

96-7078

CIV-ZLOCH

**MAGISTRATE JUDGE
SELTZER**

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

Daniel E. Goodman

Defendants.

**CIVIL ACTION
NO.**

**COMPLAINT FOR PERMANENT INJUNCTION
AND OTHER EQUITABLE RELIEF**

Now comes the Plaintiff, Securities and Exchange Commission (Commission), and alleges as follows:

1. Defendant Daniel E. Goodman (Goodman) directly and indirectly, has engaged, and, unless enjoined, will continue to engage in transactions, acts, practices and courses of business which constitute and will constitute violations of Sections 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act of 1933, as amended (Securities Act) [15 U.S.C. §§77q(a)(1), 77q(a)(2) and 77q(a)(3)], Sections 10(b), 15(a)(1), and 15(c)(1) of the Securities Exchange Act of 1934, as amended (Exchange Act) [15 U.S.C. §§78j(b), 78o(a)(1), and 78o(c)(1)] and Rules 10b-5 and 15c1-2 [17 C.F.R. 240.10b-5 and 240.15c1-2] promulgated

CPJ
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thereunder.

2. The Commission brings this action to enjoin such transactions, acts, practices and courses of business pursuant to Section 20(b) of the Securities Act [15 U.S.C. 77t(b)], and Sections 21(d) and 21(e) of the Exchange Act [15 U.S.C. 78u(d) and 78u(e)].

JURISDICTION AND VENUE

3. The Court has jurisdiction over this action pursuant to Section 22(a) of the Securities Act [15 U.S.C. 77v(a)] and Sections 21(e) and 27 of the Exchange Act [15 U.S.C. 78u(e) and 78aa]. Venue is proper in this Court pursuant to Section 22(a) of the Securities Act [15 U.S.C. 77v(a)] and Section 27 of the Exchange Act [15 U.S.C. 78aa].

4. Goodman, will, unless enjoined, continue to engage in the transactions, acts, practices, and courses of business set forth in this complaint and transactions, acts, practices and courses of business of similar purport and object.

5. The transactions, acts, practices, and courses of business constituting the violations herein have occurred within the jurisdiction of the United States District Court for the Southern District of Florida and elsewhere.

6. Goodman, directly and indirectly, has made use of the means and instrumentalities of interstate commerce and of the mails in connection with the transactions, acts, practices and courses of business alleged herein in the Southern District of Florida and elsewhere.

7. Pursuant to authority conferred on the Commission by

Sections 10(b) and 15(c) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78o(c)], the Commission has promulgated Rules 10b-5 and 15c1-2 [17 C.F.R. 240.10b-5 and 240.15c1-2], such rules being in effect at all times mentioned herein and at the present time.

THE DEFENDANT

8. Goodman is a resident of Plantation, Florida and is currently employed as a sales manager for an environmental products company in Hallendale, Florida.

9. From at least September 1992 through December 1993 and at all relevant times herein, Goodman was employed by Junction Financial Corporation (Junction Financial) and U.S. Ostrich Corporation (U.S. Ostrich) as their sales manager in connection with the offer and sale of interests in three ostrich breeding Florida partnerships promoted by Junction Financial and U.S. Ostrich and known as Ostrich I General Partnership (Ostrich I), Ostrich II General Partnership (Ostrich II) and Ostrich III General Partnership (Ostrich III).

10. In 1990, Kansas and Iowa issued cease and desist orders against Goodman in connection with the sale of unregistered securities in a "900 number" venture and an oil and gas venture. In 1984, Goodman was permanently prohibited from selling securities in the State of Illinois unless in compliance with the State's securities laws.

11. Goodman is not registered with the Commission in any capacity.

OSTRICH PARTNERSHIP OFFERINGS

12. Junction Financial was a Florida corporation with its principal place of business in Hallendale, Florida. Junction Financial was formed in 1985 to allegedly "develop and promote innovative commercial programs for exploitation by massed capital general partnerships." In 1990, Junction Financial was the subject of three regulatory actions by state securities authorities in Washington, Kansas and North Dakota involving a 900 number telephone service, a vacation and hotel promotion business and a water purifying venture. The states issued cease and desist orders against Junction Financial in connection with the sale of general partnership interests in those ventures.

13. In September 1992, Junction Financial began promoting Ostrich I, a purported general partnership venture organized for the purpose of breeding and marketing ostriches. In April 1993, Junction Financial began promoting Ostrich II, a purported general partnership venture organized for the purpose of breeding and marketing ostriches.

14. U.S. Ostrich was a Florida corporation with its principal place of business in Hallendale, Florida. U.S. Ostrich shared the same address, principals and business purposes as Junction Financial. In December 1993, U.S. Ostrich began promoting Ostrich III, a purported general partnership venture organized for the purpose of breeding and marketing ostriches.

15. Marcia Josowitz (Josowitz) is a resident of Hallendale, Florida. Josowitz was the president of Junction Financial and

the principal agent and president of U.S. Ostrich. Between 1990 and 1993, three cease and desist orders were issued against Josowitz in connection with the sale of general partnership interests in Illinois, Vermont and Kansas.

16. Stephen Tashman (Tashman) is a resident of North Miami Beach, Florida. Tashman was a promoter of Ostrich I and was intimately involved with the offer and sale of Ostrich I, II and III on behalf of Junction Financial and U.S. Ostrich.

17. Prior to the offer and sale of interests in Ostrich I, Tashman was the subject of state regulatory and criminal actions. On October 3, 1988, Tashman entered a plea of no contest for committing fraud in the offer and sale of securities while an officer of Dunn Petroleum, Inc. In addition, between 1984 and 1989, at least five cease and desist orders were issued against Tashman by the states of New Mexico, Kansas, Florida, Texas, Massachusetts and Alabama for the sale of unregistered securities. In November 1987, Tashman was permanently enjoined from further violations of the Federal Trade Commission Act and ordered to pay the FTC approximately \$12 million in connection with a fraudulent oil and gas drilling scheme.

18. From at least September 1992 to December 1993, Ostrich I, Junction Financial, Tashman, Josowitz and Goodman offered to sell and sold approximately 3,164 general partnership interests at \$625 per unit in Ostrich I for a total of \$1,977,500 to a total of approximately 622 investors in 48 states, plus the District of Columbia and Canada.

19. From at least April 1993 through December 1993, Junction Financial, Tashman, Josowitz and Goodman offered to sell and sold approximately 1,940 general partnership units at \$625 per unit in Ostrich II General Partnership (Ostrich II) for a total of \$1,211,400 to approximately 512 investors.

20. Throughout December 1993, U.S. Ostrich, Tashman, Josowitz and Goodman offered to sell and sold approximately 71 general partnership units at \$625 per unit in Ostrich III General Partnership (Ostrich III) for a total of \$44,375 to approximately 33 investors.

21. The purported general partnership interests in Ostrich I, II and III were, in fact, investment contracts. Investors in Ostrich I, II and III were passive investors who effectively had no say in the operations or investment decisions of the partnership.

22. On December 22, 1993 the Commission filed a complaint in the U.S. District Court for the Southern District of Florida alleging that Junction Financial, U.S. Ostrich, Tashman and Josowitz violated Sections 5(a), 5(c), 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act and Sections 10(b), 15(a)(1) and 15(c)(1) of the Exchange Act and Rules 10b-5 and 15c1-2 thereunder in connection with the offer and sale of interests in Ostrich I, II and III in the matter of SEC v. Junction Financial Corp. et al 93 CV 7082 S.D. Florida. The complaint also alleged that Ostrich I violated Sections 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act, Section 10(b) of the Exchange Act and Rule

10b-5 thereunder. On December 29, 1993, Junction Financial, U.S. Ostrich, Tashman and Josowitz were permanently enjoined by consent from further violations of the federal securities laws in connection with the offer and sale of interests in Ostrich I, II and III in the above reference matter. On July 6, 1995, Ostrich I was permanently enjoined from further violations of the federal securities laws in the above referenced matter.

GOODMAN'S ROLE IN THE OSTRICH PARTNERSHIP OFFERINGS

23. As Junction Financial's and U.S. Ostrich's sales manager, Goodman oversaw the offer and sale of interests in Ostrich I, II and III.

24. Junction Financial, U.S. Ostrich, Tashman, Josowitz and Goodman offered and sold interests in Ostrich I, II and III using a telephone sales staff in Hallendale, Florida. Junction Financial and U.S. Ostrich purchased lists of names and addresses of prospective investors and solicited prospective investors through an advertisement in USA Today. Cold calls were made to persons whose names appeared on these lists or who responded to the solicitations made in USA Today.

25. Goodman assisted Tashman in the preparation of the Junction Financial and U.S. Ostrich sales scripts used by the telephone sales staff in connection with the offer and sale of interests in Ostrich I, II and III.

26. Goodman personally directed the telephone sales staff, all of whom reported to him, and provided them with the sales scripts prepared by him and Tashman. Goodman instructed the

sales staff not to deviate at all from the sales scripts provided them by Goodman.

27. The sales scripts represented that the purpose of each partnership was to breed, market and sell ostriches with limited "down side risk" and "unlimited income potential." The scripts represented that investors could expect a 50% to 75% return on their investment in the partnerships from these activities.

28. In reality, investments in Ostrich I, II and III were speculative investments offered by recidivist securities violators and carried a significant risk that an investor could lose his entire investment.

29. The sales scripts failed to disclose what a general partner was, the structure of a general partnership and the liability of a general partner. The sales scripts also failed to disclose the regulatory backgrounds of Junction Financial, Tashman, Josowitz and Goodman as described in paragraphs 10, 12, 15 and 17.

30. Once potential investors were contacted by phone and indicated an interest, they were sent Junction Financial or U.S. Ostrich promotional brochures describing Ostrich I, II or III. No determination of the investors' suitability, business acumen or sophistication was ever made during these calls or at any time before an investment was made.

31. Goodman assisted Tashman in preparing the promotional brochures for Junction Financial and U.S. Ostrich which were used in connection with the offer and sale of interests in Ostrich I,

II and III.

32. These promotional brochures represented that the funds received from investors would primarily be used to purchase and maintain ostriches. They failed to disclose that the proceeds of the offering would instead be used primarily to pay the business expenses of Junction Financial and U.S. Ostrich and to compensate Goodman, Tashman, Josowitz and others.

33. These promotional brochures also did not disclose the regulatory histories of Junction Financial, Tashman, Josowitz or Goodman as set forth in paragraphs 10, 12, 15 and 17.

34. Goodman also personally offered and sold interests in Ostrich I, II and III for Junction Financial and U.S. Ostrich to at least 50 investors.

35. Goodman did not disclose to investors his own regulatory history as set forth in paragraph 10. He also did not disclose the regulatory histories of Junction Financial, Tashman and Josowitz as set forth in paragraphs 12, 15 and 17.

36. Goodman also represented that the funds received from investors would primarily be used to purchase and maintain ostriches. He also failed to disclose to investors that the proceeds of the offering would instead be used primarily to pay the business expenses of Junction Financial and U.S. Ostrich and to compensate Goodman, Tashman, Josowitz and others.

37. The proceeds received from investors in Ostrich I and Ostrich II were deposited into bank accounts in the name of Junction Financial and used by Junction Financial for, among

other things, purported loans to the principals of Junction Financial and others, to reduce Junction Financial's prior indebtedness, and to pay salaries and telephone expenses of Junction Financial.

38. The proceeds received from investors in Ostrich III were deposited into bank accounts in the name of U.S. Ostrich and used by U.S. Ostrich, among other things, to pay funds over to Junction Financial.

39. The proceeds of the Ostrich I, II and III partnerships were also used by Junction Financial and U.S. Ostrich to compensate Goodman for his services. Goodman collected a weekly fixed salary of \$950 and received 1% of the total weekly receipts obtained from all salesmen plus 5% of the total weekly receipts he personally secured.

40. Goodman also received \$300 each week which was categorized by Junction Financial and U.S. Ostrich as a loan. However, no note was ever memorialized for this loan nor interest or payment schedules ever created. In fact, no payments were ever made by Goodman on this loan.

41. Goodman did not disclose the actual use of proceeds or his own receipt of funds in the sales scripts and promotional brochures he prepared. Goodman did not instruct the sales force for whom he was responsible to disclose these facts, nor did he disclose these facts when he personally solicited investors in Ostrich I, II and III.

42. As a result of the foregoing misuse of proceeds,

investors in Ostrich I, II and III lost nearly their entire investment in the partnerships.

COUNT I
FIRST CAUSE OF ACTION

Violations of Section 17(a) (1)
of the Securities Act
[15 U.S.C. 77q(a) (1)]

43. Paragraphs 1 through 42 are hereby realleged and incorporated by reference herein.

44. From September 1992 to December 1993, Goodman by the use of the means and instruments of transportation and communication in interstate commerce and by the use of the mails, directly and indirectly, in the offer and sale of the securities described in Paragraphs 1 through 42 above, employed devices, schemes and artifices to defraud as more fully described in paragraphs 1 through 42 above and 45 below.

45. In the offer and sale of the securities described above, and as a part of the scheme to defraud, Goodman made untrue statements of material fact to purchasers and prospective purchasers and omitted to state to purchasers and prospective purchasers material facts necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading, concerning, among other things, the use of investor proceeds; the regulatory background of Goodman, Junction Financial, Tashman, and Josowitz; investors' potential return on the investment and Goodman's financial interest in the Ostrich I, II and II offerings.

46. Goodman knew and was reckless in not knowing of the

facts and circumstances described in Paragraphs 43 through 45 above.

47. By reason of the activities described in Paragraphs 43 through 46 above, Goodman violated Section 17(a)(1) of the Securities Act [15 U.S.C. 77q(a)(1)].

COUNT II

SECOND CAUSE OF ACTION

**Violations of Sections 17(a)(2) and 17(a)(3)
of the Securities Act
[15 U.S.C. 77q(a)(2) and 77q(a)(3)]**

48. Paragraphs 1 through 42 are hereby realleged and incorporated by reference herein.

49. From September 1992 to December 1993, Goodman, in the offer and sale of the securities described in Paragraphs 1 through 42 above, by the use of the means and instruments of transportation and communication in interstate commerce and by the use of the mails, directly and indirectly, obtained money and property by means of untrue statements of material fact and omissions to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and engaged in transactions, practices and courses of business which operated as a fraud and deceit upon purchasers and prospective purchasers of such securities, all as more fully described in Paragraphs 1 through 42 and 45 above.

50. By reason of the activities described in Paragraphs 48 through 49 above, Goodman violated Sections 17(a)(2) and 17(a)(3)

of the Securities Act [15 U.S.C. 77q(a)(2) and 77q(a)(3)].

COUNT III

THIRD CAUSE OF ACTION

**Violations of Section 10(b) of the Exchange Act
[15 U.S.C. 78j(b)] and Rule 10b-5
[17 CFR 240.10b-5] promulgated thereunder**

51. Paragraphs 1 through 42 are hereby realleged and incorporated by reference herein.

52. From September 1992 to December 1993 Goodman, in connection with the purchase and sale of the securities described in Paragraphs 1 through 42 above, by the use of the means and instrumentalities of interstate commerce and of the mails, directly and indirectly, employed devices, schemes and artifices to defraud; made untrue statements of material fact and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and engaged in acts, practices and courses of business which operated as a fraud and deceit upon purchasers and sellers of such securities, all as more fully described in Paragraphs 1 through 42 and 45 above.

53. Goodman knew and was reckless in not knowing of the activities described in paragraphs 51 through 52 above.

54. By reason of the activities described in Paragraphs 51 through 53 above, Goodman violated Section 10(b) of the Exchange Act [15 U.S.C. 78j(b)] and Rule 10b-5 [17 CFR 240.10b-5] promulgated thereunder.

COUNT IV

FOURTH CAUSE OF ACTION

**Violation
of Section 15(a) (1) of the Exchange Act
[15 U.S.C. §78o(a) (1)]**

55. Paragraphs 1 through 42 above are hereby realleged and incorporated herein by reference.

56. During the period September 1992 through December 1993, Goodman, while acting as a broker, made use of the mails and other means and instrumentalities of interstate commerce to effect transactions in, and to induce and attempt to induce the purchase and sale of securities while not registered as a broker-dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)], all as more fully described in paragraphs 1 through 42 and 45 above.

57. By reason of the activities described in paragraphs 55 through 56 above, Goodman violated Section 15(a) (1) of the Exchange Act [15 U.S.C. §78o(a) (1)].

COUNT V

FIFTH CAUSE OF ACTION

**Violations of Section 15(c) (1) of the Exchange Act
[15 U.S.C. §78o(c) and Rule 15c1-2
[17 C.F.R. 240.15c1-2] promulgated thereunder**

58. Paragraphs 1 through 42 are hereby realleged and incorporated by reference herein.

59. From September 1992 to December 1993, Goodman, while acting as a broker, by the use of the means and instrumentalities of interstate commerce and of the mails, effected transactions in

the securities described above by means of acts, practices and courses of business which operated as a fraud and deceit and by making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, with knowledge and reasonable grounds to believe that they are untrue and misleading; all as more fully described in Paragraphs 1 through 42 and 45 above.

60. Goodman, knew and was reckless in not knowing of the activities described in paragraphs 58 through 59 above.

61. By reason of the activities described in Paragraphs 58 through 60 above, Goodman violated Section 15(c) of the Exchange Act [15 U.S.C. 78o(c)] and Rule 15c1-2 [17 CFR 240.15c1-2] promulgated thereunder.

WHEREFORE, the Commission requests that the Court:

I.

Issue findings of fact and conclusions of law that the Defendant committed the violations herein charged and alleged.

II.

Issue an Order of Permanent Injunction, in the form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, enjoining Goodman, his officers, agents, servants, employees, attorneys and those persons in active concert or participation with him who receive actual notice of the Order of Permanent Injunction by personal service or otherwise, and each of them, from directly or indirectly, in the offer or sale of the

securities of any issuer, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, employing any device, scheme or artifice to defraud.

III.

Issue an Order of Permanent Injunction in the form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, enjoining Defendant Goodman, his officers, agents, servants, employees, attorneys and those persons in active concert or participation with him who receive actual notice of the Order of Permanent Injunction by personal service or otherwise, and each of them, from directly or indirectly, in the offer or sale of the securities of any issuer, by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails:

- A. obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- B. engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon purchasers or prospective purchasers of such securities.

IV.

Issue an Order of Permanent Injunction in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, enjoining Defendant Goodman, his officers, agents, servants, employees, attorneys and those persons in active concert or participation with him who receive actual notice of the Order of Permanent Injunction by personal service or otherwise, and each of them, from directly or indirectly, in connection with the purchase or sale of the securities of any issuer, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- A. employing any device, scheme or artifice to defraud;
- B. making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which it was made, not misleading; or
- C. engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

V.

Issue an Order of Permanent Injunction in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, enjoining Defendant Goodman, his officers, agents, servants, employees, attorneys and those persons in active concert or participation with him who receive actual notice of the Order of Permanent Injunction by personal service or otherwise, and each

of them from, while acting as a broker or dealer, by the use of the mails or any means or instrumentality of interstate commerce, effecting transactions in, or inducing or attempting to induce the purchase or sale of any security unless and until they are registered as a broker-dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. 78o(b)].

VI.

Issue an Order of Permanent Injunction in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, enjoining Defendant Goodman, his officers, agents, servants, employees, attorneys and those persons in active concert or participation with him who receive actual notice of the Order of Permanent Injunction by personal service or otherwise, and each of them from, while acting as a broker or dealer, by the use of the mails or any means or instrumentality of interstate commerce, effecting transactions in, or inducing or attempting to induce the purchase or sale of any security, by means of any act, practice or course of business which operates or would operate as a fraud or deceit upon any person, or making any untrue statement of a material fact, or omitting to state a material fact necessary, in order to make the statements made, in the light of the circumstances under which they were made, not misleading, with knowledge or reasonable grounds to believe that such statements were untrue or misleading.

VII.

Issue an Order requiring Goodman to disgorge any and all ill-gotten gains, including prejudgment interest.

VIII.

With regard to the Goodman's violative acts, practices and courses of business set forth herein, which occurred on or after October 15, 1990, issue an order imposing upon him appropriate civil penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. 77(t)(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. 78(u)(d)(3)].


IX.

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

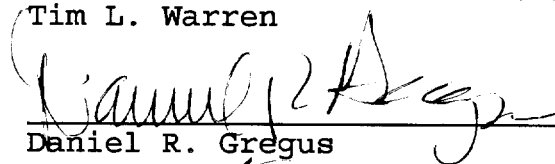
X.

Grant Orders for such further relief as the Court may deem appropriate.

Respectfully submitted,



Tim L. Warren



Daniel R. Gregus



Margaret A. Kramer

Attorneys for Plaintiff
Securities & Exchange Commission
500 West Madison Street
Chicago, Illinois 60601-2511
(312) 353-7390

DATED: 9-17-96

JS 44
(Rev. 07/89)

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 and Exchange
Commission

DEFENDANTS

Daniel E. Goodman

96-7078
CIV-ZLOCH

MAGISTRATE JUDGE

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF
(EXCEPT IN U.S. PLAINTIFF CASES)COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT Broward
(IN U.S. PLAINTIFF CASES ONLY)NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE
TRACT OF LAND INVOLVED

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

Margaret A. Kramer, Esquire
500 West Madison Street, Suite 1400
Chicago, IL 60657

ATTORNEYS (IF KNOWN)

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: Action seeking Injunctive and Ancillary Relief from Defendant for violations of Sections 17(a)(1), (a)(2) and (a)(3) of the Securities Act of 1933, Sections 10(b), 15(a)(1) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

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

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	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	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <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))	<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 checked="" type="checkbox"/> 810 Selective Service <input 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
REAL PROPERTY <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	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights	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	FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	

VI. 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

VII. REQUESTED IN COMPLAINT:

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

DEMAND \$

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

VIII. REMARKS

In response to ☐ is not a refiling of a previously dismissed action
 General Rule 2.21D(2) this case ☐ is a refiling of case number _____ of Judge _____

DATE

SIGNATURE OF ATTORNEY OF RECORD

SEU