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ORIGINAL

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED

DEC 22 2008

CLERK, U.S. DISTRICT COURT

By Deputy

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

STAR EXPLORATION, INC.,
JAMES T. GURGAINERS,

Defendants,

and

STAR GEORGETOWN 1 JOINT VENTURE,
STAR MINERAL ROYALTY 1-A, LP,
STAR MINERAL ROYALTY 1-B, LP,
STAR DISCOVERY, LP,
STAR HAMILTON 2 JOINT VENTURE,
LAGNIAPPE OIL & GAS LEASES, LLC,
STAR EXPLORATION LEASING, LLC,
DISCOVERY DRILLING, LLC,
DISCOVERY RIGS, LLC,
TERRA FERMA OPERATING, LLC,
STAR FINANCIAL INTERNATIONAL, LLP,
1 AP.COM, INC.,

Relief Defendants.

Civil Action No.:

3-08CV2248-0

COMPLAINT

The United States Securities and Exchange Commission ("Commission") files suit against Defendants James T. Gurgainers and Star Exploration, Inc., and Relief Defendants Star Georgetown 1 Joint Venture, Star Mineral Royalty 1-A, LP, Star Mineral Royalty 1-B, LP, Star Discovery, LP, Star Hamilton 2 Joint Venture, Lagniappe Oil & Gas Leases, LLC, Star Exploration Leasing, LLC, Discovery Drilling, LLC, Discovery

Rigs, LLC, Terra Ferma Operating, LLC, Star Financial International, LLP, and 1 AP.com, Inc., and would respectfully show the Court as follows:

SUMMARY

1. From December 2005 through May 2008, Star Exploration, Inc., and its president, James T. Gurgainers, raised over \$12 million from more than 160 investors through fraudulent, unregistered securities offerings in five oil and gas entities. Among other things, Gurgainers called for completion funds on wells that were dry holes and never completed, and failed to segregate and use offering proceeds in accordance with representations in the written offering materials. On the contrary, Gurgainers' use of investor funds was fairly simplistic: he pooled all investor funds and used them in any way he felt like, regardless of their origin or intended purpose. Gurgainers used offering proceeds from one entity to pay other entities' expenses and diverted at least \$700,000 to fund his lifestyle, which included trips to casinos and hotels in Las Vegas and Shreveport, Louisiana, gambling expenses, meals at fine restaurants and other uses.

2. The Commission, in the interest of protecting investors from any further illegal activity, brings this action against the Defendants and Relief Defendants, seeking as applicable permanent injunctive relief, disgorgement of all illicit profits and benefits Defendants or Relief Defendants have received plus accrued prejudgment interest, civil monetary penalties, the appointment of a receiver over assets acquired with investor funds by Defendants and Relief Defendants and other equitable relief.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this action pursuant to § 22(a) of the Securities Act of 1933 (the "Securities Act") and § 27 of the Securities Exchange Act of

1934. Defendants, directly and indirectly, made use of the mails and of the means and instrumentalities of interstate commerce in connection with the acts, practices and courses of business described in this Complaint. Venue is proper because many of the transactions, acts, practices and courses of business described below occurred within the jurisdiction of the Northern District of Texas.

PARTIES

4. James T. Gurgainers, age 42, resides in Pineville, Louisiana and is Star Exploration's president and CEO. Wisconsin state securities officials ordered him cease selling securities without a license in 2004. Gurgainers is presently under felony indictment in Atascosa County, Texas, for issuing \$250,000 in non-sufficient funds checks to a drilling contractor.

5. Star Exploration, Inc., is a Texas corporation currently operating out of Gurgainer's residence in Pineville, Louisiana. Previously, Star Exploration conducted its operations from an office in Dallas, Texas, but was forced to vacate its place of business due to failure to pay rent. Gurgainers owns and controls Star Exploration. Star Exploration has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act.

6. Lagniappe Oil and Gas Leases, LLC, a Texas limited liability company, serves as general partner of Star Mineral Royalty 1-A and Star Mineral Royalty 1-B. As of May 30, 2008, Lagniappe forfeited its charter for failing to pay Texas franchise taxes. Gurgainers is its managing member. Lagniappe controls Star Mineral Royalty 1-A and 1B as the general partner of each venture. Lagniappe is named as a relief defendant solely for the purpose of equitable relief.

7. Star Exploration Leasing, LLC, is a Texas limited liability company. Gurgainers is its managing member. Star Exploration controls Star Discovery, LP, as its general partner. Star Exploration is named as a relief defendant solely for the purpose of equitable relief.

8. Discovery Drilling, LLC, is a Texas limited liability company, which purports to be a drilling company. Gurgainers is its managing member. Discovery Drilling received at least \$1.1 million of investor funds. Discovery Drilling is named as a relief defendant solely for the purpose of equitable relief.

9. Discovery Rigs, LLC, is a Texas limited liability company. Gurgainers is its managing member. Gurgainers used Discovery Rigs' bank account to forward installments payments for a drilling rig purchased with investor funds. Discovery Rigs is named as a relief defendant solely for the purpose of equitable relief.

10. Terra Firma Operating, LLC, is a Texas limited liability company. Terra Firma Operating received over \$1 million of investor funds. Gurgainers is its managing member. Terra Firma is named as a relief defendant solely for the purpose of equitable relief.

11. Star Financial International, LLP, is a Texas limited liability partnership controlled by Gurgainers. Star Financial received over \$85,000 of investor funds for unknown services. Star Financial is named as a relief defendant solely for the purpose of equitable relief.

12. 1 AP.com, Inc. is a Texas corporation controlled by Gurgainers. 1 AP forfeited its corporate charter in August 2007 for failure to pay franchise taxes. 1 AP

received nearly \$300,000 of investor funds for Gurgainers' personal use. 1AP is named as a relief defendant solely for the purpose of equitable relief.

13. Star Georgetown 1 JV is an oil and gas joint venture purportedly organized under Texas law managed by Star Exploration. Between January and December 2006, Star Georgetown received securities offering proceeds of over \$3.5 million from 24 investors. Star Georgetown has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act and is named as a relief defendant solely for the purpose of equitable relief.

14. Star Mineral Royalty 1-A, LP, is a Texas limited partnership in the business of purchasing oil and gas leases. Lagniappe is its general partner. Between September 2006 and January 2007, Star Royalty 1-A raised over \$2.9 million from 29 investors. Star Royalty 1-A has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act and is named as a relief defendant solely for the purpose of equitable relief.

15. Star Mineral Royalty 1-B, LP, is a Texas limited partnership in the business of purchasing purchase oil and gas leases. Lagniappe is its general partner. Between December 2006 and May 2007, Star Royalty 1-B raised over \$1.3 million from 15 investors. Star Royalty 1-B has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act and is named as a relief defendant solely for the purpose of equitable relief.

16. Star Discovery, LP, is a Texas limited partnership organized to raise funds to purchase a drilling rig. Between December 2006 and June 2007, Star Discovery raised nearly \$2.9 million from 32 investors. Its general partner is Star Exploration Leasing

LLC. Star Discovery has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act and is named as a relief defendant solely for the purpose of equitable relief.

17. Star Hamilton 2 JV is a joint venture purportedly organized under Texas law to purchase oil and gas leases. Star Exploration manages Star Hamilton. Between September 2007 and March 2008, Star Hamilton collected over \$1.4 million from 36 investors. Star Hamilton has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act and is named as a relief defendant solely for the purpose of equitable relief.

FACTS

18. Between December 2005 and May 2008, Gurgainers through Star Exploration employed boiler-room tactics, including the use of lead lists and cold calls to prospective investors, to offer and sell investments in five oil and gas joint ventures and limited partnerships. Star Exploration's sales staff, under Gurgainers' direction and control, offered and sold over \$12 million of these investments to over 160 investors.

19. Between January and December 2006, Star Exploration and Gurgainers offered and sold joint venture interests in Star Georgetown 1 JV ("Star Georgetown"), ultimately collecting over \$3.5 million from at least 24 investors. According to the Star Georgetown Private Placement Memorandum ("PPM"), the funds were supposed to cover the costs of drilling and completing two wells. Each full joint venture unit cost \$117,000, and investors could purchase as little as one-quarter unit. Star Exploration and Gurgainers made several misrepresentations to entice investors. First, they misstated the venture's risks and potential returns. Gurgainers pitched Star Georgetown as being "as solid as you can get," "a no-fail

situation” and a “sure thing.” He told investors they would “make their money back” within one year, a claim for which he had no basis. Furthermore, he falsely claimed that a prominent Dallas businessman would operate the venture’s leases.

20. Gurgainers also lied to investors about the success of the Star Georgetown well, claiming that it revealed significant oil reserves and that sizable production revenues were imminent. In truth, the well was a dry hole, a fact Gurgainers knew. Gurgainers nonetheless solicited \$583,000 in completion costs from investors, yet never completed the well. He also never drilled the second well promised in the offering documents.

21. Further, Gurgainers misused the Star Georgetown offering proceeds. The PPM provided that offering proceeds would be segregated and held until Star Exploration had subscriptions for three units (or \$351,000), at which point the funds would be released to Star Exploration, the joint venture manager. According to the PPM, if Star Exploration failed to accept the minimum three units by the end of the offering period, no interests would be sold and the money returned. As soon as investor proceeds were received, however, Gurgainers transferred them to other accounts. Indeed, a few days after receiving \$29,250 for the first quarter unit, Gurgainers transferred \$15,000 to his personal bank account and \$12,000 to Star Exploration’s account. This pattern continued throughout the offering as well as all the rest of Gurgainers’ offerings. In fact, of the \$3.5 million total raised for Star Georgetown, only \$1.992 million was spent on Star Georgetown’s projects. The balance was spent on other, items not set forth in the PPM, including:

- \$165,000 transferred to Gurgainers’ personal accounts;
- \$700,000 to Star Discovery to build a drilling rig; and

- More than \$1 million for sales agent compensation and creating offering materials for different projects.

22. As the Star Georgetown offering began winding down, Gurgainers and Star Exploration initiated back-to-back limited partnership offerings known as Star Mineral Royalty 1-A and 1-B. Star Exploration and Gurgainers offered and sold Star Royalty 1-A interests between August and December 2006, collecting over \$2.9 million from 29 investors. According to this offering's PPM, investor funds would only be used to acquire oil and gas leases that would be resold at a profit. Star Royalty 1-A would not conduct any drilling, but would retain overriding royalty interests when it resold the leases. Finally, according to the offering materials, once the partnerships begin to resell the leases, the partners were to first receive return of their capital contributions and then 9% annual interest on their capital contributions. Any additional proceeds would be split evenly with the general partner. Gurgainers further falsely promised investors that they would receive a minimum 9 percent annual return.

23. Star Exploration and Gurgainers offered and sold Star Mineral Royalty 1-B interests between December 2006 and May 2008, raising \$1,218,000 from 15 investors. Like Star Mineral Royalty 1-A, Star Mineral Royalty 1-B was to use offering proceeds solely to purchase oil and gas leases, including leases on 640 acres from Star Royalty 1-A. It would also acquire a 72.5 percent working interest in two producing wells on that acreage. Like Star Mineral Royalty 1-A, Gurgainers also falsely promised the Star Mineral Royalty 1-B limited partners a 9 percent minimum annual return.

24. The Star Mineral Royalty 1-A and 1-B offerings were replete with misrepresentations. For instance, Gurgainers asserted that the investments were virtually

risk free because he was negotiating with numerous prospective buyers to resell the leases. Ultimately, Gurgainers never sold any of the leases. Further, The PPMs required Gurgainers to convey the leases to Star Mineral Royalty 1-A or 1-B, which was never done. Seeking to add credibility to the project, Gurgainers falsely told investors that the same Dallas businessman that was to operate the Star Georgetown project was involved in the Star Royalty 1-A and 1-B projects.

25. Gurgainers also commingled, misappropriated and misapplied proceeds from the Star Mineral Royalty offerings. Gurgainers transferred \$348,000 to Star Discovery, \$60,700 to Discovery Rigs and \$30,000 to Discovery Drilling. None of these payments were used for the purposes specified in the limited partnerships' offering documents. Gurgainers also took \$135,900 from these offerings for personal use. Gurgainers used the remainder of the investor funds to purchase an oil and gas lease in Star Exploration's name, but never transferred the lease interests to the partnerships as promised. None of the Star Mineral Royalty 1-A or 1-B investors have received their 9 percent annual return.

26. Gurgainers contracted in November 2006 to build a rig for \$2.5 million. To raise funds for this purpose, he formed Star Discovery to offer and sell limited partnership units priced at \$200,000 each. Between December 2006 and June 2007, Star Discovery raised \$2,888,000 from 32 investors. Like the earlier offerings, Gurgainers failed to segregate and hold the funds until Star Discovery sold two limited partnership units, as represented in the PPM. Instead, Gurgainers continued in his pattern of using investor funds as if they were his own and paid the rig contractor over \$1.3 million before Star Discovery had sold two of the partnership interests. The payments, all from investor

funds most of which were not related to the rig offering, included \$676,000 from Star Georgetown, \$312,000 from Star Discovery and \$348,000 from Star Mineral Royalty 1-A and 1-B. The contractor delivered the rig to Star Exploration in May 2007, but it was not operational because it lacked an additional \$1.5 million in auxiliary equipment that Gurgainers did not, and could not, afford to acquire.

27. Between August 2007 and July 2008, Star Exploration and Gurgainers offered and sold joint venture units in Star Hamilton 2 JV, which was to be a two-well project. Each venture unit was priced at \$90,000. Star Hamilton raised \$1,488,538 from 36 investors. As with the other offerings, Star Exploration and Gurgainers misrepresented material facts to induce investments in the Star Hamilton offering. Among other things, Gurgainers asserted that investors would begin receiving production revenue by March 2008. Given Star Exploration's previous failure to complete successful wells on any other acreage, there was no basis for this claim no investor has received any production revenue from the operation. Moreover, as with the Star Georgetown project, Gurgainers enticed investors to provide funds to complete wells on the project in December 2007, yet he never completed a well.

28. Gurgainers again failed to use offering proceeds from the Star Hamilton offering as promised in the PPM. The PPM provided that Star Hamilton would segregate and hold the offering proceeds until it sold two units. In fact, Gurgainers began transferring investor proceeds out of Star Hamilton's accounts immediately upon arrival and commingled them with other investor funds. Gurgainers caused Star Hamilton to ultimately transfer \$1,431,207 to Star Exploration, \$25,000 to Terra Firma, \$10,000 to Discovery Rigs, \$14,447 to Star Royalty 1-A and \$5,000 to Discovery Drilling.

CLAIMS

FIRST CLAIM

Violations of Sections 5(a) and 5(c) of the Securities Act

29. Plaintiff Commission repeats and incorporates paragraphs 1 through 28 of this Complaint by reference as if set forth *verbatim*.

30. Defendants, directly or indirectly, singly or in concert with others, have been offering to sell, selling and delivering after sale, certain securities, and has been, directly and indirectly: (a) making use of the means and instruments of transportation and communication in interstate commerce and of the mails to sell securities, through the use of written contracts, offering documents and otherwise; (b) carrying and causing to be carried through the mails and in interstate commerce by the means and instruments of transportation, such securities for the purpose of sale and for delivery after sale; and (c) making use of the means or instruments of transportation and communication in interstate commerce and of the mails to offer to sell such securities.

31. As described in paragraphs 1 through 28, Defendants' securities were offered and sold to the public through a general solicitation of investors. No registration statements were ever filed with the Commission or otherwise in effect with respect to these transactions.

32. By reason of the foregoing, Defendants violated and, unless enjoined, will continue to violate Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§77e(a) and 77e(c)].

SECOND CLAIM
Violations of Section 17(a) of the Securities Act

33. Plaintiff Commission repeats and incorporates paragraphs 1 through 28 of this Complaint by reference as if set forth *verbatim*.

34. Defendants, directly or indirectly, singly, in concert with others, in the offer and sale of securities, by use of the means and instruments of transportation and communication in interstate commerce and by use of the mails, have: (a) employed devices, schemes or artifices to defraud; (b) obtained money or property by means of untrue statements of material fact or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged in transactions, practices or courses of business which operate or would operate as a fraud or deceit.

35. As part of and in furtherance of this scheme, Defendants, directly and indirectly, prepared, disseminated or used contracts, written offering documents, promotional materials, investor and other correspondence, and oral presentations, which contained untrue statements of material fact and which 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, including, but not limited to, those statements and omissions set forth in paragraph 1 through 28 above.

36. Defendants made the above-referenced misrepresentations and omissions knowingly or with severe recklessness with regard for the truth. Defendants were also negligent in their actions regarding the representations and omissions alleged herein.

37. By reason of the foregoing, Defendants violated, and unless enjoined, will continue to violate Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)].

THIRD CLAIM
Violation of Section 10(b) of the Exchange Act and Rule 10b-5

38. Plaintiff Commission repeats and incorporates paragraphs 1 through 28 of this Complaint by reference as if set forth *verbatim*.

39. Defendants, directly or indirectly, singly or in concert with others, in connection with the purchase and sale of securities, by use of the means and instrumentalities of interstate commerce and by use of the mails have: (a) employed devices, schemes and artifices to defraud; (b) made untrue statements of material facts and 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; and (c) engaged in acts, practices and courses of business which operate as a fraud and deceit upon purchasers, prospective purchasers and other persons.

40. As a part of and in furtherance of their scheme, Defendants, directly and indirectly, prepared, disseminated or used contracts, written offering documents, promotional materials, investor and other correspondence, and oral presentations, which contained untrue statements of material facts and misrepresentations of material facts, and which 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, including, but not limited to, those set forth in Paragraphs 1 through 28 above.

41. Defendants made the above-referenced misrepresentations and omissions knowingly or with severe recklessness regarding the truth.

42. By reason of the foregoing, Defendants violated and, unless enjoined, will continue to violate the provisions 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].

FOURTH CLAIM
Claims Against Relief Defendants as Custodian of Investor Funds

43. Plaintiff Commission repeats and incorporates paragraphs 1 through 28 of this Complaint by reference as if set forth *verbatim*.

44. Relief Defendants received funds and property from one or more of the Defendants, which are the proceeds, or are traceable to the proceeds, of the unlawful activities of Defendants, as alleged in paragraphs 1 through 28 above.

45. Relief Defendants obtained the funds and property alleged above as part of and in furtherance of the securities violations alleged in paragraphs 1 through 28 and under circumstances in which it is not just, equitable or conscionable for them to retain the funds and property. As a consequence, Relief Defendants were unjustly enriched.

RELIEF REQUESTED

The Commission seeks the following relief:

46. An order of the Court permanently enjoining the Defendants, their agents, servants, employees, attorneys and all persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise, and each of them, from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act, [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)], and Section 10(b) the Exchange Act, [15 U.S.C. § 78j(b)], and of Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder.

47. An order of the Court appointing a receiver to take control of all assets of the Defendant Star Exploration and Relief Defendants, to marshal and preserve assets for the benefits of investors.

48. An order of the Court directing Defendants to disgorge an amount equal to the funds and benefits obtained illegally as a result of the violations alleged, plus prejudgment interest on that amount.

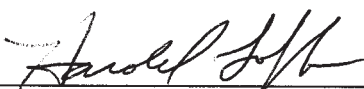
49. An order of the Court directing Defendants to pay civil monetary penalties in an amount determined as appropriate by the Court pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)] for their violations of the federal securities laws as alleged herein.

50. An order of the Court directing Relief Defendants to disgorge an amount equal to the funds and benefits obtained as a result of the Defendants' violations alleged herein.

51. All further relief as the Court may deem just and proper.

Respectfully submitted,

DATED: December 22, 2008


HAROLD R. LOFTIN, JR.
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(817) 978-4927 (fax)

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.)

I.(a) PLAINTIFF

SECURITIES AND EXCHANGE COMMISSION

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

(c) ATTORNEY (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
HAROLD R. LOFTIN, JR.
U.S. Securities & Exchange Commission, Burnett Plaza, Ste. 1900,
801 Cherry Street, Unit #18, Fort Worth, TX 76102-6882
(817) 978-6450

DEFENDANTS

STAR EXPLORARTION, INC., and JAMES T. GURGAINERS;
Defendants; and STAR GEORGETOWN 1 JOINT VENTURE; STAR
MINERAL ROYALTY 1-A, LP; STAR MINERAL ROYALTY
1-B, LP; STAR DISCOVERY, LP,
STAR HAMILTON 2 JOINT VENTURE; AND
LAGNIAPPE OIL & GAS LEASES LLC; STAR
EXPLORATION LEASING LLC; DISCOVERY DRILLING
LLC; DISCOVERY RIGS LLC; TERRA FERMA OPERATING
LLC; STAR FINANCIAL INTERNATIONAL LLP, and
1 AP.com, INC., Relief Defendants

County of Residence of First Listed Defendant: Rapides Parish
(IN U.S. PLAINTIFF CASES ONLY)

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

ATTORNEYS (If known):

RECEIVED

DEC 22 2008

II. BASIS OF JURISDICTION (PLACE AN "X" IN ONE BOX ONLY)

- ☒ 1 U.S. Government Plaintiff
☐ 2 U.S. Government Defendant
☐ 3 Federal Question (U.S. Government Not a Party)
☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (For Diversity Cases Only)

- | | PTF | PTF | | PTF | PTF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| 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. 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	PERSONAL INJURY <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 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 PERSONAL PROPERTY <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 LABOR <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 156 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copy rights <input type="checkbox"/> 830 Patient <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395FF) <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)) FEDERAL TAX SUITS <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/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <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"/> 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

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

VI. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY.)

Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)], Section 10(b) of the Securities Act of 1933 [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION

DEMAND \$

CHECK YES only if demanded in complaint:

☐ UNDER F.R.C.P. 23

JURY DEMAND ☐ YES ☒ NO

VIII. RELATED CASE(S) (See Instructions):

IF ANY

JUDGE

DOCKET NUMBER

DATE 12/22/08 SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

Receipt # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____