

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

Civil Action No. \_\_\_\_\_

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ROBERT RAY WHITE SAMPLES,  
and POT O' GOLD FINANCIAL SERVICES, LLC,

Defendants,

and

CRISTELLA SAMPLES,

Relief Defendant.

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**COMPLAINT**

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Plaintiff, United States Securities and Exchange Commission ("SEC") states and alleges as follows against Defendants.

**JURISDICTION AND VENUE**

1. The SEC brings this civil enforcement action seeking a permanent injunction, disgorgement plus prejudgment interest, and civil penalties for violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a), 77e(c), 77q]; Sections 10(b) and 15(a) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§78j(b) and 78o(a)] and Rule 10b-5 of the Exchange Act [17 C.F.R. §240.10b-5]; Sections 206(1) and (2) of the Investment Advisers Act of 1940 ("Advisers Act") [15 U.S.C. §80b-6(1)]

and (2)]; and Section 7(a) of the Investment Company Act of 1940 (“Investment Company Act”) [15 U.S.C. §80a-7].

2. The Court has jurisdiction pursuant to Section 22(a) of the Securities Act [15 U.S.C. §77v(a)]; Sections 21(d) and (e) and 27 of the Exchange Act [15 U.S.C. §§ 78u (d) and (e) and 78aa]; Section 214 of the Advisers Act [15 U.S.C. §80b-13]; and Sections 42 and 43 of the Investment Company Act [15 U.S.C. §80a-41 and 42]. Venue is proper in this district because the Defendants reside in the district of Colorado and the violations occurred in this district.

### **SUMMARY OF THE CASE**

3. This matter involves the misappropriation of investor funds by Robert Ray White Samples (“Samples”) of Parker, Colorado, through two fraudulent investment schemes. From at least September 2002 through September 2006, Samples, operating through his company, Pot O’ Gold Financial Services, LLC (“POG”), used material misrepresentations to raise at least \$1,033,597 from 31 investors in two pooled investments. The funds invested in the two schemes were commingled into a single bank account, much of which Samples misappropriated for his personal use and for that of relief defendant Cristella Samples. Samples used the investors’ funds, among other things, to purchase land and to construct a new house and to pay for his family’s living expenses.

4. First, Samples offered and sold \$968,817 worth of POG’s Private Capital Accounts to the public through the company’s website, investment seminars, and newspaper advertisements. Samples represented to investors that funds placed in Private Capital Accounts would be pooled together and invested primarily in fixed income securities, and secondarily in a loan program primarily for automobiles under Samples’ management to generate returns. Samples further

represented to investors that Private Capital Accounts were insured and would generate “guaranteed” earnings ranging from 7% to 15% from his investment activities. These representations were false and misleading. Samples only invested a small portion of investor funds as represented, and instead misappropriated funds for his personal use. Samples had no basis for claiming that the funds were insured or for promising guaranteed returns.

5. Second, Samples sold interests worth \$64,780 in POG’s Golden Investment Club (“Club”), which, despite its name, did not operate like a typical investment club since investors did not collectively decide on investments. Samples represented to Club investors that he would pool their funds together in a brokerage account for investment in securities, which he would manage in exchange for an advisory fee. Instead, Samples simply misappropriated the proceeds for his personal use.

6. Some investors have asked Samples for redemption of their investments. In response, Samples recently told at least two investors that the SEC will not allow Samples to return their money, without disclosing to the investors that he does not have the funds to pay them.

### **DEFENDANTS**

7. Robert Ray White Samples (“Samples”), age 47, lives in Parker Colorado. He owns and operates Pot O’ Gold Financial Services LLC (“POG”). From April 2004 through October 26, 2006, Samples was a registered representative with Quest Capital Strategies, Inc. (“Quest”). While with Quest, Samples worked out of his home, which was an unregistered branch location. From November 2002 until April 2003, Samples was associated with OppenheimerFunds Distributor, Inc., a registered broker-dealer. Samples currently is not registered as, or associated with, a broker-dealer, and is unemployed. Additionally, Samples is not and has never been

registered as an investment adviser with the SEC or any state. Samples holds a Series 6 and a Series 63 license.

8. POG is a Colorado limited liability company formed on September 4, 2002. It is wholly owned and operated by Samples. POG is not registered with the SEC as an investment company. POG has not filed a Securities Act registration statement. POG has not made a Regulation D filing under the Securities Act claiming an exemption from registration for its offering for securities with the SEC or any state, nor has it registered a class of securities under the Exchange Act.

#### **RELIEF DEFENDANT**

9. Cristella Samples (“Mrs. Samples”), age 52, is Samples’ wife. She is named as a defendant so that full relief can be afforded under the securities laws. Samples used the proceeds of his unlawful activities to construct a home that he owns jointly with Mrs. Samples. Samples has also used the proceeds of his unlawful activities to pay for living expenses, which has unjustly enriched Mrs. Samples.

#### **FACTUAL ALLEGATIONS**

##### Material Misrepresentations Regarding POG’s Private Capital Accounts

10. Between at least September 2002 and September 2006, Samples raised at least \$968,817 from 18 investors nationwide in “Private Capital Accounts.”

11. Samples solicited investors in POG’s Private Capital Accounts through POG’s website, newspaper advertisements and investment seminars. In newspaper advertisements and orally, Samples invited potential investors to free “investment seminars” at which he offered free meals

regarding the Private Capital Accounts. Samples solicited and obtained investors in several states.

12. Samples represented to investors through POG's website and a two page prospectus (collectively, the "Offering Materials") that investors' funds placed in Private Capital Accounts would be pooled together and invested under Samples' management to generate returns.

13. The Offering Materials stated that the Private Capital Accounts were subject to a two percent charge for Samples' management fees and expenses.

14. Through the Private Capital Account, investors: a) invested money; b) in a common enterprise; c) with the expectation that profits would be derived from Samples' efforts or the efforts of third parties.

15. Samples represented to investors that the investments in Private Capital Accounts would be invested: a) 60% in bonds and fixed income securities; and b) 40% in debt securities, cash equivalents and "overnight loans."

16. Samples did not file a registration statement for the POG Private Capital Account investments with the SEC or any state securities authority.

17. Samples represented to investors that the Private Capital Account investments were low-risk and were "covered by a sophisticated insurance program."

18. Samples also represented to investors that the investments in the Private Capital Accounts for at least one year would generate "guaranteed" earnings ranging from 7% to 15% from his investment activities.

19. Samples also led investors to believe that they would earn bonus amounts above the guaranteed rates of return if they reinvested their funds in Private Capital Accounts for additional years.

20. These representations were material and false. Samples did not invest the investors' funds in the Private Capital Accounts as represented. Initially, Samples deposited investors' funds of \$968,817, raised from the offer and sale of Private Capital Accounts, into POG's only bank account for which he was the sole signatory ("Bank Account"). Samples then transferred only 15% (not the represented 60%) of this money to two brokerage accounts held in POG's name for investment in securities. Of that 15%, Samples invested one-third (1/3 of 15%) in fixed income securities. The remaining two-thirds of the 15% were invested in large-cap growth stocks. These investments generated \$1,490.00 in income. Samples then transferred all but \$3,891.00 of the 15% back to the Bank Account.

21. Samples only invested approximately \$179,700 or 19% (not the represented 40%) of the investors' funds into POG's "loan program."

22. Samples represented to investors that the POG loan program was a program whereby Samples loaned money to individuals with poor credit histories to purchase used cars and that the loans were secured by title to the cars. These statements were material and false. In fact, approximately half of the \$179,700 was used to fund unsecured personal loans to third parties.

23. The remaining investor funds, or the original \$968,817, were never invested in securities or loans. Rather, Samples and Mrs. Samples used these funds to pay for personal living expenses.

24. Samples' representations that the Private Capital Accounts were covered by a "sophisticated insurance program" were material and false. The only insurance coverage POG had was a key-man life insurance contract on Samples which lapsed in 2005.

25. Samples' representations that the Private Capital Accounts guaranteed returns for investors were baseless and false. Samples knew that he had not invested the Private Capital Account funds in a manner that would provide sufficient income to generate the promised returns.

26. Samples investment activities in total, comprised of trading securities and the loan program, generated only approximately \$12,750 in income between January 1, 2005 and August 31, 2006.

27. Samples prepared false and misleading quarterly account statements and sent them to the Private Capital Account holders by use of the mails and interstate commerce. These statements depicted each client's invested principal plus quarterly interest income ranging from 7% to 15% thereon as promised in the Offering Materials.

28. As of August 31, 2006, the Private Capital Account statements that were sent to the investors represented the existence of invested principal plus interest of approximately \$1,027,362. This was materially false and misleading because the POG bank account held only \$48,990 and the brokerage accounts for the Private Capital Accounts held only \$3,891 in cash and securities. Samples never sent the investors copies of the Bank Account or brokerage account statements.

Material Misrepresentations Regarding POG's Club

29. Between August 2005 and September 2006, Samples obtained \$64,780 from 13 investors from several states. He did this by offering and selling them shares in the Club.

30. Samples told Club investors that he would pool their money into one brokerage account, invest the money, and generate returns. Samples also told Club investors that he would make investment decisions for the Club and that he would take only two percent of their invested capital as his investment management fee.

31. Through the Club, investors: a) invested money; b) in a common enterprise; c) with the expectation of profits solely from the efforts of Samples or a third party.

32. Samples told investors that for every \$50 invested they would receive one share in the Club. Shares were valued at \$49 each because Samples deducted one dollar as his two percent management fee. Investors never received any indicia of ownership in the Club. Investors never received the statements from the brokerage firm where the monies were to be invested.

33. In fact, Samples' statements to Club investors were false. Samples did not invest their money as represented. Instead, he put the entire \$64,780 into the Bank Account. Samples then transferred only half of that money, or \$32,350, to a brokerage account. Samples engaged in minimal trading and lost \$1,325 through trading and brokerage fees. He then transferred \$30,378 back to the Bank Account and used the funds for his personal expenses.

34. Samples created and mailed false quarterly account statements to the Club investors. These false statements depicted the amounts and dates of investors' deposits and the number of shares owned. Nothing in the account statements reflected any decline in the value of the Club



investments over time. Samples continued to collect investment money from investors, and the statements showed a higher cumulative dollar amount to reflect the additional investments.

35. As of August 31, 2006, the Club account statements collectively showed that the accounts contained approximately 1,322 shares for a total value of \$64,780. At the time, however, the Club brokerage account held only \$647 in cash and securities.

Samples Used Investors Monies for His Personal Expenses

36. From January 1, 2005 through August 31, 2006, Samples misappropriated at least \$214,836 of the \$1,033,597 of investors' funds for his personal expenses.

37. Samples spent investor funds of \$195,200 toward the land purchase and construction of a new home at 10872 East Spring Creek Road, Parker, Colorado 80138 ("New House"). The New House is titled in the name of Samples and Cristella Samples as joint tenants. The New House is currently for sale.

38. Samples also used investor proceeds to pay at least \$49,484 in costs associated with his former house, located at 12863 Capitol Creek Street, Parker, Colorado 80134 ("Former House"), including mortgage payments, utilities, and repairs. The Former House is titled in Samples' name.

39. Samples used \$2,911 of investor monies toward two timeshare condominiums, one in Kauai, Hawaii and one in Breckenridge, Colorado (collectively "Timeshares"). Samples owns these Timeshares jointly with Mrs. Samples.

40. Samples used investors' funds to pay over \$46,254 for his family's daily living expenses. Specifically, Samples used investor monies to pay for driving lessons and private school tuition

for his child; monthly payments, insurance, and maintenance expenses for personal automobiles; and professional dues for Mrs. Samples.

41. Samples also spent \$29,972 of investor funds for business expenses and donated \$26,751 to charities. One of the charities was formed by Samples himself for the benefit of pet birds he maintains at the New House.

42. Upon information and belief, Samples spent at least another \$516,829 of investor funds for personal items, but a full accounting will be necessary to determine the exact amount of misappropriated investor funds. For example, Samples wrote checks totaling \$302,816 to an auto dealership yet POG's auto loan program reflects only approximately \$90,000 as the value of vehicles on which loans are generating interest and principal payments.

43. Samples continues to raise money from investors based on misrepresentations. Since September 2006, Samples raised from investors at least another \$234,000 and used those funds for his personal use. For example, Samples took \$150,000 from a 70 year-old investor and then Samples used that money to finish building the New House.

Mrs. Samples has been Unjustly Enriched with Investor Monies

44. Investor monies were used to pay construction costs and other expenses on the New House, which Mrs. Samples owns jointly with Samples and where they both live. Mrs. Samples was also unjustly enriched when investor monies were use to pay expenses on the Former House, where she previously lived. Mrs. Samples was also unjustly enriched when investor monies were used to pay personal expenses incurred by her and for the Timeshares. Mrs. Samples lived in the Former House and was unjustly enriched when investor monies were used to pay expenses on the Former House.

**FIRST CLAIM FOR RELIEF**  
**Fraud - - Violations of Securities Act Section 17(a)(1)**  
**[15 U.S.C. § 77q(a)(1)]**

45. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

46. Defendants Samples and POG directly and indirectly, with scienter, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, employed a device, scheme or artifice to defraud.

47. Samples and POG violated and unless restrained and enjoined will in the future violate Section 17(a)(1) of the Securities Act.

**SECOND CLAIM FOR RELIEF**  
**Fraud – Violations of Securities Act Sections 17(a)(2) and 17(a)(3)**  
**[15 U.S.C. §§ 77q(a)(2) and (3)]**

48. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

49. Defendants Samples and POG by the use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly obtained money or property by means of untrue statements of material facts or omissions of material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

50. Defendants Samples and POG engaged in transactions, practices or courses of business which operated as a fraud or deceit upon the purchaser of securities.

51. Defendants Samples and POG violated, and unless restrained and enjoined will in the future violate Sections 17(a)(2) and 17(a)(3) of the Securities Act.

**THIRD CLAIM FOR RELIEF**  
**Fraud – Violations of Exchange Act Section 10(b) and Rule 10b-5**  
**[15 U.S.C. §§ 78j(b) and 17 C.F.R. § 240.10b-5]**

52. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

53. Defendants Samples and POG, acting with scienter, by use of means or instrumentalities of interstate commerce or of the mails, or of any facility of a national securities exchange, used or employed, in connection with the purchase or sale of a security, a manipulative or deceptive device or contrivance in contravention of the rules and regulations of the SEC; employed devices, schemes or artifices to defraud; made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or engaged in acts, practices or courses of business which operated or would operate as a fraud or deceit upon any person, in violation Section 10(b) and Rule 10b-5 of the Exchange Act.

54. Samples and POG violated, and unless restrained and enjoined will in the future violate Sections 10(b) and Rule 10b-5 of the Exchange Act.

**FOURTH CLAIM FOR RELIEF**  
**Violations of Section 5(a) and 5(c) of the Securities Act**  
**[15 U.S.C. §§ 77e(a) and (c)]**

55. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

56. Defendants Samples and POG, through means or instruments of transportation or communication in interstate commerce or the mails, directly or indirectly sold a security through the use or medium of a prospectus for which no registration statement was in effect.

57. There were no exemptions from registration and Samples and POG violated Section 5 of the Securities Act.

58. Samples and POG violated, and unless restrained will violate in the future, Sections 5(a) and 5(c) of the Securities Act.

**FIFTH CLAIM FOR RELIEF**  
**Violations of Section 15(a)(1) of the Exchange Act**  
**[15 U.S.C. § 78o(a)(1)]**

59. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

60. Defendant Samples is a natural person and made use of the mails or means or instrumentalities of interstate commerce to effect transactions in or to induce or attempt to induce the purchase or sale of a security without being registered in accordance with Section 15(b) of the Exchange Act.

61. Samples violated Section 15(a)(1) of the Exchange Act by acting as an unregistered broker-dealer in connection with his offer and sale of Private Capital Accounts and Club investments. Samples did not act through a broker-dealer with whom he was associated when he sold Private Capital Accounts and Club investments.

62. As a result, Samples violated, and unless restrained and enjoined will in the future violate, Section 15(a)(1) of the Exchange Act.

**SIXTH CLAIM FOR RELIEF**  
**Violations of Section 206(1) of the Advisers Act**  
**[15 U.S.C. §§ 80b-6(a)]**

63. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

64. Samples, an investment adviser, acting with scienter, by use of the mails or means or instrumentalities of interstate commerce, directly or indirectly employed a device, scheme or artifice to defraud clients and prospective clients.

65. As a result, Samples, acting with scienter, violated, unless restrained and enjoined will in the future violate, Section 206(1) of the Advisers Act.

**SEVENTH CLAIM FOR RELIEF**  
**Violations of Section 206(2) of the Advisers Act**  
**[15 U.S.C. § 80b-6(b)]**

66. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

67. Samples, an investment adviser, by use of the mails or means or instrumentalities of interstate commerce, directly or indirectly, engaged in transactions, practices, and courses of business which operated as a fraud or deceit on clients or prospective clients.

68. As a result, Samples violated, and unless restrained and enjoined will in the future violate, Section 206(2) of the Advisers Act.

**EIGHTH CLAIM FOR RELIEF**  
**Violations of Section 7(a) of the Investment Company Act**  
**[15 U.S.C. § 80a-7]**

69. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

70. POG directly or indirectly, offered for sale, sold and delivered by the use of the mails or means or instrumentalities of interstate commerce, securities without being registered under Section 8 of the Investment Company Act.

71. As a result, POG violated, and unless restrained and enjoined will in the future violate, Section 7(a) of the Investment Company Act

**NINTH CLAIM FOR RELIEF**  
**Equitable Disgorgement Against Relief Defendant Mrs. Samples**

72. The SEC incorporates the allegations of paragraphs 1 through 44 as if fully set forth herein.

73. Relief Defendant Mrs. Samples obtained money, property and assets as a result of the unlawful violations of the securities laws by Defendants Samples and POG.

74. Mrs. Samples should be required to disgorge all illegal gains which inured to her benefit under the equitable doctrines of disgorgement, unjust enrichment and constructive trust.

**PRAYER FOR RELIEF**

WHEREFORE, the SEC prays for:

1. an Order finding Defendants Samples and POG have violated the securities laws as alleged in the First through Eighth Claims for Relief;

2. an Order permanently enjoining Defendant Samples from, directly or indirectly violating Sections 5(a), 5(c) and 17(a)(1)-(3) of the Securities Act; Sections 15(a)(1), 10(b) and Rule 10b-5 of the Exchange Act; and Section 206(1) and (2) of the Advisers Act;
3. an Order permanently enjoining Defendant POG from, directly or indirectly violating Sections 5(a), 5(c) and 17(a)(1)-(3) of the Securities Act; Section 10(b) and Rule 10b-5 of the Exchange Act; and Section 7(a) of the Investment Company Act;
4. an Order compelling disgorgement plus prejudgment interest of all monies taken from the investors;
5. an Order assessing civil penalties pursuant to Section 20 of the Securities Act, Section 21(d)(3) of the Exchange Act, Section 209(e) of the Advisers Act, and Section 42(e) of the Investment Company Act;
6. an Order awarding disgorgement, plus prejudgment interest thereon, and civil penalties;
7. such further relief as the Court deems just or proper.

Dated: October 4, 2007

Respectfully submitted,

s/Nancy J. Gegenheimer  
Nancy J. Gegenheimer  
Attorney for Plaintiff  
Securities and Exchange Commission  
1801 California Street, Suite 1500  
Denver, CO 80202  
(303) 844-1000



JS 44 (Rev. 11/04)

### CIVIL COVER SHEET

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

<p><b>I. (a) PLAINTIFFS</b></p> <p style="text-align: center;">SECURITIES AND EXCHANGE COMMISSION</p> <p><b>(b)</b> County of Residence of First Listed Plaintiff _____ (EXCEPT IN U.S. PLAINTIFF CASES)</p> <p><b>(c)</b> Attorney's (Firm Name, Address, and Telephone Number)</p> <p style="text-align: center;">SEE ATTACHED</p>	<p style="text-align: center;"><b>DEFENDANTS</b></p> <p style="text-align: center;">ROBERT RAY WHITE SAMPLES, POT O' GOLD FINANCIAL SERVICES</p> <p>County of Residence of First Listed Defendant <u>DOUGLAS</u> (IN U.S. PLAINTIFF CASES ONLY)</p> <p style="text-align: center;">NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.</p> <p>Attorneys (If Known)</p> <p style="text-align: center;">SEE ATTACHED</p>
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<p><b>II. BASIS OF JURISDICTION</b> (Place an "X" in One Box Only)</p> <p><input checked="" type="checkbox"/> 1 U.S. Government Plaintiff</p> <p><input type="checkbox"/> 2 U.S. Government Defendant</p> <p><input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party)</p> <p><input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)</p>	<p><b>III. CITIZENSHIP OF PRINCIPAL PARTIES</b> (Place an "X" in One Box for Plaintiff and One Box for Defendant)</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;"><b>PTF</b></td> <td style="width:15%;"><b>DEF</b></td> <td style="width:50%;"></td> <td style="width:10%;"><b>PTF</b></td> <td style="width:10%;"><b>DEF</b></td> </tr> <tr> <td>Citizen of This State</td> <td><input type="checkbox"/> 1 <input type="checkbox"/> 1</td> <td>Incorporated or Principal Place of Business In This State</td> <td><input type="checkbox"/> 4</td> <td><input type="checkbox"/> 4</td> </tr> <tr> <td>Citizen of Another State</td> <td><input type="checkbox"/> 2 <input type="checkbox"/> 2</td> <td>Incorporated and Principal Place of Business In Another State</td> <td><input type="checkbox"/> 5</td> <td><input type="checkbox"/> 5</td> </tr> <tr> <td>Citizen or Subject of a Foreign Country</td> <td><input type="checkbox"/> 3 <input type="checkbox"/> 3</td> <td>Foreign Nation</td> <td><input type="checkbox"/> 6</td> <td><input type="checkbox"/> 6</td> </tr> </table>	<b>PTF</b>	<b>DEF</b>		<b>PTF</b>	<b>DEF</b>	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
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**IV. NATURE OF SUIT** (Place an "X" in One Box Only)

CONTRACT	PERSONAL INJURY	PERSONAL INJURY	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 <input type="checkbox"/> 196 Franchise	<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	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other <b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIW C/DIW W (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RS1 (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"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <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
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS			
<input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 510 Motions to Vacate Sentence <b>Habeas Corpus:</b> <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition			

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

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

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):  
 15 U.S.C. §§ 77e(a), 77e(c), 77q, 15 U.S.C. §§78j(b) and 78o(a), 17 C.F.R. §240.10b-5, 15 U.S.C. §80b-6(1) and (2), 15 U.S.C. §80a-7

Brief description of cause:  
 Misappropriation of investor funds

**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

DATE: 10/4/07    SIGNATURE OF ATTORNEY OF RECORD: s/Nancy Gegenheimer

**FOR OFFICE USE ONLY**

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFF \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_

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