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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO

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ham
NORTHERN DISTRICT OF OHIO
CLEVELAND

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff

v.

CBT-OHIO, LTD.,
ANDREW P. BODNAR,
THOMAS E. BUCK,
MICHAEL P. KEATING and
KEATING ADVISORY GROUP.

Defendants.

5:99 CV 822

Civil Action No.

JUDGE POLSTER

MAG. JUDGE GALLAS

COMPLAINT

Plaintiff Securities and Exchange Commission ("Commission") alleges for its Complaint the following:

1. Beginning in at least November 1996 and continuing through July 1997, defendants CBT-Ohio, Ltd. ("CBT-Ohio"), Andrew P. Bodnar ("Bodnar"), Thomas E. Buck ("Buck"), Michael P. Keating ("Keating") and Keating Advisory Group ("Keating Advisory") have engaged and, unless restrained and enjoined by this Court, will continue to engage in a scheme to defraud investors and to misappropriate money through the fraudulent offer and sale of the unregistered securities of CBT Holding Corporation ("CBT Holding") and CBT-Ohio.

2. As part of and in furtherance of the fraudulent scheme, defendants Bodnar and Buck, acting by and through CBT Holding and CBT-Ohio, organized a salesforce comprised of certain registered representatives, including defendant Keating. Bodnar, Keating -- acting by and through

Keating Advisory -- and the others on the salesforce solicited and induced at least 148 public investors to purchase approximately \$6.4 million of promissory notes issued by CBT Holding and CBT-Ohio.

3. Touting a 12 percent rate of return, Bodnar, Keating and the others on the salesforce falsely portrayed the securities as certificates of deposit and made other misrepresentations intended to lull investors into the false belief that the securities were safe investments. In reality, defendants Bodnar and Buck misappropriated most, if not all, of the investor funds raised through the sales of the CBT Holding and CBT-Ohio securities. Bodnar and Buck used over \$3 million to pay their personal living and business expenses, and transferred another \$2 million to individuals promoting dubious investments known as "Prime Bank" instruments. In addition, Bodnar and Buck used most of the remaining investor funds to make principal and interest payments to other investors who had invested in CBT Holding and CBT-Ohio securities at earlier points in time.

4. As a result of the conduct described herein, defendants CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory have violated and, unless restrained and enjoined by this Court, will continue to violate Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. 77e(a), 77(e)(c) and 77q(a), 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, promulgated thereunder. In addition, defendants Bodnar, Keating and Keating Advisory have violated and, unless restrained and enjoined by this Court, will continue to violate Section 15(a) of the Exchange Act, 15 U.S.C. 78o(a).

JURISDICTION AND VENUE

5. The Commission brings this action 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) to enjoin such acts, transactions, practices and courses of business, and for other relief.

6. This Court has jurisdiction over this action 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.

7. Certain of the acts and practices constituting the violations alleged herein occurred and are now occurring within the Northern District of Ohio and elsewhere, and were and are being effected, directly and indirectly, through the use of the means and instruments of transportation and communication in interstate commerce, or the means and instrumentalities of interstate commerce, or the mails.

DEFENDANTS

8. **CBT-Ohio Ltd.** ("CBT-Ohio") is an Ohio limited liability company formed by Bodnar and Buck in February 1997. Its principal office is located in Akron, Ohio. CBT-Ohio has also conducted business under the name of CBT-Ohio Enterprises, Ltd. Prior to the formation of CBT-Ohio, Bodnar and Buck utilized the name of CBT Holding Corporation ("CBT Holding"), an entity incorporated in Nevis, British West Indies on November 18, 1996.

9. **Andrew P. Bodnar**, age 46, was a registered representative and branch manager of the Akron Ohio office of Delta Equity Securities Corporation ("Delta"), a broker-dealer registered with the Commission. Together with Buck, Bodnar formed CBT-Ohio and used the name of CBT Holding in some of the transactions alleged herein. He resides in Akron, Ohio.

10. **Thomas E. Buck**, age 50, was co-owner of CBT-Ohio. He and Bodnar also used the name of CBT Holding in some of the transactions alleged herein. Buck resides in Medina, Ohio.

11. **Michael P. Keating**, age 38, was a registered representative and principal of Delta's Ellicott, Maryland office. He also owned and controlled Keating Advisory Group, an investment adviser that operated at the same location. Keating resides in Columbia, Maryland.

12. **Keating Advisory Group** has been registered with the Commission as an investment adviser since August 1988. Keating Advisory Group maintains its office in Ellicott, Maryland.

FACTS

13. From November 1996 through July 1997, Bodnar and Buck, acting by and through CBT Holding and CBT-Ohio, directed a fraudulent scheme to offer and sell unregistered securities of CBT Holding and CBT-Ohio. Through a salesforce comprised of certain Delta registered representatives, including Keating, they induced 148 investors to purchase over \$6.4 million of promissory notes issued by CBT Holding and CBT-Ohio.

14. Bodnar and Buck were longstanding business associates. In or about November 1996, they began conducting business under the name of CBT Holding, an entity incorporated in the British West Indies. Later, in February 1997, they formed CBT-Ohio.

15. Bodnar and Buck conducted the daily financial affairs of CBT Holding and CBT-Ohio from Delta's Akron, Ohio offices. The two entities' operations consisted almost solely of receipt and distribution of funds received from investors. Bodnar and Buck, jointly and

individually, controlled bank accounts into which CBT Holding and CBT-Ohio investor funds were deposited.

16. As head of Delta's Akron, Ohio office, Bodnar was responsible for, among other things, overseeing the selling efforts of the registered representatives employed by that office. Beginning in at least November 1996, Bodnar directed certain registered representatives in Delta's Akron, Ohio office to sell CBT Holding securities to public investors.

17. Bodnar also knew Keating, who operated Delta's Ellicott, Maryland office. In or about the same time that the sales of CBT Holding securities commenced by registered representatives in Delta's Akron, Ohio office, Bodnar also persuaded Keating to sell CBT Holding. Keating solicited investors to purchase the securities through his solely owned investment adviser, Keating Advisory.

18. In or about February 1997, Bodnar, Keating -- acting by and through Keating Advisory -- and the other Delta registered representatives also started offering and selling CBT-Ohio securities.

19. Keating and the other Delta registered representatives relied on Bodnar for information about CBT Holding and CBT-Ohio. However, other than a vague description of the securities, including the anticipated rate of return, Bodnar provided little information. Keating and the other registered representatives received no documents pertaining to the operations or financial condition of CBT Holding and CBT-Ohio. Moreover, they failed to conduct any independent investigation or due diligence about the companies and/or the securities.

20. In soliciting investors, Bodnar, Keating and the other Delta registered representatives told investors that CBT Holding and CBT-Ohio securities were low risk securities that generated an annual rate of return of 12 percent. They led investors to believe that they were investing in certificates of deposit issued or guaranteed by banks in the United States and elsewhere. Bodnar, Keating and the others knew, or were reckless in not knowing, that these representations were false.

21. Keating, in particular, touted the safety of the CBT Holding and CBT-Ohio securities. Acting through Keating Advisory, he told investors, variously, that their funds would be invested in a certificate of deposit issued by a so-called "world bank;" that the rate of return was guaranteed; that the investment was liquid; and, that the securities were backed by the "full faith and credit" of the United States. Keating knew, or was reckless in not knowing, that these representations were entirely false.

22. Bodnar and Buck were aware of, and/or were directing, the selling efforts by Keating and the other Delta registered representatives. Thus, Bodnar and Buck knew, or were reckless in not knowing, that Keating and the other Delta registered representatives were making false and misleading representations to induce investors to purchase CBT Holding and CBT-Ohio securities.

23. Investors did not receive any documents describing CBT Holding or CBT-Ohio securities or the underlying companies at the time they were solicited. Instead, they relied upon the oral representations made to them by Bodnar, Keating and the other Delta registered representatives. Many of the investors were existing Delta customers who, in some instances,

liquidated relatively safe investments in order to purchase CBT Holding and CBT-Ohio securities.

24. After having agreed to purchase the CBT Holding or CBT-Ohio securities, each investor received a promissory note signed by Bodnar. The note designated either CBT Holding or CBT-Ohio as the promisor. The investor also received other documents which granted the investor the option to receive quarterly interest payments or to have such payments automatically reinvested. Both before and after the solicitations, Bodnar, Keating and the other Delta registered representatives repeatedly assured investors that their funds were being used to purchase certificates of deposit.

25. Rather than using the investor funds as represented, Bodnar and Buck misappropriated most, if not all, of the money. For example, they used approximately \$3.69 million to pay for their personal living and business expenses. In order to conceal their misuse of investor funds, Bodnar and Buck characterized these transactions on CBT Holding's and CBT-Ohio's bank records as, among other things, loans, salaries and consulting fees. Of the investor funds misused in this manner, a substantial sum was also paid to investors who had lost money in prior investments promoted by Bodnar.

26. Bodnar and Buck also transferred at least \$2,025,000 to various individuals and entities promoting so-called "Prime Bank" investments. The promoters claimed to have exclusive access to high yield investments known as "108" and "106" "Prime Bank" guarantees. In fact, "Prime Bank" investments are wholly fictitious and non-existent. To date, none of the investor funds diverted to these individuals and entities has been returned.

27. Bodnar and Buck never disclosed to the CBT Holding and CBT-Ohio investors that their invested funds would be used to enter into transactions with the "Prime Bank" promoters. In addition, by entering into such transactions, Bodnar and Buck falsely held themselves out as having large sums of money with which to do business with the promoters when, in fact, the money belonged to the CBT Holding and CBT-Ohio investors.

28. CBT-Ohio, acting by and through Bodnar and Buck, used most of the remaining investor funds to pay promised rates of return to earlier CBT Holding and CBT-Ohio investors. Approximately \$118,551 of funds raised from new investors was used to make quarterly interest payments to existing investors.

29. Bodnar, Keating and the other Delta registered representatives continued to offer and sell CBT Holding and CBT-Ohio securities to investors until June 1997, when the scheme was discovered. All of the transactions in the CBT Holding and CBT-Ohio securities were effected without the approval of, and independently of, Delta. At the time of these transactions, neither Bodnar, Keating nor Keating Advisory was individually registered with the Commission as a broker or a dealer.

30. By June 1997, CBT-Ohio, Bodnar, Buck, Keating, Keating Advisory and the other Delta registered representatives had raised a total of approximately \$6,440,151 from 148 investors residing in at least eight states. There were no registration statements filed or in effect with the Commission for CBT Holding or CBT-Ohio securities throughout the relevant period during which the defendants were offering and selling these securities.

31. As a result of their sales of CBT Holding and CBT-Ohio securities, Keating and the other Delta registered representatives earned sales commissions. Keating, who raised at least \$3 million from investors, earned approximately \$42,463 in commissions.

CLAIM ONE

**Violations of Section 17(a) of the Securities Act,
Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder**

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

33. From in or about November 1996 through July 1997, CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory, in connection with the offer, purchase and sale of securities, directly and indirectly, by use of the means and instruments of transportation and communication in interstate commerce, or the means and instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange:

- (a) employed devices, schemes and artifices to defraud;
- (b) obtained money and property by means of, and 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
- (c) engaged in acts, transactions, practices, and courses of business which operated as a fraud or deceit upon offerees, purchasers and prospective purchasers of securities.

34. By reason of the foregoing, CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory have violated and, unless enjoined, will continue to violate Section 17(a) of the Securities Act, 15 U.S.C. 77q(a), Section 10(b) the Exchange Act, 15 U.S.C. 78j(b), Rule 10b-5, 17 C.F.R. 240 10b-5, thereunder.

CLAIM TWO

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

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

36. From in or about November 1996 through July 1997, CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory have caused securities, for which no registration statement was in effect and for which there was no exemption from registration, to be carried through the mails and in interstate commerce, by the means and instruments of transportation, for the purpose of sale or for delivery after sale. Further, CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory made use of the means and instruments of transportation or communication in interstate commerce, and of the mails, to offer to sell such securities.

37. By reason of the foregoing, CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory have 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).

CLAIM THREE

Violations of Section 15(a) of the Exchange Act

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

39. From in or about November 1996 through July 1997, Bodnar, Keating and Keating Advisory made use of the mails or any means or instrumentality of interstate commerce to effect transactions in or to induce or attempt to induce the purchase of securities without being registered as a broker or dealer.

40. By reason of the foregoing, Bodnar, Keating and Keating Advisory have violated and, unless enjoined, will continue to violate Section 15(a) of the Exchange Act, 15 U.S.C. 78o(b).

WHEREFORE, the Commission respectfully requests that this Court:

I.

Issue an order permanently restraining and enjoining CBT-Ohio, Bodnar, Buck, Keating, Keating Advisory and their agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them, directly or indirectly, singly or in concert, from 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), Section 10(b) of the Exchange Act, 15 U.S.C. 78j(b), and Rule 10b-5, 17 C.F.R. 240.10b-5, promulgated thereunder.

II.

Issue an order permanently restraining and enjoining Bodnar, Keating, Keating Advisory and their agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them, directly or indirectly, singly or in concert, from violations of Section 15(a) of the Exchange Act, 15 U.S.C. 78o(a).

III.

Issue an order directing CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory to disgorge all unlawfully obtained proceeds, together with prejudgment interest, derived from the activities set forth in this Complaint.

IV.

Issue an order requiring CBT-Ohio, Bodnar, Buck, Keating and Keating Advisory, and each of them, to pay civil penalties 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)(3), as a result of the violations set forth herein.

V.

Order such other and further relief as this Court may deem just and appropriate.

Respectfully submitted,



Merri Jo Gillette, PA Bar No. 37075

C. Annette Kelton

Michael B. Novakovic

Attorneys for Plaintiff:

SECURITIES AND EXCHANGE COMMISSION

601 Walnut Street, Suite 1005E

Philadelphia, PA 19106

(215) 597-3100

Dated: April 8, 1999

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing of a 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)

1. (a) PLAINTIFFS

U.S. SECURITIES AND EXCHANGE COMMISSION

DEFENDANTS

CBT-OHIO, LTD., ANDREW P. BODNAR,
THOMAS E. BUCK, MICHAEL P. KEATING, AND
KEATING ADVISORY GROUP

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

FILED
99 APR 8 AM 11:44
CLERK U.S. DISTRICT COURT
NORTHERN DISTRICT OF OHIO
CLEVELAND

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT SUMMIT
(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)

MERRI JO GILLETTE
U.S. SECURITIES AND EXCHANGE COMMISSION
601 WALNUT STREET, SUITE 1120E
PHILADELPHIA, PENNSYLVANIA 19106

ATTORNEYS (IF KNOWN)

5:99 CV 822
JUDGE POLSTER

11. 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 111)

111. 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. 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

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"/> 180 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 checked="" type="checkbox"/> 380 Other Personal Injury | PERSONAL INJURY <input type="checkbox"/> 382 Personal Injury Med Malpractice <input type="checkbox"/> 385 Personal Injury Product Liability <input type="checkbox"/> 388 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"/> 650 Liquor Laws <input type="checkbox"/> 640 R R & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 680 Occupational Safety/Health <input type="checkbox"/> 680 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 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 (13g88) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DMC/DWW (405(g)) <input type="checkbox"/> 884 SSID Title XVI <input type="checkbox"/> 885 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS Third Party 28 USC 7309 | <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"/> 881 Agricultural Acts <input type="checkbox"/> 882 Economic Stabilization Act <input type="checkbox"/> 883 Environmental Matters <input type="checkbox"/> 884 Energy Allocation Act <input type="checkbox"/> 885 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 <input type="checkbox"/> 555 Prison Condition | | | |

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)

Missappropriation and Fraudulent Offer and Sale of Securities; 15 U.S.C. 77e(a), 11(e)(c) and 77q(a), Sections 10(b) and 15(a) of the Securities Act of 1934; 15 U.S.C. 78j(b) and 78o(a) and Rule 10b-5, 17 C.F.R. 240. 10b.5, promulgated thereunder.

VII. REQUESTED IN COMPLAINT

CHECK IF THIS IS A CLASS ACTION UNDER FR.C.P 23

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: YES NO

VIII. RELATED CASE(S) (See Instructors): IF ANY

JUDGE _____

DOCKET NUMBER _____

DATE

SIGNATURE OF ATTORNEY OF RECORD

April 8, 1999

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFR _____ JUDGE _____ MAG. JUDGE _____

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO

I. Civil Categories: (Place an X in one category only).

- 1. General Civil
- 2. Administrative Review/Social Security
- 3. Habeas Corpus Death Penalty

*If under Title 28, §2255, name the SENTENCING JUDGE: _____

CASE NUMBER: _____

II. **RELATED OR REFILED CASES.** See LR 3.1 which provides in pertinent part: "If an action is filed or removed to this Court and assigned to a District Judge after which it is discontinued, dismissed or remanded to a State court, and subsequently refiled, it shall be assigned to the same Judge who received the initial case assignment without regard for the place of holding court in which the case was refiled. Counsel or a party without counsel shall be responsible for bringing such cases to the attention of the Court by responding to the questions included on the Civil Cover Sheet."

This action is () RELATED to another PENDING civil case. This action is () REFILED pursuant to LR 3.1.

If applicable, please indicate on the CIVIL COVER SHEET (form JS-44) in section VIII, the name of the Judge and case number.

III. In accordance with Local Civil Rule 3.8, actions involving counties in the Eastern Division shall be filed at any of the divisional offices therein. Actions involving counties in the Western Division shall be filed at the Toledo office. For the purpose of determining the proper division, and for statistical reasons, the following information is requested.

ANSWER ONE PARAGRAPH ONLY. ANSWER PARAGRAPHS 1 THRU 3 IN ORDER. UPON FINDING WHICH PARAGRAPH APPLIES TO YOUR CASE, ANSWER IT AND STOP.

(1) **Resident defendant.** If the defendant resides in a county within this district, please set forth the name of such county Summit COUNTY.
Corporation For the purpose of answering the above, a corporation is deemed to be a resident of that county in which it has its principal place of business in that district.

(2) **Non-Resident defendant.** If no defendant is a resident of a county in this district, please set forth the county wherein the cause of action arose or the event complained of occurred.
_____ COUNTY.

(3) **Other Cases.** If no defendant is a resident of this district, or if the defendant is a corporation not having a principal place of business within the district, and the cause of action arose or the event complained of occurred outside this district, please set forth the county of the plaintiff's residence.
_____ COUNTY.

IV. The Counties in the Northern District of Ohio are divided into divisions as shown below. After the county is determined in Section III, please check the appropriate division.

EASTERN DIVISION

- AKRON (Counties: Carroll, Holmes, Portage, Stark, Summit, Tuscarawas and Wayne)
- CLEVELAND (Counties: Ashland, Ashtabula, Crawford, Cuyahoga, Geauga, Lake, Lorain, Medina and Richland)
- YOUNGSTOWN (Counties: Columbiana, Mahoning and Trumbull)

WESTERN DIVISION

- TOLEDO (Counties: Allen, Auglaize, Defiance, Erie, Fulton, Hancock, Hardin, Henry, Huron, Lucas, Marion, Mercer, Ottawa, Paulding, Putnam, Sandusky, Seneca, VanWert, Williams, Wood and Wyandot)