

1 Jeffrey R. Krinsk, Esq. (109234)
Mark L. Knutson, Esq. (131770)
2 FINKELSTEIN & KRINSK
501 West Broadway, Suite 1250
3 San Diego, CA 92101-3593
Telephone: 619/238-1333
4 Facsimile: 619/238-5425
5 Attorneys for Plaintiff ALAN MARSHALL

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CLERK, U.S. DISTRICT COURT,
SOUTHERN DISTRICT OF CALIFORNIA

BY: *[Signature]* DEPUTY

8 UNITED STATES DISTRICT COURT
9 SOUTHERN DISTRICT OF CALIFORNIA

11 ALAN MARSHALL, on Behalf of Himself and)
All Others Similarly Situated,)
12)
Plaintiff,)
13)
v.)
14)
PEREGRINE SYSTEMS, INC.; JOHN J.)
15 MOORES; STEVE GARDNER; MATT)
GLASS; AND CHRISTOPHER COLE,)
16)
Defendants.)
17)

Case No. **02 CV 0870 J + (RBB)**
CLASS ACTION
COMPLAINT FOR VIOLATION OF
THE FEDERAL SECURITIES LAWS
Plaintiff Demands a Trial by Jury

18 Plaintiff on behalf of himself and all other persons similarly situated, by his undersigned
19 attorneys, alleges upon personal knowledge as to himself and his own acts, and upon information
20 and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through
21 his attorneys, which included, among other things, a review of the public documents and
22 announcements, Securities and Exchange Commission ("SEC") filings, and press releases regarding
23 Peregrine Systems, Inc. (hereinafter "Peregrine" or the "Company"), as follows:

24 NATURE OF THE ACTION

25 1. This is a class action on behalf of all persons or other entities that purchased or
26 acquired the common stock or other securities of Peregrine within the period of April 1, 2000 through
27 May 6, 2002, inclusive, (the "Class Period"), to recover damages caused by Defendants' violations
28 of the federal securities laws. During the Class Period, Defendants issued to the investing public

CR

1 false and misleading press releases concerning the Company's publicly-reported revenues, income
2 and financial results.

3 2. From at least April 1, 2000, Defendants issued press releases announcing positive
4 business progress and financial results. The Company announced quarterly increases in revenues
5 and stabilized earnings during the Class Period. The "outstanding" progress for Peregrine was
6 illusory. On May 6, 2002, Peregrine announced that, in addition to delaying its quarterly earnings
7 report, investor fears were proving accurate and Defendants acknowledged that earlier reported
8 financial results for fiscal 2001 and 2002 had overstated revenues by as much as \$100,000,000. The
9 financial irregularities in fact were the result of Defendants' recognizing income and revenue related
10 to non-existent or improperly recognized product shipments that were intentionally exaggerated to
11 falsely fortify a failing enterprise.

12 3. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a)
13 of the Exchange Act, 15 U.S.C. §§ 78j(b), 78t(a) and the rules and regulations promulgated
14 thereunder by the SEC, including Rule 10b-5, 17 C.F.R. § 240.10b-5.

15 4. This Court has jurisdiction over the subject matter of this action pursuant to
16 Section 27 of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. § 78aa and 28
17 U.S.C. § 1331.

18 5. Venue is proper in this Judicial District pursuant to Section 27 of the Exchange
19 Act and 28 U.S.C. §1391(b). Many of the acts and transactions constituting the violations of law
20 alleged herein, including the dissemination to the investing public of false and misleading
21 information, occurred in substantial part in this Judicial District. In addition, Peregrine maintains
22 its corporate headquarters within this District and has substantial operations in Del Mar and other
23 San Diego locations.

24 6. In connection with the acts, transactions, and conduct alleged herein, Defendants,
25 directly and indirectly, used the means and instrumentalities of interstate commerce, including the
26 United States mails, interstate telephone communications, and the facilities of the national securities
27 exchanges.

28 ///

THE PARTIES

1
2 7. Plaintiff Alan Marshall is a San Diego resident and purchased shares of Peregrine
3 during the Class Period and was damaged thereby. A copy of his Certification is attached hereto.

4 8. Defendant Peregrine maintains its principal place of business in Southern
5 California at Del Mar, California, County of San Diego. During the Class Period, Peregrine common
6 stock was actively traded on the NASDAQ exchange. According to the Company's press releases,
7 Peregrine purports to be a leading provider of software designed to reduce "the frictional cost of
8 doing business" and thereby addresses infra structure resource management, employee relationship
9 management and e-commerce technologies.

10 9. Defendant John J. Moores was a member of the board during portions of the Class
11 Period and has been instrumental to the ownership structure and business organization of Peregrine.

12 10. Defendant Steve Gardner was a key member of Peregrine management and an
13 executive insider holding the title of Peregrine's chairman and chief executive officer during the
14 Class Period.

15 11. Defendant Matt Glass was a key member of Peregrine management and an
16 executive insider holding the title of Peregrine's chief financial officer during the Class Period.

17 12. By reason of their positions with the Company and their attendance at management
18 and/or board of directors meetings Defendants Gardner, Glass and Moores (sometimes the
19 "Individual Defendants") had access to internal Company documents, reports and other information,
20 including the adverse non-public information concerning the Company's business, financial
21 condition, and future prospects and thereby were charged with ensuring the truthfulness and accuracy
22 of the Company's public reports and releases.

23 13. The Individual Defendants, because of their positions with the Company,
24 controlled and/or possessed the power and authority to control the contents of quarterly reports, press
25 releases, and presentations to securities analysts and, thus, the investing public. Because they
26 prepared the Company's press releases or were provided with copies, they had the ability and
27 opportunity to correct or prevent the issuance of misleading press releases. Nevertheless, the
28 Individual Defendants, who had access to material non-public information, knew or recklessly

1 disregarded that adverse information had not been disclosed to, and was being concealed from, the
2 public and that the positive representations which were being made were materially false and
3 misleading.

4 14. Each Defendant is liable as a primary violator, for making materially false and
5 misleading statements, and for participating in a fraudulent scheme that operated as a deceit on the
6 public purchasers of Peregrine stock during the Class Period. Peregrine and the Individual
7 Defendants pursued a fraudulent scheme in furtherance of their common goal (*i.e.*, inflating the price
8 of Peregrine stock) by making materially false and misleading statements and concealing material
9 adverse information. The fraudulent scheme was designed to and did: (i) deceive the investing
10 public, including Plaintiff Marshall and persons who purchased the common stock of Peregrine
11 during the Class Period (the "Class"); (ii) artificially inflate the price of Peregrine stock during the
12 Class Period; and (iii) caused Plaintiff and members of the Class to purchase Peregrine stock at
13 inflated prices.

14 15. Defendants' motive to engage in this conduct included their individual desire to
15 enjoy substantial benefits and financial emoluments that would continue only so long as the
16 appearance of a credible company was maintained.

17 16. The Individual Defendants, as officers and/or directors of the Company, are
18 controlling persons of the Company within the meaning of Section 20(a) of the Exchange Act. Be
19 reason of their positions with the Company, they were able to and did, directly or indirectly, in whole
20 or in material part, control the content of the public statements issued by or on behalf of the
21 Company. They participated in, and approved the issuance of, such statements made throughout the
22 Class Period, including the materially false and misleading statements and material omissions
23 identified herein.

24 17. Peregrine and the Individual Defendants, as officers and directors of a publicly
25 held company, had a duty promptly to disseminate truthful and accurate information with respect to
26 Peregrine and promptly to correct any material public statements issued by or on behalf of the
27 Company that had become false or misleading.

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1 (d) Whether Defendants acted knowingly or recklessly in issuing false and
2 misleading financial statements;

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4 (e) Whether the market prices of the Company's securities during the Class
5 Period were artificially inflated because of the Defendants' conduct complained of herein; and

6 (f) Whether the members of the Class have sustained damages and, if so,
7 what is the proper measure of damages.

8 22. Plaintiff's claim, which arise out of Defendants' wrongful conduct in violation of
9 federal law as complained of herein, is typical of the claims of the members of the Class.

10 23. Plaintiff will fairly and adequately protect the interests of the members of the Class
11 and has retained counsel competent and experienced in class actions and securities litigation.
12 Plaintiff has no interests antagonistic to, or in conflict with, those of the Class.

13 24. A class action is superior to other available methods for the fair and efficient
14 adjudication of the controversy since joinder of all members of the Class is impracticable.
15 Furthermore, because the damages suffered by the individual Class members may be relatively small,
16 the expense and burden of individual litigation would prevent Class members from individually
17 redressing the wrongs done to them. Management of this action as a class action will not present
18 difficulty.

19 25. Plaintiff will rely, in part, upon the presumption of reliance established by the
20 fraud-on-the-market doctrine in that:

- 21 i. Defendants made public misrepresentations or failed to disclose material
22 facts during the Class Period;
- 23 ii. The omissions and misrepresentations were material;
- 24 iii. The securities of the Company traded in an efficient market;
- 25 iv. The misrepresentations and omissions alleged would tend to induce a
26 reasonable investor to misjudge the value of the Company's securities;
27 and
- 28 v. Plaintiff and members of the Class purchased their Peregrine stock
between the time Defendants failed to disclose or misrepresented
material facts and the time the true facts were disclosed, without
knowledge of the omitted or misrepresented facts.

1 and, equally pernicious, omission of material facts, on or about the beginning of the Class Period,
2 Peregrine stock was trading at over \$50.00 per share. This was the result of material misinformation
3 and concealment of material fact effected by the Defendants in documents for which Defendants
4 were responsible including the Company's 10-K, 10-Q and related press releases and analyst
5 briefings regarding the business operations of Peregrine.

6 32. Material misinformation continued to be intentionally disseminated into the market
7 place during the Class Period as consistently exemplified by Defendants' quarterly financial reports.
8 Defendants inflated the stock price of Peregrine securities through improper and inaccurate public
9 documents, press releases and analyst briefings regarding the status of business and that were
10 intended by the Defendants to inflate the stock price. For the twelve (12) months ending March 31,
11 2001, Defendants showed revenue of \$564.7 million compared to \$253.3 million a year earlier and
12 \$138.1 million the year prior. Normalized pre-tax income per the year ending March 31, 2001 was
13 represented as over \$116 million and contrasted with \$50.6 million for the year earlier period.

14 33. The above was intended to and in fact was viewed in the investment community
15 as positive business developments representing expanding business prospects in the software sector.
16 This fact was reflected in six analyst "Buy" or "Strong Buy" recommendations and only one "Sell"
17 (no "Strong Sell"). Analyst estimates for the future showed strong projected revenue growth.

18 34. In conjunction with Defendants' intent to secrete the true condition of Peregrine,
19 no mention was made during the Class Period of any change in the way, method, manner, or
20 procedures regarding the booking of Peregrine business. This was consistent with Defendants'
21 conduct throughout the Class Period and Peregrine announced a series of joint proceedings with very
22 credible software companies that enhanced its credibility and rationalized the gradual decline of
23 Peregrine stock.

24 35. While not immediately or easily comprehended by the public investment
25 community with regard to the scope and impact of certain announcements concerning Peregrine,
26 Defendants' May 6, 2002 disclosure in fact provided the first, albeit fragmentary, revelation that
27 earlier material disclosures by the Defendants were misleading either directly or by the omission of
28 material facts. This misinformation included the following:

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1. Peregrine had materially misstated the gravamen of its business model in a manner which substantially increased reported revenues;
2. Peregrine materially altered its revenue recognition criteria to respond to competition and create the impression of core competencies; and
3. Peregrine materially manipulated its revenue recognition policy to an improper basis which would substantially impact reported revenues and certain indicia of profit.

36. A significant revenue recognition policy which was entirely improper and not disclosed throughout the Class Period was Defendants 'practice of posting and accruing shipments as revenue where such treatment was improper. In order to facilitate their goal of artificially inflating Peregrine stock during the Class Period it was essential for Defendants to ensure that Peregrine met or exceeded the revenue expectations and forecasts analysts had made in response to information disclosed to the market by Defendants. Defendants accomplished this through improper accounting methods which recognized highly questionable sales as instant revenue.

37. On May 6, 2002, Defendants Gardner and Glass ceased to be employed by Peregrine.

38. On May 6, 2002, the Company publicly announced that the problems regarding financial reporting at Peregrine were far greater than suspected.

39. Peregrine's scheme violated the accounting rules and principles described in paragraphs 40 – 51 below in violation of federal securities laws and to the detriment of Plaintiff and members of the Class.

40. At all relevant times during the Class Period, Defendants represented that Peregrine's financial statements when issued were prepared in conformity with Generally Accepted Accounting Principles ("GAAP"), which are recognized by the accounting profession and the SEC as the uniform rules, conventions, and procedures necessary to define accounting practice at a particular time. However, in order to artificially inflate the price of Peregrine stock for other purposes Defendants used improper accounting practices in violation of GAAP and SEC reporting requirements to falsely report inflated revenues and sales for the fiscal years during the Class Period.

1 41. As set forth in SEC Rule 4-01(a) of Regulation S-X, “[f]inancial statements filed
2 with the [SEC] which are not prepared in accordance with [GAAP] will be presumed to be
3 misleading or inaccurate” 17C.F.R. § 210.4-01(a)(1).

4 42. As a result of accounting improprieties, particularly with respect to the Company’s
5 revenue recognition policies, Defendants caused Peregrine’s reported financial results to violate,
6 among other things, the following provisions of GAAP:

7 (a) The principle that financial reporting should provide information that is
8 useful to present and potential investors and creditors and other users in making rational investment,
9 credit and similar decisions;

10 (b) The principle that financial reporting should provide information about
11 how management of an enterprise has discharged its stewardship responsibility to owners
12 (stockholders) for the use of enterprise resources entrusted to it. To the extent that management
13 offers securities of the enterprise to the public, it voluntarily accepts wider responsibilities for
14 accountability to prospective investors and to the public in general;

15 (c) The principle that financial reporting should provide information about
16 an enterprise’s financial performance during a period. Investors and creditors often use information
17 about the past to help in assessing the prospects of an enterprise. Thus, although investment and
18 credit decisions reflect investors’ expectations about future enterprise performance, those
19 expectations are commonly based at least partly on evaluations of past enterprise performance;

20 (d) The principle that financial reporting should be reliable in that it
21 represents what it purports to represent. The notion that information should be reliable as well as
22 relevant is central to accounting;

23 (e) The principles of completeness, which means that nothing is left out of
24 the information that may be necessary to ensure that it validly represents underlying events and
25 conditions;

26 (f) The principle that conservatism be used as a prudent reaction to
27 uncertainty to try to ensure that uncertainties and risks inherent in business situations are adequately
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1 considered. The best way to avoid injury to investors is to try to ensure that what is reported
2 represents what it purports to represent.

3 43. Peregrine's method of enhancing financial projections by prematurely recognizing
4 revenue associated with false or improper software sales violated GAAP by improperly accounting
5 for revenue as set forth herein. Specifically the Company violated:

6 (a) Statements of Financial Concepts (FASCON") No. 6, *Elements of*
7 *Financial Statements* ¶78, which describes revenues as "inflows or other enhancements of assets of
8 an entity or settlement of its liabilities (or a combination of both) from delivering or producing goods,
9 rendering services, or other activities that constitute the entity's ongoing major or central
10 operations";

11 (b) FASCON No. 5, *Recognition and Measurement in Financial Statements*
12 *of Business Enterprises* ¶ 83, which describes the criteria for the recognition of revenues, in part as
13 "... recognition involves consideration of two factors (a) being realized or realizable and (b) being
14 earned. . ."

15 (c) Statement of Position ("SOP") 97-2, *Software Revenue Recognition*,
16 which states that "revenue should be recognized when all of the following criteria are met.

- 17 ● Persuasive evidence of an arrangement exists.
18 ● Delivery has occurred.
19 ● The vendor's fee is fixed or determinable.
20 ● Collectibility is probable.

21 (d) Statement of Financial Accounting Standards ("FAS") No. 5, *Accounting*
22 *for Contingencies*, provides the guidance for the accrual of loss contingencies. ¶ 8 states that "An
23 estimated loss from a loss contingency shall be accrued by a charge to income if *both* of the
24 following conditions are met:

25 a. Information available prior to the issuance of financial
26 statements indicates that it is probable that an asset had been impaired or a
27 liability had been incurred at the date of the financial statements. It is implicit in
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1 this condition that it must be probable that one or more future events will occur
2 confirming the fact of loss.

3 b. The amount of loss can be reasonably estimated.

4 51. APB 22 states that disclosure of accounting policies should identify and describe
5 the accounting principles followed by the reporting entity and the methods of applying those
6 principles that materially affect the determination of financial position, changes in financial position,
7 or results of operations.

8 COUNT ONE

9 VIOLATION OF SECTION 10(b) OF THE EXCHANGE ACT AND
10 RULE 10b-5 OF THE SECURITIES AND EXCHANGE COMMISSION

11 52. Plaintiff repeats and realleges each and every allegation contained in the foregoing
12 paragraphs as if fully set forth herein.

13 53. This Count is asserted against all Defendants and is based upon Section 10(b) of
14 the 1934 Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder.

15 54. During the Class Period, Defendants, singly and in concert, engaged directly in a
16 common plan, scheme, and unlawful course of conduct, pursuant to which they knowingly or
17 recklessly engaged in acts, transactions, practices, and courses of business which operated as a fraud
18 and deceit upon Plaintiff and the other members of the Class. They made various deceptive and
19 untrue statements of material fact and omitted to state material facts necessary to make the
20 statements made, in light of the circumstances under which they were made, not misleading to
21 Plaintiff and the other members of the Class. The purpose and effect of said scheme, plan, and
22 unlawful course of conduct was, among other things, to induce Plaintiff and the other members of
23 the Class to purchase and/or maintain Peregrine common stock during the Class Period at artificially
24 inflated prices.

25 55. During the Class Period, Defendants, pursuant to said scheme, plan, and unlawful
26 course of conduct, knowingly and recklessly issued, caused to be issued, and participated in the
27 preparation and issuance of deceptive and materially false and misleading statements to the investing
28 public as particularized above.

1 61. During the Class Period, the Individual Defendants, by virtue of their positions,
2 stock ownership, and/or specific acts described above, were, at the time of the wrongs alleged herein,
3 controlling persons within the meaning of Section 20(a) of the 1934 Act.

4 62. The Individual Defendants had and exercised the power and influence to cause
5 Peregrine to engage in the illegal conduct and practices complained of herein.

6 63. By reason of the conduct alleged in Count I of the Complaint, the Individual
7 Defendants are liable for the aforesaid wrongful conduct, and are liable to Plaintiff and to the other
8 members of the Class for the substantial damages which they suffered in connection with their
9 purchases of Peregrine common stock during the Class Period.

10 WHEREFORE, Plaintiff, on his own behalf and on behalf of the Class, prays for judgment
11 as follows:

- 12 A. Declaring this action to be a proper class action and certifying Plaintiff as class
13 representative under Rule 23 of the Federal Rules of Civil Procedure;
- 14 B. Awarding compensatory damages in favor of Plaintiff and other members of the
15 Class against Defendants for the damages sustained as a result of the wrongdoings
16 of Defendants, together with interest thereon;
- 17 C. Awarding Plaintiff the fees and expenses incurred in this action, including
18 reasonable allowance of fees for Plaintiff's attorneys and experts;
- 19 D. Granting extraordinary equitable and/or injunctive relief as permitted by law,
20 equity and federal and state statutory provisions sued on hereunder; and
- 21 E. Granting such other and further relief as the Court may deem just and proper.

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PLAINTIFF DEMANDS A JURY TRIAL

Plaintiff hereby demands a trial by jury.

Dated: May 6, 2002

FINKELSTEIN & KRINSK

By:



Jeffrey R. Krinsk, Esq.
Mark L. Knutson, Esq.

501 West Broadway, Suite 1250
San Diego, CA 92101
Telephone: 619/238-1333
Facsimile: 619/238-5425

Attorneys for Plaintiff ALAN MARSHALL

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FINKELSTEIN & KRINSK
501 West Broadway, Suite 1250
San Diego, CA 92101
(619) 238-1333

**CERTIFICATION OF PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS**

The undersigned declares, as to the claims asserted under the federal securities laws, that:

1. The undersigned has reviewed the complaint and approves its filing.
2. The undersigned did not purchase the security that is the subject of this action at the

direction of counsel or in order to participate in this lawsuit.

3. The undersigned is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.

4. The undersigned's transaction(s) of Peregrine Systems, Inc. during the Class Period is/are as follows:

<u># of Shares</u>	<u>Transaction Date(s)</u>	<u>Purchase/Sale Price</u>
100	09/25/01	\$16.31
300	12/20/01	\$14.53

5. During the three years prior to the date of this Certificate, the undersigned has sought to serve or served as a representative party for a class in the following actions filed under the federal securities laws: None.

6. The undersigned has sought to serve or served as a representative party for a class in the following actions under the federal securities laws filed subsequent to December 22, 1995:
None.

7. The undersigned will not accept any payment for serving as a representative party on behalf of the class beyond the undersigned's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing is true and correct. Executed this

6th day of MAY, 2002.



Signature

ALAN KEITH MARSHALL

Print Name

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

ALAN MARSHALL, on Behalf of Himself and All Others Similarly Situated

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

(c) Attorney's (Firm Name, Address, and Telephone Number)
**Jeffrey R. Krinsk, Esq. 619/238-1333
FINDELSTEIN & KRINSK
501 W. Broadway, #1250, San Diego, CA 92101**

DEFENDANTS **PEREGRINE SYSTEMS, INC.;**
JOHN J. MOORES, STEVE GARNER; MATT GLASS; AND CHRISTOPHER COLE
CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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

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

Attorneys (City, State, and Zip) **02 CV 0870 J (RBB)**

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
- 3 Federal Question (U.S. Government Not a Party)
- 2 U.S. Government Defendant
- 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	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	<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	CIVIL RIGHTS	PRISONER PETITIONS	LABOR	SOCIAL SECURITY	
<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	<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	<input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 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	<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"/> 861 HIA (13953M) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSD Title XVI <input type="checkbox"/> 865 RSI (405(g))	
			FEDERAL TAX SUITS		
			<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS- Third Party 26 USC 7609		

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 and write brief statement of cause. Do not cite jurisdictional statutes unless diversity.)

Sections 10(b) and 20(a) of the Exchange Act, 15 USC §§78j(b), 78t(a); Rule 10b-5, 17 CFR §240.10b-5

VII. REQUESTED IN COMPLAINT:

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

DEMAND \$ according to proof

CHECK YES only if demanded in complaint:

JURY DEMAND: Yes No

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

DATE **May 6, 2002**

JUDGE

SIGNATURE OF ATTORNEY OF RECORD

CKET NUMBER

FOR OFFICE USE ONLY

RECEIPT # 022202 AMOUNT \$50.00 APPLYING IFF

JUDGE MAG. JUDGE