

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

Case No. 00-0110 - Civ - 110  
**CIV - RYSKAMP**

**SECURITIES AND EXCHANGE COMMISSION,**  
**Plaintiff,**

**MAGISTRATE JUDGE**  
**VITUNAC**

v.

**FRANKLIN W. BROOKS**  
**AND JOHN L. GARDNER,**

**Defendants.**

00 DEC 20 AM 9:57  
CLERK OF DISTRICT COURT  
SOUTH FLORIDA

**COMPLAINT**

Plaintiff Securities and Exchange Commission ("Commission") alleges as follows:

**SUMMARY**

1. This complaint concerns several materially false and misleading corporate disclosures made or authorized by the senior management of Saf T Lok, Inc., a Florida-based corporation that manufactures and markets gun locks. At various times beginning in late 1997 and early 1998, Franklin W. Brooks, the Chairman of Saf T Lok, and John L. Gardner, then-Saf T Lok's President and CEO, caused the company to publish various press releases and to make periodic filings with the Commission that falsely described certain sales, consulting and development contracts to which Saf T Lok was a party. The false disclosures described agreements that would result in the sale of millions of dollars of Saf T Lok's products, or otherwise materially enhance Saf T Lok's business. In each instance, however, Brooks and/or Gardner knew, or were reckless in not knowing, that the agreements lacked substance and that

the descriptions of them in the press releases and Commission filings were materially false or misleading because they omitted material information. Additionally, Brooks and Gardner authorized Saf T Lok to pay for a research report that included materially false and misleading financial projections. Brooks and/or Gardner provided misleading information to the author, edited a draft of the report, represented that the report was consistent with the company's views, and then released the report for public distribution.

2. By knowingly or recklessly engaging in this conduct, Brooks, directly or indirectly, violated Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b)], and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder.

3. By knowingly or recklessly engaging in this conduct, Gardner, directly or indirectly, violated 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], and aided and abetted Saf T Lok's violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20, 13a-11, and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13] thereunder.

4. The Commission seeks a judgment permanently enjoining Defendants from future violations, and also seeks imposition of civil penalties.

#### **JURISDICTION**

5. This Court has jurisdiction over this action pursuant to Sections 21 and 27 of the Exchange Act [15 U.S.C. §§ 78u, 78aa].

6. The Commission brings this action pursuant to authority conferred upon it by Sections 21(d) and 21(e) of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e)].

7. Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, of the mails, or of the facilities of a national securities exchange, in connection with the acts, practices, and courses of business alleged herein.

8. This Court has venue under 28 U.S.C. § 1391(b) because a substantial part of the events or omissions giving rise to the Commission's claims occurred in this district.

### **THE DEFENDANTS**

9. Franklin W. Brooks, age 66, is a resident of Jupiter, Florida. Brooks invented Saf T Lok's gun locking devices, founded the company, and for all relevant periods served as its Chairman.

10. John L. Gardner, age 64, is a resident of Orlando, Florida. Gardner was President and Chief Executive Officer of Saf T Lok from April 1997 through June 1998.

11. During the relevant period, Brooks and Gardner were primarily responsible for all major business decisions at Saf T Lok, including, among other things, reviewing drafts of all major press releases prior to dissemination. Additionally, Gardner typically reviewed and signed Saf T Lok's filings with the Commission.

### **ISSUER**

12. Saf T Lok, Inc., a Florida corporation headquartered in West Palm Beach, manufactures and markets locks that are designed to prevent the unauthorized or accidental discharge of guns on which they are installed. Its common stock is registered with the Commission pursuant to Section 12(g) of the Exchange Act, and its shares trade on the Nasdaq SmallCap Market. Saf T Lok reported 1999 revenues of approximately \$210,000 and losses of \$.28 per share, based on approximately 15.1 million shares outstanding.

**SAF T LOK'S FALSE OR MISLEADING DISCLOSURES**

13. In June of 1997, Nasdaq officials notified Saf T Lok that it faced delisting from the Nasdaq SmallCap Market because its total assets had fallen below \$2 million. Desperate to raise capital, Saf T Lok began negotiating with an individual named Sholam Weiss, who claimed to represent various offshore entities that were interested in investing in the company through an offering of restricted stock pursuant to Regulation S of the Securities Act of 1933. To enable Saf T Lok to avoid delisting, Weiss agreed to an offering price of \$2 per share. Saf T Lok thereafter issued \$3 million worth of common stock at \$2 per share (as well as stock purchase warrants) to the three alleged offshore investors represented by Weiss, and avoided delisting.

**A. The A.B. & Associates Consulting Agreement**

14. As one condition to closing Saf T Lok's 1997 Regulation S offering at the \$2 per share price, Weiss demanded that Saf T Lok enter into a contract with an entity called A.B. & Associates ("AB") and pay \$250,000 for supposed business consulting services. AB was a shell entity created by a longtime acquaintance of Weiss. It listed a commercial mail box facility in Monsey, New York for an address, had no clients, and had never conducted any business, although its principal had experience in retail distribution. Gardner knew, or recklessly failed to know, that AB was a shell entity that would not provide any bona fide consulting services to Saf T Lok.

15. Nevertheless, Saf T Lok entered into a contract (signed by Gardner) pursuant to which AB would provide generic "consulting" services to Saf T Lok including, among other things, analysis of unspecified investment opportunities and short-term and long-term investment policies, and advice with respect to public and private financings. Gardner did not attempt to

negotiate any of the provisions of the purported agreement, but simply accepted all the terms of a contract demanded by Weiss.

16. Saf T Lok disclosed this purported “financial and management consulting services agreement” with AB in a Form 8-K, which was executed by Gardner and filed with the Commission on November 14, 1997. The filing failed to disclose any of the material facts concerning AB, or that Saf T Lok would receive no services or anything else of value from AB in exchange for its \$250,000 payment.

**B. The USA Distribution Agreement**

17. Weiss also proposed to Brooks and Gardner that he would set up a distribution company that would sell Saf T Lok’s products. Weiss had a new company, United Safety Action, Inc. (“USA”), incorporated for the stated purpose of distributing Saf T Lok’s gun locks. USA had no assets, offices, or employees; its business address was the same commercial mail box facility in Monsey, New York used by AB. Weiss proposed to raise \$10 million to finance USA’s operations, with \$7 million to purchase an inventory of Saf T Lok products for resale, and \$3 million earmarked for related expenses. During negotiations of the USA agreement, however, Weiss indicated that he would be unable to raise the full \$10 million, and instead proposed to raise \$2 million to \$3 million. In fact, USA eventually received total funding of only \$150,000.

18. Despite USA’s lack of financing and inability to perform, Saf T Lok entered into a distribution agreement with USA on February 12, 1998. Gardner signed the agreement, which provided that USA would purchase up to \$20 million of gun locks over a three-year period. However, as a practical matter, the agreement only committed USA to purchase \$1 million of locks. Specifically, the agreement provided that USA could terminate the contract after fulfilling an “initial order” of \$7 million of gun locks. It also provided that any purchase orders Saf T Lok

received from “any customer” would count towards satisfying USA’s “initial order” obligation. On February 11, 1998, one day before entering into the USA agreement, Saf T Lok had announced its receipt of a \$6 million purchase order from a third-party wholesaler (“Wholesaler”), potentially leaving USA with a purchase obligation of only \$1 million.

19. Saf T Lok, through Brooks and/or Gardner, published a series of materially false or misleading statements concerning the USA agreement in various press releases and Commission filings in 1998. A February 19, 1998 press release that announced the USA agreement included the false statement that USA “had secured \$10 million in working capital” to start its business plan and advertising campaign. Additionally, the release falsely claimed that USA had an “obligation to purchase at least \$20 million” of Saf T Lok products, and quoted Gardner as saying that the agreement was “guaranteeing \$20 million in sales.” Brooks and Gardner knew, or recklessly failed to know, that these statements were false or misleading. Brooks and Gardner reviewed a draft of the February 19 press release prior to dissemination, but neither corrected the press release nor prevented the release from being issued.

20. The following month, on March 13, 1998, Saf T Lok filed a Form 8-K, executed by Gardner, that discussed the terms of the USA distribution agreement, but failed to disclose that USA was not financially capable of performing its obligations.

21. On May 20, 1998, additionally, Saf T Lok filed a Form 10-Q for the first quarter ended March 31, 1998. That report, executed by Gardner, falsely described USA’s minimum purchase obligations as “in addition” to the \$6 million purchase order received from the Wholesaler. Further, the Form 10-Q added: “Based on the aforementioned, management believes it has adequate capital to fund operations for a reasonable period of time.”

22. Finally, a May 21, 1998 press release falsely stated that the USA contract would provide a “minimum of \$20 million in orders over a 24-month period.” The release also attributed to Gardner the claim that, in light of the USA contract, “the Company will be profitable in the next quarter.” Brooks and Gardner knew, or recklessly failed to know, that these statements were false or misleading. Brooks and Gardner reviewed a draft of the May 21 press release prior to dissemination, but neither corrected the release nor prevented it from being issued.

**C. The Fingerprint Recognition Development Contract**

23. In spring of 1998, Saf T Lok considered entering into a contract with a laser technology company concerning the development of a fingerprint recognition system, mounted on a handgun, that would unlock the weapon only if the user’s fingerprints matched the fingerprints pre-set in the system. The technology, if effectively applied to Saf T Lok’s products, had the potential to revolutionize its gun locks. Brooks, however, did not want Saf T Lok to spend more than \$20,000 to investigate the development of such a system. Saf T Lok entered into a contract with the laser technology company in May 1998.

24. On May 26, 1998, Saf T Lok announced the contract in a press release that failed to disclose material uncertainties about the technology or that Brooks did not want Saf T Lok to commit unlimited resources to finance the development of the proposed product. On the contrary, the release boasted that the fingerprint recognition system “will be available by the end of the year.” Brooks reviewed and commented on the press release prior to dissemination. Despite his own unwillingness to have Saf T Lok finance the agreement, Brooks neither corrected the press release nor prevented it from being issued.

25. Approximately two weeks later, on June 11, 1998, Brooks voided the agreement and directed Saf T Lok to issue a press release announcing the termination of the contract.

**D. The Third-Party Research Report Paid for by Saf T Lok**

26. In February 1998, Brooks and Gardner authorized Saf T Lok to pay \$5,000 to an independent securities analyst (“Analyst”) to prepare a research report for dissemination concerning Saf T Lok and its securities. Brooks and Gardner directed Saf T Lok to provide the Analyst with certain information about the company, including information concerning the purported USA distribution agreement, and later spoke with the Analyst about Saf T Lok and its products. The Analyst later provided a draft version of the report to Gardner, and had a conference call with Gardner to discuss possible revisions to the report. Later, Gardner and Brooks participated in a conference call with a brokerage firm, State Street Securities (now known as Taylor Stuart Financial), during which they discussed and affirmed the report. State Street Securities ultimately disseminated the report under its name.

27. The report, released on February 17, 1998, included false or misleading forecasts about the company’s business prospects. For example, the report projected sales of two million units in 1998 and three million units in 1999, with net sales of \$60 million in 1998, and \$90 million the following year. The report further said that the stock price “could rise to \$20-\$40 per share over the next 12-24 month period.” Gardner and Brooks reviewed the report before it was published, and knew that those projections were unreasonable and far exceeded the company’s own projections. Nevertheless, neither Brooks nor Gardner directed Saf T Lok to issue any corrective disclosure or take any steps to halt distribution of the report until May 1998, three months after the report was made public.



**FIRST CLAIM**

**Gardner violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder, and aided and abetted Saf T Lok's violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20 and 13a-11 [17 C.F.R. §§ 240.240.12b-20, 240.13a-11] thereunder  
[Disclosure of AB Consulting Agreement in Form 8-K]**

28. Paragraphs 1 through 27 are realleged and incorporated herein by reference.

29. Saf T Lok's Form 8-K, filed November 14, 1997 and signed by Gardner, was materially false or misleading in that it disclosed the purported consulting agreement with AB, but failed to disclose any of the material facts concerning AB, or that Saf T Lok would receive no services or anything else of value from AB in exchange for its \$250,000 payment.

30. By reason of the foregoing, Gardner violated 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], and aided and abetted Saf T Lok's violations of the reporting provisions under Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20 and 13a-11 thereunder [17 C.F.R. §§ 240.240.12b-20, 240.13a-11].

**SECOND CLAIM**

**Brooks and Gardner violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder  
[Disclosure of USA Distribution Agreement in Press Releases]**

31. Paragraphs 1 through 30 are realleged and incorporated herein by reference.

32. Brooks and Gardner issued two false and misleading press releases concerning Saf T Lok's purported distribution agreement with USA. A February 19, 1998 press release announcing the USA agreement included the false statement that USA "had secured \$10 million in working capital" to start its business plan and advertising campaign. Additionally, the release falsely claimed that USA had an "obligation to purchase at least \$20 million" of Saf T Lok

products, and quoted Gardner as saying that the agreement was “guaranteeing \$20 million in sales.” Three months later, a May 21, 1998 earnings announcement falsely stated that the USA contract would provide a “minimum of \$20 million in orders over a 24-month period.” The release also attributed to Gardner the claim that, in light of the USA contract, “the Company will be profitable in the next quarter.”

33. By reason of the foregoing, Brooks and Gardner violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder.

### **THIRD CLAIM**

**Gardner aided and abetted Saf T Lok’s violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20, 13a-11, and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-11, and 240.13a-13] thereunder  
[Disclosure of USA Distribution Agreement in Form 8-K and Form 10-Q]**

34. Paragraphs 1 through 33 are realleged and incorporated herein by reference.

35. A Form 8-K filed by Saf T Lok on March 13, 1998, and signed by Gardner, discussed the terms of the USA distribution agreement, but was misleading in that it failed to disclose that USA was not financially capable of performing its obligations.

36. A Form 10-Q filed by Saf T Lok on May 20, 1998 for the first quarter ended March 31, 1998, and signed by Gardner, falsely described USA’s minimum purchase obligations as “in addition” to the \$6 million purchase order received from the Wholesaler. Further, the Form 10-Q added the baseless statement that “based on the aforementioned, management believes it has adequate capital to fund operations for a reasonable period of time.”

37. By reason of the foregoing, Gardner violated 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], and aided and abetted Saf T Lok’s violations of the reporting provisions under Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20 and 13a-11 thereunder [17 C.F.R. §§ 240.12b-20,

240.13a-11].

**FOURTH CLAIM**

**Brooks violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder  
[Disclosure of Laser Technology Contract in May 1998 Press Release]**

38. Paragraphs 1 through 37 are realleged and incorporated herein by reference.

39. Brooks issued a materially false and misleading press release on May 26, 1998 that announced the purported fingerprint development contract, and that described contractual provisions that Brooks knew that Saf T Lok would not accept.

40. By reason of the foregoing, Brooks violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder.

**FIFTH CLAIM**

**Brooks and Gardner violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §§ 240.10b-5] thereunder  
[Disclosures in Research Report Paid for by Saf T Lok]**

41. Paragraphs 1 through 40 are realleged and incorporated herein by reference.

42. Brooks and Gardner directed Saf T Lok to pay \$5,000 to an outside analyst to prepare a research report that included false or misleading projections concerning Saf T Lok's business prospects. The report projected sales of two million units in 1998 and three million units in 1999, with net sales of \$60 million in 1998, and \$90 million the following year. The report further said that the stock price "could rise to \$20-\$40 per share over the next 12-24 month period." Brooks and Gardner provided information (including a copy of the purported USA contract) to the author, edited a draft of the report, represented that the report was consistent with the company's views, and then authorized release of the report for public distribution.

43. By reason of the foregoing, Brooks and Gardner violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder.

**PRAYER FOR RELIEF**

WHEREFORE, the Commission respectfully requests that this Court:

I.

Grant injunctions permanently restraining and enjoining Brooks and Gardner, and their officers, agents, servants, employees, and attorneys, and all persons in active concert or participation with him, from violating Sections 10(b) and 13(a) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78m(a)], and Rules 10b-5, 12b-20, 13a-1, and 13a-13 [17 C.F.R. §§ 240.10b-5, 240.12b-20, 240.13a-1, and 240.13a-13] thereunder.

II.

Order Brooks and Gardner to pay civil penalties pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].

III.

Grant such other relief as the Court may deem just and appropriate.

Dated: December 18, 2000

Respectfully submitted,



Thomas C. Newkirk (DC Bar No. 225748)

Erich T. Schwartz

Mark K. Braswell

Michael S. Fuchs

Attorneys for Plaintiff  
Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549-0706  
(202) 942-4813 (Fuchs)  
fax: (202) 942-9639  
NewkirkT@sec.gov

**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) PLAINTIFFS**

U.S. Securities & Exchange Commission

**DEFENDANTS**

Brooks, Franklin W.  
Gardner, John L.

00-9110  
**CIV - RYSKAMP**

**MAGISTRATE JUDGE  
VITUNAG**

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

CLARENCE MADON COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT (IN U.S. PLAINTIFF CASES ONLY)  
Palm Beach County

*AWPB / DocuSign / Ryskamp*

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

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

Erich T. Schwartz (202) 942-4782  
U.S. SEC 450 Fifth St., N.W., MS-0706  
Washington, D.C. 20549-0706

ATTORNEYS (IF KNOWN)

Robert L. Ruben  
Ruben & Aronson, LLP (202) 965-3600  
3299 K St., N.W., Washington, D.C. 20007

(d) CIRCLE COUNTY WHERE ACTION AROSE:

DADE, MONROE, BROWARD, PALM BEACH, MARTIN, ST. LUCIE, INDIAN RIVER, OKEECHOBEE, HIGHLANDS

**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** (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) 15 U.S.C. Sections 78(j), (m), SEC alleges violations of the antifraud and reporting provisions of the federal securities laws.

Iva. N/A days estimated (for both sides) to try entire case.

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

<p><b>A CONTRACT</b></p> <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 checked="" 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	<p><b>A TORTS</b></p> <p><b>PERSONAL INJURY</b></p> <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	<p><b>PERSONAL INJURY</b></p> <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	<p><b>PERSONAL PROPERTY</b></p> <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	<p><b>B FORFEITURE/PENALTY</b></p> <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	<p><b>A LABOR</b></p> <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	<p><b>A BANKRUPTCY</b></p> <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157	<p><b>A PROPERTY RIGHTS</b></p> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark	<p><b>B SOCIAL SECURITY</b></p> <input type="checkbox"/> 861 HIA (1395f) <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))	<p><b>A FEDERAL TAX SUITS</b></p> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS - Third Party 26 USC 7609	<p><b>A OTHER STATUTES</b></p> <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/KCC 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
--	--	---	--	--	--	---	--	--	--	---

**VI. ORIGIN**

(PLACE AN X IN ONE BOX ONLY)  
 1 Original Proceeding  
 2 Removed from State Court  
 3 Remanded from Appellate Court  
 4 Refiled  
 5 Transferred from another district (specify)  
 6 Multidistrict Litigation  
 7 Appeal to District Judge from Magistrate Judgment

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23  **DEMAND \$** Permanent Injunctions **JURY DEMAND:**  YES  NO

**VIII. RELATED CASE(S) IF ANY**

(See instructions): JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

DATE 12/18/00 SIGNATURE OF ATTORNEY OF RECORD Thomas E. Penick TN 7271