

US DISTRICT COURT INDEX SHEET



SECURITIES AND EXCHANGE

GLOBAL TIMBER CORP

ELC 5/9/98 12:28

3:98-CV-1072

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\*CMP.\*

ORIGINAL

1 ELAINE M. CACHERIS, Cal. Bar # 101605  
 2 SANDRA J. HARRIS, Cal. Bar # 134153  
 2 AIMEE DOMINGUEZ-SILVERS, Cal. Bar # 145106  
 3 JAMES H. DAVIS, Cal. Bar # 175729

4 Attorneys for Plaintiff  
 5 Securities and Exchange Commission  
 5 5670 Wilshire Boulevard, 11th Floor  
 6 Los Angeles, California 90036-3648  
 6 (213) 965-3998

FILED

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CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

3y:

DEPUTY

*K. Calair*

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8 UNITED STATES DISTRICT COURT  
 9 SOUTHERN DISTRICT OF CALIFORNIA

10

11 SECURITIES AND EXCHANGE COMMISSION

Case No. '98 CV 1072J RBB

12 Plaintiff,

COMPLAINT

13 vs.

14 GLOBAL TIMBER CORPORATION;  
 15 STEPHEN J. SAND; JOSE F. GARCIA;  
 15 JONATHON BENTLEY-STEVENS; DAVID A.  
 16 KIRK; AND PAMELA J. VEGA,

16 Defendants.

17

18

19 Plaintiff Securities and Exchange Commission  
 20 ("Commission"), alleges:

21 JURISDICTION

22 1. This Court has jurisdiction over this action pursuant  
 23 to Sections 21(d) (3) (A), 21(e) and 27 of the Securities Exchange Act  
 24 of 1934 ("Exchange Act") [15 U.S.C. §§ 78u(d) (3) (A), 78u(e) & 78aa].  
 25 Defendants Global Timber Corporation ("Global Timber"), Stephen J.  
 26 Sand ("Sand"), Jose F. Garcia ("Garcia"), Jonathon Bentley-Stevens  
 27 ("Stevens"), David A. Kirk ("Kirk"), and Pamela J. Vega ("Vega")  
 28 (collectively referred to as "Defendants") have directly or

*OL*

1 indirectly made use of the means or instrumentalities of interstate  
2 commerce and/or of the mails in connection with the securities  
3 transactions described in this Complaint.

4 SUMMARY OF THE CASE

5 2. This action concerns material misrepresentations  
6 regarding Global Timber's financial condition made in connection  
7 with the registration and sale of Global Timber shares.  
8 Specifically, Global Timber, Sand, Garcia and Stevens misrepresented  
9 that Global Timber had the right to harvest certain timber located  
10 in the Philippines. This purported right to harvest timber  
11 represented 99.99% of Global Timber's total assets. In fact, Global  
12 Timber had no right to harvest this timber. As a result of this  
13 misrepresentation, Global Timber, Sand, Garcia and Stevens grossly  
14 overstated Global Timber's financial condition in certain documents  
15 filed with the Commission and disseminated in the securities market.

16 3. Global Timber, Vega and Kirk made additional material  
17 misrepresentations in connection with the purchase or sale of Global  
18 Timber shares. Specifically, Global Timber, Vega and Kirk falsely  
19 stated that Vega was a certified public accountant ("CPA") and that  
20 she had conducted a valuation of Global Timber's purported timber  
21 right in accordance with Generally Accepted Auditing Standards  
22 ("GAAS").

23 4. The Commission requests that this Court permanently  
24 enjoin Defendants from any future violations of Section 10(b) of the  
25 Exchange Act and Rule 10b-5 thereunder and impose a civil penalty  
26 against Sand, Garcia, Stevens, Kirk and Vega.

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28 \*\*

## THE DEFENDANTS

2       5. Global Timber Corporation is a Nevada Corporation  
3 originally incorporated in 1990 under the name Jo-Lee Corporation.  
4 In November 1995, Jo-Lee Corporation changed its name to Global  
5 Timber Corporation. Global Timber maintains its headquarters in La  
6 Jolla, California. It is a public company that purports to harvest  
7 and sell lumber in the Philippines. Global Timber's stock currently  
8 quotes on the Over-The-Counter ("OTC") Bulletin Board under the  
9 symbol "GTBR."

10           6.    Jose F. Garcia resides in Las Vegas, Nevada.  From  
11 November 1995 to the present, Garcia has been chairman of the board  
12 of directors of Global Timber.  Garcia was President of Global  
13 Timber from November 1995 to January 1996.

14           7. Stephen J. Sand resides in Las Vegas, Nevada. Sand  
15 was President of Global Timber from January 1996 to May 1996.

16           8. Jonathon Bentley-Stevens is an Australian citizen who  
17 resides in Butuan City, Philippines. Stevens has served as a member  
18 of Global Timber's board of directors since November 1995 and as  
19 Vice-President of Global Timber since May 1996. During all times  
20 relevant to this action, Stevens was the President and Chairman of  
21 Bentley House International Corporation ("Bentley House").

22                   9.    David A. Kirk resides in La Jolla, California. Kirk  
23 has served as a member of Global Timber's board of directors since  
24 November 1995 and as the President of Global Timber since May 1996.  
25 During all times relevant to this action, Kirk was an officer and  
26 director of Bentley House.

27 10. Pamela J. Vega resides in Las Vegas, Nevada. From  
28 October 1995 to September 1996, Vega was retained by Global Timber

1 as its CPA. Vega was fired by Global Timber in September 1996 for  
 2 falsely representing to Global Timber that she was a CPA.

3 RELATED ENTITIES

4 11. Banwa-on Multi-Purpose Cooperative ("Banwa-on") is a  
 5 group of indigenous people who have lived as an organized community  
 6 on communally bounded and defined territory in the Philippines (the  
 7 "Banwa-on Reservation"). A significant amount of timber is located  
 8 on the Banwa-on Reservation. At no time relevant to this action did  
 9 the Banwa-on have the right to harvest the timber located on the  
 10 Banwa-on Reservation.

11 12. Bentley House International Corporation is a Hong  
 12 Kong corporation with its principal place of business in La Jolla,  
 13 California. In September 1994, Bentley House entered into an  
 14 agreement with the Banwa-on entitled "Deed of Assignment of Rights"  
 15 (the "Bentley House Assignment"). Pursuant to the terms of the  
 16 Bentley House Assignment, the Banwa-on purportedly assigned to  
 17 Bentley House the Banwa-on's purported right to harvest the timber  
 18 located on the Banwa-on Reservation. In or about November 1995,  
 19 Bentley House allegedly assigned its purported right to harvest the  
 20 timber located on the Banwa-on Reservation to Global Timber (the  
 21 "Global Timber Assignment"). In May 1996, the Banwa-on revoked the  
 22 Bentley House Assignment on the grounds that Bentley House had  
 23 improperly assigned the timber right in question to Global Timber.

24 GENERAL ALLEGATIONS

25 I. THE PHILIPPINE GOVERNMENT MUST APPROVE ALL  
 26 HARVESTING OF TIMBER LOCATED IN THE PHILIPPINES

27 13. The Philippine Constitution provides that the  
 28 exploration, development and utilization of natural resources

1 located in the Philippines shall be under the full control and  
2 supervision of the Philippine government. Philippine law reserves  
3 the right for Philippine individuals and corporations to utilize  
4 natural resources such as timber.

5           14. During all times relevant to this action, the  
6 Philippine Department of Environment and Natural Resources ("DENR")  
7 was, and is, the primary government agency responsible for the  
8 sustainable development of the country's natural resources and  
9 ecosystems, including timber.

10           15. The DENR's powers and responsibilities include the  
11 issuance of permits, licenses and other legal instruments to  
12 individuals or entities for the harvesting of timber. No individual  
13 or entity may harvest timber in the Philippines without the DENR's  
14 approval. No assignment of the right to harvest timber is valid  
15 unless it is approved by the DENR.

16           16. Although the Banwa-on Reservation came into existence  
17 by Presidential Proclamation in May 1986, that land is considered  
18 part of the public domain. The Banwa-on Reservation falls within  
19 the jurisdiction of the DENR. Before the Banwa-on may harvest any  
20 timber located on its reservation, the Banwa-on must obtain from the  
21 DENR permission for such harvesting.

22           17. In December 1986, the Banwa-on received the necessary  
23 approval from the DENR to harvest the timber located on the Banwa-on  
24 Reservation.

25           18. The DENR's approval to harvest the timber was to  
26 expire on or about January 31, 1991. On or about March 16, 1989,  
27 before the approval expired, the DENR suspended the Banwa-on's  
28 \*\*

1 license to harvest timber for the Banwa-on's violation of the forest  
2 laws, rules and regulations.

3           19. The DENR denied the Banwa-on's appeals for license  
4 renewal on or about June 13, 1989 and March 22, 1993. At all times  
5 relevant to this action, the Banwa-on did not have the right to  
6 harvest the timber located on the Banwa-on Reservation.

7           20. The DENR did not approve the Bentley House Assignment  
8 or the Global Timber Assignment.

9 **II. MISREPRESENTATIONS MADE IN CONNECTION WITH THE**  
10           **PURCHASE OR SALE OF GLOBAL TIMBER SHARES**

11           **A. The Formation And Operation Of Global Timber**

12           21. In September 1995, Stevens and Kirk, acting on behalf  
13 of the Bentley House, pursued the possibilities of obtaining  
14 financing for costs associated with harvesting the timber located on  
15 the Banwa-on Reservation. Stevens and Kirk engaged the services of  
16 an investment banker in the United States to assist them in their  
17 efforts.

18           22. The investment banker introduced Stevens and Kirk to  
19 officers and directors of Jo-Lee Corporation ("Jo-Lee").

20           23. Jo-Lee was a shell company listed on the OTC Bulletin  
21 Board, but was not actively engaged in business. During this time  
22 period, Garcia was the President of Jo-Lee.

23           24. In October 1995, Stevens and Kirk, on behalf of  
24 Bentley House, entered into negotiations with Jo-Lee to possibly  
25 merge Bentley House's purported right to harvest with the financing  
26 capabilities of Jo-Lee.

27           25. In October 1995, Jo-Lee hired Vega to conduct a  
28 valuation of Bentley House's purported right to harvest the timber

1 located on the Banwa-on Reservation (the "Valuation"). At this  
2 time, Vega falsely stated to Jo-Lee that she was a CPA and that she  
3 would complete the Valuation in accordance with GAAS.

4 26. In November 1995, Vega prepared the Valuation for  
5 inclusion in Global Timber's financial statements, wherein she  
6 stated that she was a CPA and that she had prepared that valuation  
7 in accordance with GAAS. Both statements were false. In the  
8 Valuation, Vega valued Bentley House's purported right to harvest  
9 timber in the sum of approximately \$260 million.

10 27. On or about November 10, 1995, Bentley House and Jo-  
11 Lee entered into a merger agreement (the "Merger Agreement").  
12 Pursuant to the terms of the Merger Agreement, Bentley House  
13 transferred to Jo-Lee its purported right to harvest the timber  
14 located on the Banwa-on Reservation in exchange for 3.07 million  
15 shares of Jo-Lee stock.

16 28. On or about November 20, 1995, Jo-Lee changed its  
17 name to Global Timber Corporation. At all times relevant to this  
18 action, Global Timber's primary business purpose was to harvest the  
19 timber located on the Banwa-on Reservation and to sell that lumber  
20 to international furniture manufacturers and other companies.

21 **B. Defendants Make False Statements In Connection With  
22 The Purchase Or Sale Of Global Timber Shares**

23 29. In December 1995 and January 1996, Global Timber  
24 distributed to market makers Securities Exchange Act Rule 15c2-11  
25 disclosure statements (respectively referred to as the "December  
26 1995 Disclosure Statement" and "January 1996 Disclosure Statement").  
27 Global Timber disseminated these disclosure statements to market  
28 makers in order to facilitate the purchase or sale of Global Timber

1 shares. On both occasions, Global Timber included Vega's Valuation  
 2 in these disclosure statements with Vega's consent.

3           30. As of at least February 1996, Global Timber, Garcia,  
 4 Sand, Stevens and Kirk knew, or at least were reckless in not  
 5 knowing, that the Banwa-on did not have the right to harvest the  
 6 timber in question.

7           31. In March 1996, Global Timber, Garcia and Sand  
 8 contacted the Philippine law firm of Tan and Venturanza ("T&V") in  
 9 order to determine the status of the Banwa-on's right to harvest  
 10 timber and what steps were required in order to secure that right,  
 11 if possible.

12           32. In March 1996, Global Timber, Garcia and Sand filed  
 13 with the Commission a Form 10 Registration Statement in order to  
 14 register Global Timber's stock pursuant to Section 12(b) of the  
 15 Exchange Act (the "March 1996 Form 10"). Vega's Valuation was  
 16 included in the March 1996 Form 10 with Vega's consent. Despite the  
 17 fact that Global Timber, Garcia and Sand knew that Global Timber did  
 18 not have the right to harvest the timber located on the Banwa-on  
 19 Reservation, they misrepresented in the March 1996 Form 10 that  
 20 Global Timber had the right to harvest the timber located on the  
 21 Banwa-on Reservation.

22           33. In June 1996, T&V confirmed to Global Timber, Garcia  
 23 and Sand that the Banwa-on did not have DENR approval to harvest the  
 24 timber located on the Banwa-on Reservation and that the Banwa-on had  
 25 revoked the Bentley House Assignment on the grounds that Bentley  
 26 House had assigned this timber right to Global Timber without the  
 27 Banwa-on's consent.

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1           34. In August 1996, the Commission suspended the trading  
2 of Global Timber's shares based on inaccurate and inadequate public  
3 information about Global Timber's valuation of its timber rights.

4                   35. In September 1996, Kirk terminated Vega after he  
5 learned that Vega was not in fact a CPA.

6                   36. In November 1996, Global Timber, Kirk and Stevens  
7 distributed to market makers a third Securities Exchange Act Rule  
8 15c2-11 disclosure statement ("November 1996 Disclosure Statement").  
9 Global Timber, Kirk and Stevens disseminated this disclosure  
10 statement to market makers in order to further facilitate the  
11 purchase or sale of Global Timber shares. In this November 1996  
12 Disclosure Statement, Global Timber and Stevens falsely stated that  
13 Global Timber had the right to harvest the timber located on the  
14 Banwa-on Reservation. Additionally, Kirk included Vega's Valuation  
15 in this November 1996 Disclosure Statement knowing that Vega was not  
16 a CPA and had not conducted the Valuation pursuant to GAAS.

CLAIM FOR RELIEF

**FRAUD IN CONNECTION WITH THE**

**PURCHASE OR SALE OF SECURITIES**

Section 10(b) of the Exchange Act and

Rule 10b-5 thereunder.

22                   37. Paragraphs 1 through 36 of this Complaint are  
23 realleged and incorporated herein by reference.

24                   38. Defendants, Global Timber, Sand, Garcia, Stevens,  
25 Kirk and Vega, by engaging in the conduct described in Paragraphs 1  
26 through 36 above, directly or indirectly, in connection with the  
27 purchase or sale of securities, by the use of means or

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1 instrumentalities of interstate commerce, or of the mails, or of a  
2 facility of a national securities exchange, with scienter:  
3                   a. employed devices, schemes or artifices to  
4 defraud;  
5                   b. made untrue statements of material facts or  
6 omitted to state material facts necessary in order to make the  
7 statements made, not misleading; or  
8                   c. engaged in acts, practices or courses of  
9 business which operated or would operate as a fraud or deceit upon  
10 other persons.

11               39. By reason of the foregoing, defendants Global Timber,  
12 Sand, Garcia, Stevens, Kirk and Vega violated, and unless enjoined  
13 will continue to violate, Section 10(b) of the Exchange Act [15  
14 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R.  
15 § 240.10b-5].

16               PRAYER FOR RELIEF

17               WHEREFORE, the Commission respectfully requests that this  
18 Court:

19               I.

20               Issue findings of fact and conclusions of law that Global  
21 Timber, Sand, Garcia, Stevens, Kirk and Vega committed the  
22 violations charged and alleged herein.

23               II.

24               Permanently enjoin Global Timber, Sand, Garcia, Stevens,  
25 Kirk and Vega from violating Section 10(b) of the Exchange Act and  
26 Rule 10b-5 thereunder.

27               \*\*

28               \*\*

1 III.

2 Enter an order imposing a civil penalty against Sand,  
3 Garcia, Stevens, Kirk and Vega.

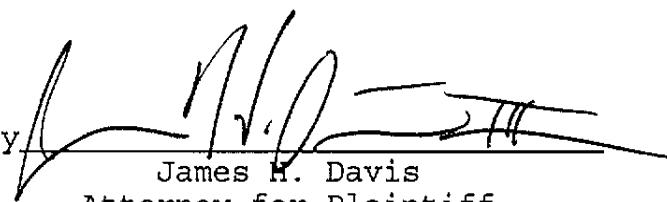
4 IV.

5 Retain jurisdiction of this action in accordance with the  
6 principles of equity and the Federal Rules of Civil Procedure in  
7 order to implement and carry out the terms of all orders and decrees  
8 that may be entered, or to entertain any suitable application or  
9 motion for additional relief within the jurisdiction of this Court.

10 V.

11 Grant such other and further relief as this Court may  
12 determine to be just and necessary.

13 DATED: June 1, 1998

14  
15  
16 By   
17 James H. Davis  
18 Attorney for Plaintiff  
19 Securities and Exchange Commission  
20  
21  
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The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

### I (a) PLAINTIFFS

SECURITIES AND EXCHANGE COMMISSION

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

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)  
AIMEE DOMINGUEZ SILVERS, ESQ.  
SECURITIES AND EXCHANGE COMMISSION  
5670 WILSHIRE BOULEVARD, 11TH FLOOR  
LOS ANGELES, CALIFORNIA 90036  
(213) 965-3998

### DEFENDANTS

**FILED**

GLOBAL TIMBER CORPORATION, STEPHEN J. SAND,  
JOSE F. GARCIA, JONATHAN BENDER, STEPHEN J. STEVENS,  
DAVID A. KIRK, AND PAMELA VEGA  
CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT SAN DIEGO

(IN U.S. PLAINTIFF CASES ONLY) DEPUTY  
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE  
TRACT OF LAND INVOLVED

**98 CV 1072J RBB**

SEE ATTACHED SERVICE LIST

### II. BASIS OF JURISDICTION

(PLACE AN X IN ONE BOX ONLY)

<input checked="" type="checkbox"/> 1 U.S. Government Plaintiff	<input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)
<input type="checkbox"/> 2 U.S. Government Defendant	<input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)

### III. CITIZENSHIP OF PRINCIPAL PARTIES

(For Diversity Cases Only)

(PLACE AN X IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

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

### IV. CAUSE OF ACTION

(CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)

DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY THIS ACTION CONCERN'S MATERIAL MISREPRESENTATIONS AND OMISSIONS

BY DEFENDANTS AND 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].

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

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<b>PERSONAL INJURY</b> <input type="checkbox"/> 362 Personal Injury—Med Malpractice <input type="checkbox"/> 365 Personal Injury—Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 26 USC 158 <input type="checkbox"/> 423 Withdrawal 26 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark
REAL PROPERTY	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	<b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Other	<b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1957) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))
			<b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions

### VI. ORIGIN

(PLACE AN X IN ONE BOX ONLY)

<input checked="" type="checkbox"/> 1 Original Proceeding	<input type="checkbox"/> 2 Removed from State Court	<input type="checkbox"/> 3 Remanded from Appellate Court	<input type="checkbox"/> 4 Reinstated or Reopened	Transferred from	<input type="checkbox"/> 5 another district (specify) _____	<input type="checkbox"/> 6 Multidistrict Litigation	Appeal to District
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<input type="checkbox"/> 7 Judge from Magistrate Judgment
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### VII. REQUESTED IN COMPLAINT

CHECK IF THIS IS A CLASS ACTION  
□ UNDER F.R.C.P. 23

DEMAND \$

Check YES only if demanded in complaint:  
**JURY DEMAND:**  YES  NO

### VIII. RELATED CASE(S)

(See instructions):

IF ANY

JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

DATE

SIGNATURE OF ATTORNEY OF RECORD

June 8, 1998

UNITED STATES DISTRICT COURT

*Aimee Dominguez Silvers*  
AIMEE DOMINGUEZ SILVERS  
Attorneys for Plaintiff  
Securities and Exchange Commission