

**ORIGINAL**

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CLERK U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

BY                      *VMT* DEPUTY

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11 **UNITED STATES DISTRICT COURT**  
**SOUTHERN DISTRICT OF CALIFORNIA**

12 '09 CV 2610 JM POR

13 SECURITIES AND EXCHANGE  
14 COMMISSION,

Case No.

15 Plaintiff,

**COMPLAINT FOR VIOLATIONS OF  
THE FEDERAL SECURITIES LAWS**

16 vs.

17 SHIDAAL EXPRESS, INC. and  
18 MOHAMUD ABDI AHMED,

19 Defendants:  
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1 Plaintiff Securities and Exchange Commission (“Commission”) alleges as follows:

2 **JURISDICTION AND VENUE**

3 1. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1)  
4 and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§ 77t(b), 77t(d)(1) &  
5 77v(a), and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27 of the Securities Exchange Act of 1934  
6 (“Exchange Act”), 15 U.S.C. §§ 78u(d)(1), 78u(d)(3)(A), 78u(e), and 78aa. The Defendants  
7 have, directly or indirectly, made use of the means or instrumentalities of interstate commerce, of  
8 the mails, or of the facilities of a national securities exchange in connection with the transactions,  
9 acts, practices and courses of business alleged in this Complaint.

10 2. Venue is proper in this district pursuant to Section 22(a) of the Securities Act, 15  
11 U.S.C. § 77v(a), and Section 27 of the Exchange Act, 15 U.S.C. § 78aa, because certain of the  
12 transactions, acts, practices, and courses of conduct constituting the violations alleged herein  
13 occurred within this district, the entity defendant is located in this district, and the individual  
14 defendant resides in this district.

15 **SUMMARY**

16 3. This action has been filed to halt an ongoing securities fraud scheme targeting  
17 members of the Somali immigrant community who live in San Diego, Seattle, and elsewhere.  
18 Since at least 2006, Defendant Mohamud Abdi Ahmed (“Ahmed”) has raised at least \$3 million  
19 from over 40 investors – including \$200,000 from a San Diego mosque – for his purported stock  
20 trading and financial services business operated through Defendant Shidaal Express, Inc.  
21 (“Shidaal Express”). Ahmed made false promises of exorbitant returns of 5% per month – or  
22 60% per year – claiming that for each \$10,000 investment made by an investor, the investor  
23 would receive \$500 a month. Ahmed represented he would generate those returns from trading  
24 stocks and there was no risk of loss. Ahmed told investors their money was safe and he had a  
25 history of good results. Ahmed promised investors, many of whom invested in cash or cashier’s  
26 checks, he would repay their principal at any time upon their request. Investors initially received  
27 some of the purported monthly returns, many of which were paid in cash, but Ahmed ceased  
28 making these payments late last year. Since Ahmed stopped paying monthly returns, he has been

1 lulling investors with false promises of repayment of principal and/or falsely claiming that he  
2 could not repay them because the government had seized his assets. Several investors invested  
3 their life's savings with Ahmed because others in the Somali community had invested with  
4 Ahmed, received promised returns, and trusted him.

5 4. Ahmed also solicited money for his money transfer business and made  
6 misrepresentations to investors about the use of investor proceeds. Ahmed claimed he was  
7 raising money to obtain a money transfer license, but actually was trying to buy an interest in  
8 another money transfer company. Ahmed's purchase of that interest was unsuccessful. Ahmed  
9 misappropriated investors' funds by claiming to sell them shares in his money transfer business,  
10 but investors who received Shidaal Express stock certificates do not appear on a list of Shidaal  
11 Express shareholders Ahmed prepared.

12 5. Shidaal Express continues to maintain a website which touts the company's stock  
13 trading business and, as recently as November 9, 2009, a sign posted outside a Shidaal Express  
14 store in San Diego advertises "Investment Opportunities."

15 6. The Defendants, by engaging in the conduct described in this Complaint, have  
16 violated, and unless enjoined will continue to violate, the antifraud provisions of the federal  
17 securities laws.

18 **THE DEFENDANTS**

19 7. **Mohamud Abdi Ahmed**, age 45, is a resident of Spring Valley, California.  
20 Ahmed is the CEO, president, secretary, chairman and founder of Shidaal Express. Ahmed does  
21 not hold any securities licenses and is not registered as or associated with an investment adviser.

22 8. **Shidaal Express, Inc.** is a California corporation located in San Diego,  
23 California. It was also incorporated in Minnesota and Washington state. It is not registered with  
24 the Commission in any capacity and it has not registered any offering of its securities under the  
25 Securities Act or a class of securities under the Exchange Act. Shidaal Express is controlled by  
26 Ahmed.

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**FACTS****The Defendants Operate a Fraudulent Scheme****Background**

9. Ahmed formed Shidaal Express in 2006 to provide check-cashing, money transfer, and other similar services for the Somali immigrant community. Shidaal Express operates stores in the San Diego area and may operate in other cities with large Somali communities. Since 2007, Shidaal Express has been registered as a Money Service Business by the U.S. Treasury Department's Financial Crimes Enforcement Network. Certain business listings on the Internet describe Shidaal Express as a "one stop convenience center for all bill pays, money orders, money wirings, check cashing and prepaid debit cards." Among the services touted on a sign at one Shidaal Express storefront in San Diego is: "Investment Opportunities." This sign was visible as recently as November 9, 2009.

10. Shidaal Express currently maintains a website, [www.shidaal.com](http://www.shidaal.com), which is registered to Ahmed and another company he controls. The website does not reference Shidaal Express' money transfer services and provides no relevant information about the company or its operations other than listing Ahmed as its chairman and CEO. Instead, the website provides stock recommendations, daily stock forecasts, and other information about stock trading. Specifically, the website shows "Daily Real Time Trades" and invites the viewer to "Come here and watch our real time trades." The website claims to serve "The Happiest Customers" and invites viewers to register for the site to receive "email notification updates" and other things that are password protected. The website contains a lengthy "Disclaimer" claiming it is not involved in investment advisory and securities-related activities under the federal securities laws.

**Ahmed's Investment Scheme**

11. Since at least 2006, Ahmed has raised at least \$3 million from more than 40 investors in the Somali immigrant community in San Diego, Seattle, and elsewhere. Several investors knew of Ahmed through a mosque in San Diego, which itself invested \$200,000 with Ahmed. Ahmed directly solicited some investors including giving presentations to prospective investors at a hotel near the Seattle-Tacoma airport in 2008. Ahmed offered to pay \$500

1 commission to existing investors for each new investor they referred. Other investors  
2 approached Ahmed by referral from existing investors or through word of mouth in the Somali  
3 community.

4 12. Ahmed promised investors a guaranteed 5% monthly return (i.e., 60% annually),  
5 payable on a monthly basis. Ahmed claimed he generated returns from stock trading. Ahmed  
6 touted his prior education and experience as a stock trader and claimed he had never lost any  
7 money. Ahmed insisted on investments in increments of \$10,000, which he told some investors  
8 could only be made in cash. Ahmed assured investors they could request the money back at any  
9 time.

10 13. Several investors invested their life's savings with Ahmed because others in the  
11 Somali community had invested with him, they said they received promised returns, and they  
12 said they trusted him. Investors often invested in cash or with cashier's checks.

13 14. Ahmed did not give investors any documents about the investment before they  
14 invested. Ahmed did not provide any documents or receipts to acknowledge investments.  
15 Ahmed did not provide investors with any account statements. Until late 2008, investors  
16 received monthly returns usually in cash or in some cases through payments to relatives.

17 15. The Defendants had securities brokerage accounts, most of them in Ahmed's own  
18 name, which were used to engage in risky securities trading strategies that do not appear to have  
19 generated profits sufficient to pay investors the returns of 5% per month promised by Ahmed.

20 16. Ahmed also solicited funds for his money transfer business. Ahmed represented  
21 to at least one investor in 2008 that he needed to raise \$1.2 million to obtain a license for his  
22 money transfer business, claiming to have already raised \$600,000. In those instances, Ahmed  
23 promised to issue shares of Shidaal Express exchange for investor funds. In other instances,  
24 however, Ahmed simply rolled-over investors' prior investments into Shidaal Express without  
25 their consent. For example, an investor who previously invested \$10,000 for the 5% monthly  
26 return later invested \$40,000 to acquire shares of Shidaal Express and \$30,000 for another  
27 separate investment. Ahmed, however, gave the investor a stock certificate for the entire  
28 \$70,000 investment, even though \$10,000 had been made for the fixed-return investment. The

1 investor neither consented to the rollover nor received any meaningful response when he  
2 questioned Ahmed about it. Ahmed rolled-over other investors in a similar fashion.

3 17. In late 2007 the Defendants sought to acquire a 49% interest in a San Diego-area  
4 money transfer company licensed by the California Department of Financial Institutions (“DFI”).  
5 As part of the transaction, Shidaal Express agreed to make a capital contribution in excess of  
6 \$500,000 into that company, which filed an application with the DFI to seek approval of the  
7 transaction. DFI conditionally approved the transaction in late 2008, and required Shidaal  
8 Express to make a \$500,000 capital contribution. Shidaal Express failed to make this  
9 contribution. On July 1, 2009, DFI terminated its approval of the transaction.

#### 10 **Fraudulent Misrepresentations and Omissions**

11 18. Ahmed, who has never been licensed as a securities professional, orally promised  
12 investors guaranteed 5% per month, or 60 % annual, returns on their investment. Although he  
13 initially paid the promised returns, Ahmed stopped making these payments in late 2008. Despite  
14 investors’ repeated requests that Ahmed honor his promises, he has failed to pay them any  
15 returns.

16 19. Ahmed promised investors that he would repay their principal at any time upon  
17 request. Although investors have demanded return of their principal, since late 2008, Ahmed has  
18 failed to return their funds. Instead, Ahmed has lulled investors into believing that their  
19 investments are safe. To pacify some investors, Ahmed made small payments by check, which  
20 were returned for insufficient funds. Ahmed misrepresented to several investors that he could  
21 not repay them because the government had seized his assets. Ahmed threatened some investors  
22 who were inclined to cooperate with the FBI by telling them that he and his associates had a lot  
23 of “money and power.” In another instance, from April to July 2009, Ahmed tried to extract  
24 even more money from one unemployed investor by falsely promising him a position in a new  
25 Shidaal Express location in San Jose, California, in exchange for additional funds. At least two  
26 investors have retained an attorney and threatened to file a lawsuit against Ahmed. Ahmed told  
27 several investors if they sued, they would get nothing.

28 20. Ahmed misused investor funds raised for the money transfer business. Ahmed

1 gave certain investors Shidaal Express stock certificates, but these investors do not appear do not  
2 appear as shareholders on documents prepared by the Defendants. This shareholder list, updated  
3 as of May 12, 2009, purportedly included the names and ownership interests of all Shidaal  
4 Express shareholders, but at least three investors who received Shidaal Express stock certificates  
5 from Ahmed before May 2009 were not on the list.

6 21. Ahmed represented to at least one investor in 2008 that he was raising money to  
7 obtain a money transfer license, which he claimed would prove profitable for Shidaal Express.  
8 However, Shidaal Express was operating during this time as an authorized Money Service  
9 Business under federal financial regulations and as an agent for a California-licensed money  
10 transfer company. As such, Shidaal Express was already engaged in that business and  
11 presumably had the appropriate registrations and licenses to do so. During that time, the  
12 Defendants were not working on obtaining a California license for Shidaal Express; rather, they  
13 were attempting to acquire an interest in another entity and it appears that the Defendants  
14 intended to use investors' money to pay the \$500,000 consideration for acquiring that interest  
15 instead of obtaining their own license, which was not disclosed to investors.

16 **FIRST CLAIM FOR RELIEF**

17 **FRAUD IN THE OFFER OR SALE OF SECURITIES**

18 **Violations of Section 17(a) Of the Securities Act**

19 **(Against Defendants Shidaal Express and Ahmed)**

20 22. The Commission realleges and incorporates by reference paragraphs 1 through 21  
21 above.

22 23. Defendants Ahmed and Shidaal Express, and each of them, by engaging in the  
23 conduct described above, directly or indirectly, in the offer or sale of securities by the use of  
24 means or instruments of transportation or communication in interstate commerce or by use of the  
25 mails:

- 26 a. with scienter, employed devices, schemes, or artifices to defraud;
- 27 b. obtained money or property by means of untrue statements of a material
- 28 fact or by omitting to state a material fact necessary in order to make the



1 statements made, in light of the circumstances under which they were  
2 made, not misleading; or

3 c. engaged in transactions, practices, or courses of business which operated  
4 or would operate as a fraud or deceit upon the purchaser.

5 24. By engaging in the conduct described above, Defendants Ahmed and Shidaal  
6 Express, and each of them, violated, and unless restrained and enjoined will continue to violate,  
7 Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

8 **SECOND CLAIM FOR RELIEF**

9 **FRAUD IN CONNECTION WITH THE PURCHASE OR SALE OF SECURITIES**

10 **Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder**

11 **(Against Defendants Shidaal Express and Ahmed)**

12 25. The Commission realleges and incorporates by reference paragraphs 1 through 21  
13 above.

14 26. Defendants Ahmed and Shidaal Express, and each of them, by engaging in the  
15 conduct described above, directly or indirectly, in connection with the purchase or sale of a  
16 security, by the use of means or instrumentalities of interstate commerce, of the mails, or of the  
17 facilities of a national securities exchange, with scienter:

- 18 a. employed devices, schemes, or artifices to defraud;
- 19 b. made untrue statements of a material fact or omitted to state a material  
20 fact necessary in order to make the statements made, in light of the  
21 circumstances under which they were made, not misleading; or
- 22 c. engaged in acts, practices, or courses of business which operated or would  
23 operate as a fraud or deceit upon other persons.

24 27. By engaging in the conduct described above, Defendants Ahmed and Shidaal  
25 Express, and each of them, violated, and unless restrained and enjoined will continue to violate,  
26 Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §  
27 240.10b-5.

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**PRAYER FOR RELIEF**

WHEREFORE, the Commission respectfully requests that the Court:

**I.**

Issue findings of fact and conclusions of law that Defendant Ahmed and Shidaal Express committed the alleged violations.

**II.**

Issue judgments, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, temporarily, preliminarily, and permanently enjoining Defendants Ahmed and Shidaal Express, and their officers, agents, servants, employees and attorneys, and those in active concert or participation with any of them, who receive actual notice of the order by personal service or otherwise, and each of them, from violating Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a), and 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.

**III.**

Issue, in a form consistent with Rule 65 of the Federal Rules of Civil Procedure, a temporary restraining order and a preliminary injunction freezing the assets of each of the Defendants and any entity affiliated with any of them, prohibiting each of the Defendants from destroying documents, granting expedited discovery, and requiring accountings from each of the Defendants.

**IV.**

Order the Defendants to disgorge all ill-gotten gains from the illegal conduct alleged herein, together with prejudgment interest thereon.

**V.**

Order Defendants Ahmed and Shidaal Express to pay civil penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. §77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. §78u(d)(3).

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1 VI.

2 Issue, in a form consistent with Fed. R. Civ. P. 65, an order appointing a receiver over  
3 Defendant Shidaal Express and the assets thereof.

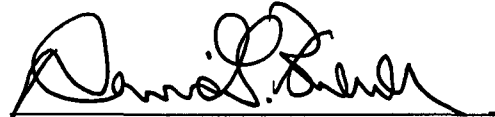
4 VII.

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

9 VIII.

10 Grant such other and further relief as this Court may determine to be just and necessary.

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12 DATED: November 18, 2009



13 David S. Brown  
14 Attorney for Plaintiff  
15 Securities and Exchange Commission  
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JS 44 (Rev. 12/07)

**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**

SECURITIES AND EXCHANGE COMMISSION

(b) County of Residence of First Listed Plaintiff \_\_\_\_\_  
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorney's (Firm Name, Address, and Telephone Number)

David S. Brown, Esq (2323) 965-3998  
Securities and Exchange Commission  
5670 Wilshire Boulevard, 11th Floor, Los Angeles, CA 90036

**DEFENDANTS**

SHIDAAL EXPRESS INC, and MOHAMUD ABDI AHMED

County of Residence of First Listed Defendant San Diego County  
(IN U.S. PLAINTIFF CASES ONLY)

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

Attorneys (If Known)

**'09 CV 2610 JM POR**

**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. 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 <input type="checkbox"/> 196 Franchise <hr/> <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	<b>PERSONAL INJURY</b> <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 <hr/> <b>CIVIL RIGHTS</b> <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	<b>PERSONAL INJURY</b> <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 <hr/> <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability <hr/> <b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence <b>Habeas Corpus:</b> <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	<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 <hr/> <b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <hr/> <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <hr/> <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <hr/> <b>SOCIAL SECURITY</b> <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)) <hr/> <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes

**V. ORIGIN**

(Place an "X" in One Box Only)

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

**VI. CAUSE OF ACTION**

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

Brief description of cause:  
The Complaint alleges violations of the federal securities laws.

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

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

DATE 11/18/09 SIGNATURE OF ATTORNEY OF RECORD 

FOR OFFICE USE ONLY

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

*SR*