 580135901                    | \$2,550  | 750                              |                      | Sole                                  | Call                           | X            |                  |
| McLeodusa Inc. - CIA           | Common                         | 582266102                    | \$821  | 58,100                           | Shares               | Sole                                  |                                | X            |                  |
| MDC Communications Corp - A    | Common                         | 55267W309                    | \$1,499  | 200,000                          | Shares               | Sole                                  |                                | X            |                  |
| Medtronic Inc.                 | Option                         | 585055906                    | \$3,019  | 500                              |                      | Sole                                  | Call                           | X            |                  |
| Merrill Lynch                  | Option                         | 590188908                    | \$24,834                                       | 3,642                            |                      | Sole                                  | Call                           | X            |                  |
| Mettlife Inc.                  | Option                         | 59156R908                    | \$5,250  | 1,500                            |                      | Sole                                  | Call                           | X            |                  |
| Method Electronics - CIA       | Common                         | 591520200                    | \$4,192  | 182,756                          | Shares               | Sole                                  |                                | X            |                  |
| Magna Int'l                    | Debt                           | 559222AE4                    | \$1,720  | 1,801                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Magna Int'l                    | Debt                           | 559222AG9                    | \$1,185  | 1,364                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Markel Corp.                   | Common                         | 570535104                    | \$4,495  | 24,834                           | Shares               | Sole                                  |                                | X            |                  |
| mpower Communications Inc.     | Common                         | 62473J106                    | \$1,025  | 200,000                          | Shares               | Sole                                  |                                | X            |                  |
| Microsoft Corp.                | Common                         | 594918104                    | \$6,808  | 156,500                          | Shares               | Sole                                  |                                | X            |                  |
| Microsoft Corp.                | Option                         | 594918904                    | \$10,875                                       | 2,500                            |                      | Sole                                  | Call                           | X            |                  |
| Mascotech Inc.                 | Debt                           | 574670AB1                    | \$10,792                                       | 18,607                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Micron Tech                    | Common                         | 595112103                    | \$3,550  | 100,000                          | Shares               | Sole                                  |                                | X            |                  |
| Morgan St. Dean Witter         | Option                         | 617446908                    | \$9,906  | 1,250                            |                      | Sole                                  | Call                           | X            |                  |
| Nokia Corp.                    | Common                         | 654902204                    | \$9,357  | 215,100                          | Shares               | Sole                                  |                                | X            |                  |
| Nortel Networks Corp.          | Common                         | 656568102                    | \$741  | 23,100                           | Shares               | Sole                                  |                                | X            |                  |
| Nortel Networks Corp.          | Option                         | 656568902                    | \$1,603  | 500                              |                      | Sole                                  | Call                           | X            |                  |
| Network Appliance Inc.         | Option                         | 64120L904                    | \$3,212  | 500                              |                      | Sole                                  | Call                           | X            |                  |
| NTN Communications Inc.        | Common                         | 629410309                    | \$140  | 223,664                          | Shares               | Sole                                  |                                | X            |                  |
| Nvidia Corp.                   | Debt                           | 67066GAA2                    | \$1,260  | 2,000                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Nextel Communications Inc. - A | Option                         | 65332V903                    | \$1,238  | 500                              |                      | Sole                                  | Call                           | X            |                  |

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STARO ASSET MANAGEMENT

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|--------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|                                |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| Quaker Oats Co.                | Option                         | 747402955                    | \$9,800  | 1,000                            |                      | Sole                                  |                                | X            |                  |
| Banc One Corp.                 | Option                         | 06423A903                    | \$5,494  | 1,500                            |                      | Sole                                  |                                | X            |                  |
| Oracle Corporation             | Option                         | 68389X905                    | \$2,906  | 1,000                            |                      | Sole                                  |                                | X            |                  |
| Sprint Corp.                   | Common                         | 852061506                    | \$920  | 45,000                           | Shares               | Sole                                  |                                | X            |                  |
| Sprint Corp.                   | Option                         | 852061906                    | \$11,282                                       | 5,520                            |                      | Sole                                  |                                | X            |                  |
| Protein Design Labs Inc.       | Debt                           | 74369LAB9                    | \$6,542  | 4,937                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Procter & Gamble Co.           | Option                         | 742718909                    | \$11,766                                       | 1,500                            |                      | Sole                                  |                                | X            |                  |
| Perkinelmer Inc.               | Debt                           | 714046AA7                    | \$208  | 300                              | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Patina Oil & Gas Co.           | Warrant                        | 703224113                    | \$1,516  | 131,862                          | Shares               | Sole                                  |                                | X            |                  |
| Peregrine Systems Inc.         | Debt                           | 71366QAA9                    | \$2,880  | 3,000                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Psinet Inc.                    | Common                         | 74437C101                    | \$54   | 75,000                           | Shares               | Sole                                  |                                | X            |                  |
| Penn Treaty Amer Corp.         | Debt                           | 707874AC7                    | \$2,408  | 3,000                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Providian Financial Corp.      | Debt                           | 74406AAA0                    | \$1,980  | 2,000                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Qwest Communications Int'l     | Option                         | 749121909                    | \$8,200  | 2,000                            |                      | Sole                                  | Call                           | X            |                  |
| Qualcomm Inc.                  | Option                         | 747525903                    | \$2,055  | 250                              |                      | Sole                                  | Call                           | X            |                  |
| Quantum Corp.                  | Debt                           | 747906AC9                    | \$529  | 705                              | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Read-Rite Corp.                | Common                         | 755246105                    | \$4,003  | 993,053                          | Shares               | Sole                                  |                                | X            |                  |
| Read-Rite Corp.                | Option                         | 755246955                    | \$998  | 2,476                            |                      | Sole                                  | Put                            | X            |                  |
| Reliance Group Holdings        | Common                         | 759464100                    | \$1  | 35,000                           | Shares               | Sole                                  |                                | X            |                  |
| Revlon Inc. - CI A             | Common                         | 761525500                    | \$951  | 191,700                          | Shares               | Sole                                  |                                | X            |                  |
| Transocean Sedco Forex Inc.    | Option                         | G90078909                    | \$2,300  | 500                              |                      | Sole                                  | Call                           | X            |                  |
| Sears, Roebuck & Co.           | Option                         | 812387908                    | \$3,475  | 1,000                            |                      | Sole                                  | Call                           | X            |                  |
| Sanmina Corp.                  | Option                         | 800907957                    | \$1,806  | 500                              |                      | Sole                                  | Put                            | X            |                  |
| SBC Communications Inc.        | Option                         | 78387G903                    | \$4,775  | 1,000                            |                      | Sole                                  | Call                           | X            |                  |
| Starbucks Corp.                | Common                         | 855244109                    | \$7,199  | 162,700                          | Shares               | Sole                                  |                                | X            |                  |
| SCI Systems Inc.               | Common                         | 783890106                    | \$4,270  | 161,900                          | Shares               | Sole                                  |                                | X            |                  |
| Siebel Systems Inc.            | Debt                           | 826170AC6                    | \$48,300                                       | 16,100                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Sealed Air Corp.               | Preferred                      | 81211K209                    | \$819  | 25,000                           | Shares               | Sole                                  |                                | X            |                  |
| Silicon Graphics Inc.          | Debt                           | 827056AC6                    | \$2,869  | 4,925                            | Prn. Amt.            | Sole                                  |                                | X            |                  |



Form 13F  
STARO ASSET MANAGEMENT

| Column 1:<br>Name of<br>Issuer | Column 2:<br>Title of<br>Class | Column 3:<br>CUSIP<br>Number | Column 4:<br>Fair Market<br>Value<br>(X\$1000) | Column 5:                        |                      | Column 6:<br>Investment<br>Discretion | Column 7:<br>Other<br>Managers | Column 8:    |                  |
|--------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|                                |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| Soletron Corp.                 | Common                         | 834182107                    | \$431  | 12,700                           | Shares               | Sole                                  |                                | X            |                  |
| Soletron Corp.                 | Debt                           | 834182AL1                    | \$1,269  | 2,500                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Semtech Corp.                  | Option                         | 816850951                    | \$993  | 450                              |                      | Put                                   |                                | X            |                  |
| Semtech Corp.                  | Debt                           | 816850AD3                    | \$4,360  | 5,932                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Sunbeam Corporation            | Common                         | 867071102                    | \$705  | 2,255,400                        | Shares               | Sole                                  |                                | X            |                  |
| Panamsat Corp.                 | Option                         | 697933909                    | \$3,469  | 1,000                            |                      | Call                                  |                                | X            |                  |
| Status Lightwave Inc.          | Common                         | 863100103                    | \$1,389  | 81,400                           | Shares               | Sole                                  |                                | X            |                  |
| Status Lightwave Inc.          | Option                         | 863100903                    | \$1,365  | 800                              |                      | Call                                  |                                | X            |                  |
| Sfmicroelectronics             | Debt                           | 861012AB8                    | \$44,713                                       | 36,500                           | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Sun Microsystems Inc.          | Common                         | 866810104                    | \$2,397  | 85,980                           | Shares               | Sole                                  |                                | X            |                  |
| Sun Microsystems Inc.          | Option                         | 866810904                    | \$13,938                                       | 5,000                            |                      | Call                                  |                                | X            |                  |
| Stryker Corp.                  | Option                         | 863667901                    | \$1,113  | 220                              |                      | Call                                  |                                | X            |                  |
| AT&T Corp.                     | Common                         | 001957109                    | \$5,125  | 296,027                          | Shares               | Sole                                  |                                | X            |                  |
| Terayon Communications Sys.    | Common                         | 880775101                    | \$273  | 67,240                           | Shares               | Sole                                  |                                | X            |                  |
| Terayon Communications Sys.    | Debt                           | 880775AA9                    | \$60   | 300                              | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Georgia-Pacific                | Common                         | 373298702                    | \$5,333  | 178,150                          | Shares               | Sole                                  |                                | X            |                  |
| Telefonos De Mexico            | Debt                           | 879403AD5                    | \$2,175  | 2,000                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Triad Hospitals Inc.           | Common                         | 89579K109                    | \$6,978  | 214,300                          | Shares               | Sole                                  |                                | X            |                  |
| TVX Gold                       | Debt                           | 87308KAA9                    | \$2,776  | 3,751                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Trans World Airlines           | Common                         | 893349837                    | \$1,111  | 1,058,171                        | Shares               | Sole                                  |                                | X            |                  |
| Tower Automotive Inc.          | Debt                           | 891707AE1                    | \$2,063  | 2,886                            | Prn. Amt.            | Sole                                  |                                | X            |                  |
| Texaco Inc.                    | Option                         | 881694903                    | \$15,531                                       | 2,500                            |                      | Call                                  |                                | X            |                  |
| Texas Biotech Corp.            | Warrant                        | 88221T120                    | \$1  | 27,800                           | Shares               | Sole                                  |                                | X            |                  |
| Transwitch Corp.               | Common                         | 894065101                    | \$3,830  | 97,900                           | Shares               | Sole                                  |                                | X            |                  |
| Texas Instruments Inc.         | Option                         | 882508904                    | \$7,106  | 1,500                            |                      | Call                                  |                                | X            |                  |
| Union Pacific Corp.            | Common                         | 907818108                    | \$1,517  | 29,900                           | Shares               | Sole                                  |                                | X            |                  |
| Williams Communications Grp.   | Common                         | 969455104                    | \$8,139  | 692,660                          | Shares               | Sole                                  |                                | X            |                  |
| Western Gas Resources          | Preferred                      | 958259301                    | \$2,262  | 49,850                           | Shares               | Sole                                  |                                | X            |                  |
| Whirlpool Corp.                | Option                         | 963320906                    | \$4,769  | 1,000                            |                      | Call                                  |                                | X            |                  |

Form 13F  
STARO ASSET MANAGEMENT

| Column 1:<br>Name of<br>Issuer          | Column 2:<br>Title of<br>Class | Column 3:<br>CUSIP<br>Number | Column 4:<br>Fair Market<br>Value<br>(X\$1000) | Column 5:                        |                      | Column 6:<br>Investment<br>Discretion | Column 7:<br>Other<br>Managers | Column 8:    |                  |
|---|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|   |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| WHX Corp.                               | Common                         | 929248102                    | \$69   | 92,601                           | Shares               | Sole                                  |                                | Sole         | X                |
| WHX Corp.                               | Preferred                      | 929248300                    | \$47   | 14,000                           | Shares               | Sole                                  |                                | Sole         | X                |
| Wind River Systems                      | Debt                           | 973149AC1                    | \$10,800                                       | 10,000                           | Prn. Amt.            | Sole                                  |                                | Sole         | X                |
| Williams Cos Inc.                       | Option                         | 969457900                    | \$3,994  | 1,000                            |                      | Sole                                  |                                | Sole         | X                |
| Wal-Mart Stores Inc.                    | Option                         | 931142903                    | \$10,625                                       | 2,000                            |                      | Sole                                  |                                | Sole         | X                |
| Exxon Mobil Corp.                       | Option                         | 30231G902                    | \$8,694  | 1,000                            |                      | Sole                                  |                                | Sole         | X                |
| <b>Sheet A General Holdings Totals:</b> |                                |                              | <b>\$1,457,241</b>                             |                                  |                      |                                       |                                |              |                  |
| <b>Sheet B Risk Arb Totals:</b>         |                                |                              | <b>\$91,973</b>                                |                                  |                      |                                       |                                |              |                  |
| <b>AGGREGATE TOTALS:</b>                |                                |                              | <b>\$1,549,214</b>                             |                                  |                      |                                       |                                |              |                  |

Form 13F

STARO ASSET MANAGEMENT

| Column 1:<br>Name of<br>Issuer  | Column 2:<br>Title of<br>Class | Column 3:<br>CUSIP<br>Number | Column 4:<br>Fair Market<br>Value<br>(X\$1000) | Column 5:                        |                      | Column 6:<br>Investment<br>Discretion | Column 7:<br>Other<br>Managers | Column 8:    |                  |
|---------------------------------|--------------------------------|------------------------------|--|----------------------------------|----------------------|---------------------------------------|--------------------------------|--------------|------------------|
|                                 |                                |                              |  | Shares or<br>Principal<br>Amount | Shares/<br>Prn. Amt. |                                       |                                | Put/<br>Call | Voting Authority |
| Azurix Corp.                    | Common                         | 05501M104                    | \$860  | 105,000                          | Shares               | Sole                                  |                                | X            |                  |
| Bay Bancshares Inc.             | Common                         | 07203N109                    | \$606  | 23,700                           | Shares               | Sole                                  |                                | X            |                  |
| Cardinal Health Inc.            | Common                         | 14149Y108                    | \$2,640  | 26,500                           | Shares               | Sole                                  |                                | X            |                  |
| CNBT Bancshares Inc.            | Common                         | 125972109                    | \$1,289  | 71,610                           | Shares               | Sole                                  |                                | X            |                  |
| Crown Central Pete - C I B      | Common                         | 228219309                    | \$294  | 30,000                           | Shares               | Sole                                  |                                | X            |                  |
| Cohoes Bancorp                  | Common                         | 192513109                    | \$388  | 20,400                           | Shares               | Sole                                  |                                | X            |                  |
| Donna Karan Int'l Inc.          | Common                         | 257826107                    | \$315  | 35,000                           | Shares               | Sole                                  |                                | X            |                  |
| Deutsche Telekom                | Common                         | 251566105                    | \$1,454  | 49,700                           | Shares               | Sole                                  |                                | X            |                  |
| Dynex Capital Inc.              | Common                         | 26817Q506                    | \$223  | 222,540                          | Shares               | Sole                                  |                                | X            |                  |
| FleetBoston Financial Corp.     | Common                         | 339030108                    | \$2,220  | 59,100                           | Shares               | Sole                                  |                                | X            |                  |
| Fairfield Communities Inc.      | Common                         | 304231301                    | \$5,005  | 355,900                          | Shares               | Sole                                  |                                | X            |                  |
| First Washington Realty Trust   | Common                         | 337489504                    | \$1,054  | 40,840                           | Shares               | Sole                                  |                                | X            |                  |
| Intermedia Communications       | Common                         | 458801107                    | \$108  | 15,000                           | Shares               | Sole                                  |                                | X            |                  |
| Industrial Bancorp Inc.         | Common                         | 455882100                    | \$395  | 20,000                           | Shares               | Sole                                  |                                | X            |                  |
| Infinity Broadcasting Corp.     | Common                         | 45662S102                    | \$838  | 30,000                           | Shares               | Sole                                  |                                | X            |                  |
| Mesaba Holdings Inc.            | Common                         | 59066B102                    | \$3,638  | 289,600                          | Shares               | Sole                                  |                                | X            |                  |
| Meridian Ins. Group Inc.        | Common                         | 589644103                    | \$2,735  | 94,500                           | Shares               | Sole                                  |                                | X            |                  |
| PBOC Holdings Inc.              | Common                         | 69316G108                    | \$2,569  | 269,500                          | Shares               | Sole                                  |                                | X            |                  |
| Pendaries Petroleum Ltd.        | Common                         | 706905106                    | \$343  | 80,600                           | Shares               | Sole                                  |                                | X            |                  |
| Primedia Inc.                   | Common                         | 74157K101                    | \$3,116  | 263,800                          | Shares               | Sole                                  |                                | X            |                  |
| Radiologix Inc.                 | Common                         | 75040K109                    | \$80   | 16,000                           | Shares               | Sole                                  |                                | X            |                  |
| SDL Inc.                        | Common                         | 784076101                    | \$2,223  | 15,000                           | Shares               | Sole                                  |                                | X            |                  |
| Seranova Inc.                   | Common                         | 817476104                    | \$481  | 213,800                          | Shares               | Sole                                  |                                | X            |                  |
| Showcase Corp.                  | Common                         | 82539P102                    | \$989  | 140,000                          | Shares               | Sole                                  |                                | X            |                  |
| Shaw Industries Inc             | Common                         | 820286102                    | \$15,887                                       | 838,910                          | Shares               | Sole                                  |                                | X            |                  |
| US Air                          | Option                         | 911905907                    | \$2,028  | 500                              | Call                 | Sole                                  |                                | X            |                  |
| Voicestream Wireless Corp.      | Common                         | 928615103                    | \$15,786                                       | 156,880                          | Shares               | Sole                                  |                                | X            |                  |
| MCI Worldcom Inc.               | Common                         | 98157D106                    | \$23,781                                       | 1,698,610                        | Shares               | Sole                                  |                                | X            |                  |
| Westerfed Financial Corp.       | Common                         | 957550106                    | \$631  | 29,000                           | Shares               | Sole                                  |                                | X            |                  |
| <b>Sheet B Risk Arb Totals:</b> |                                |                              | <b>\$91,973</b>                                |                                  |                      |                                       |                                |              |                  |
| <b>AGGREGATE TOTALS:</b>        |                                |                              | <b>\$1,549,214</b>                             |                                  |                      |                                       |                                |              |                  |