

## **StockGate: Dateline Could Blow Lid Off Stockgate, Says Website**

June 14, 2004. (FinancialWire) FinancialWire learned several months ago that Dateline the investigatory TV program aired by General Electric s (NYSE: GE) NBC unit, has been preparing a blockbuster expose of Stockgate, the term coined by FinancialWire to encompass the massive naked shorting scandal, that could cause the entire financial community to implode, but had honored requests from participants to keep the plans for the program confidential.

That has changed now following a story by The Faulking Truth website. It's been called the biggest financial scandal in the history of the world, with incurred losses estimated by some experts at well over \$1 trillion dollars. It's a scandal that involves over 1,200 offshore hedge funds, over 150 US brokers, [including Charles Schwab (NYSE: SCH), A.G. Edwards, Inc. (NYSE: AGE), and ETrade Group, Inc. (NYSE: ET)], and has already bankrupted over 7,000 US companies in the past six years, said Mark Faulk in an article at <http://www.faulkingtruth.com/article/?Investing101&1005> , entitled Is Dateline Losing Credibility Over StockGate Story Delays?

According to many of the lawsuits filed to date, the crooks include terrorist groups and organized crime syndicates. Sources say that this scandal, which involves an intricate system of selling electronic counterfeit shares of stock in an effort to destroy the market value of small publically traded companies by utilizing a method known as naked short selling , will eventually implicate almost every major broker in America, all of the governing bodies that oversee trading, and will extend into Canada and Europe, stated the article.

Amazingly, the SEC has admitted it had been observing naked short selling for six years, but up to now has done absolutely nothing to put a halt to it.

As The Faulking Truth has written about and followed this story over the past few months, one nagging question has remained: where is the national press coverage on this issue? Aside from a few recent articles in national newspapers, which have barely scratched the surface of this worldwide scandal, why has this been largely ignored by the mainstream media? Why hasn't one of the major network investigative shows put together an in depth expose' to blow this scandal wide open?

Incredibly, we have confirmed that Dateline has done that very thing. According to sources involved with the story, NBC's flagship news program has filmed over 100 hours of explosive footage on the StockGate scandal, which includes evidence that will blow the roof off this scanda , stated Faulk.

There is only one problem. Originally scheduled to air in January or early February, they have postponed the show repeatedly, and now plan to air it sometime in August. Even more incredibly, we have learned that they have signed an exclusivity contract with

the two law firms that have filed the class action lawsuits that deal with the naked shorting scandal, in effect suppressing the public release of even more information about the scandal.

After publically speaking out about the scandal early on, attorneys John O'Quinn (of the Houston law firm of O Quinn, Laminack and Pirtle), and Wes Christian (of Christian, Smith, Wukoson and Jewell) have been uncharacteristically quiet for the past few months. That's because Dateline has kept a muzzle on the two attorneys until the StockGat segment airs.

However, lead attorney Wes Christian has filmed over twenty hours of exclusive interviews for the Dateline segment. Although exclusivity contracts involving the media aren't unusual, this situation is a bit different. This scandal is ongoing, and in fact seems to be accelerating in the past couple of months, even after new NASD regulations supposedly aimed at putting a halt to the corruption went into affect on April 1st.

FinancialWire has learned that Dateline may be pointing a large finger of conflict at the U.S. Securities and Exchange Commission itself, which reportedly receives a slice of every transaction fee as part of its budget. According to court filings supported by the O Quinn/Christian network, almost \$1 billion annually is received by the Depository Trust and Clearing Corp. for its Stock Borrow Program, which the lawsuits claim is just a fancy name for counterfeiting, as the DTCC purportedly lends out many multiples of the actual certificates in the float. Apparently the SEC receives a transaction fee for each transaction facilitated by these loans of non-existent certificates, which could knock a hole in its budget should the revenues from the practice be halted.

The North American Securities Administrators Association, comprised of state and Canadian regulators, has pointedly told the SEC that either it must rethink its cozy DTCC relationship, and hinted that otherwise some of its more aggressive state practitioners (think Eliot Spitzer) may do the rethinking for the SEC.

The shelving of this important expose' by Dateline NBC raises some very important moral and ethical issues, in this writer's opinion, said Faulk.

If in fact they have collected information that would help to put a stop to the massive criminal activity that is robbing American companies and their stockholders of literally hundreds of millions of dollars every day, aren't they at the very least morally obligated to release that information in a timely fashion? And since they have postponed the show for the last four months, shouldn't they release attorneys O'Quinn and Christian from their exclusivity contract, so that they can disseminate information that might be vital in helping the victimized companies, their shareholders, and the various governing bodies put to end this ongoing corruption? And if in fact the money being stolen from honest Americans is being used to fund terrorism and organized crime, then shouldn't Dateline immediately make public any information that could help put an end to those insidious activities? Dateline declined to respond to repeated email inquiries for this article.

The question remains: why has Dateline been so slow to expose this monumental

ongoing scandal, even as the corruption continues? There is some debate on that point. Some sources believe that they have caved in to political pressure from the Right, who see this as a political time bomb for the Bush Administration, while C. Austin Burrell, who has provided litigation and research support to O'Quinn and Christian in their lawsuits, believes that Dateline has its own political and journalistic agenda, and plans to air the show in August to coincide with the Democratic Convention.

The scheduled August air date concerns Burrell as well. August is a dead month, with half of all people on vacation, and the other half not paying attention. It is not an appropriate month to release a piece with such a business focus, the article quoted him as saying.

Still others close to the story say it is the complexity and constantly evolving nature of the story that makes it difficult to edit and air. According to Burrell, This is not a difficult story, and it needs to get out there now. Dateline has made an important time commitment to this topic, and we simply want to see the payoff for the victims, the article noted.

Naked short selling is worrisome for hundreds of small U.S. companies, including those recently asking to be delisted from the Berlin Stock Exchange, such as Golden Phoenix Minerals, Inc. (OTCBB: GPXM), Nannaco, Inc. (OTCBB: NNCO), 5G Wireless Communications, Inc. (OTCBB: FGWC), CyberAds, Inc. (OTCBB: CYAD), Provectus Pharmaceuticals, Inc. (OTCBB: PVCT), House of Brussels Chocolates (OTCBB: HBSL), InforMedix, Inc. (OTCBB: IFMX), Tissera, Inc. (OTCBB: TSSR), Americana Publishing, Inc. (OTCBB: APBH), Celsion Corporation (AMEX: CLN), ChampionLyte Holdings, Inc. (OTCBB: CPLY), Pickups Plus, Inc. (OTCBB: PUPS), China Wireless Communications Inc. (OTCBB: CWLC), CareDecision Corp. (OTCBB: CDED), Titan General Holdings, Inc. (OTCBB: TTGH), IPVoice Communications, Inc. (OTCBB: IPVO), Whistler Investments (OTCBB: WHIS), WARP Technology Holdings, Inc. (OTCBB: WRPT), BGR Corp. (OTCBB: BGRR), ICOA, Inc., (OTCBB: ICOA), DICUT, INC. (OTCBB: DCUTE), NHC Communications Inc. (TSX: NHC; OTCBB: NHCMF), Stratus Services Group, Inc. (OTCBB: SERV), Golden Phoenix Minerals, Inc. (OTCBB: GPXM).

Berliner Freiverkehr (Aktien) AG has been singled out as the broker and market maker that has been listing the companies. It is suspected that one broker, RA Angsar Limprecht, is involved in all if not most of the listings.

Small public companies are squeezed not only by hedge funds, naked short sellers, overseas listers such as the Berlin Stock Exchange, and the out-of-control Stock Borrow Program run by the governance-conflict-laden Depository Trust and Clearing Corporation, but to the amazement of the industry, as often and not by their own regulators.

A new staff recommendation by Annette Nazareth, director of the division of market regulation at the U.S. Securities and Exchange Commission to outlaw ownership of

paper certificates at the same time the Depository Trust and Clearing Corporation is under intense scrutiny for alleged electronic counterfeiting has begun hitting the small public company markets, company executives, shareholders and manipulative short-selling opponents like the proverbial ton of bricks.

A Dow Jones (NYSE: DJ) article by Judith Burns sparked the uproar, as the inextricably intertwined web of connections between the SEC and the DTC, which is sagging from the weight of conflicted governance by representatives from a rollcall of industry heavyweights, including NASD, which owns NASDAQ (OTCBB: NDAQ), the New York Stock Exchange, Goldman Sachs (NYSE: GS) and Lehman Brothers (NYSE: LEH), to name only a few.

The rule proposal would bar stock transfer agents from handling shares that carry any limitations on transfer. Control over stock certificates is one of the ways that small companies have combated illegal naked short sellers. Burns quoted Nazareth as saying that these companies' self-help efforts aren't helping U.S. markets overall. Nazareth was quoted as saying restrictions on stocks are a significant step backwards in the move from paper stock certificates to automated computerized trading.

Nazareth said that abusive naked short selling has been a problem in some cases, but that is best dealt with by a pending SEC proposal, presumably Regulation SHO.

SEC Commissioner William Donaldson purportedly publicly refused to answer any questions from the NASD about the timing of the Commission's consideration of the Regulation at a conference where he was simultaneously proposing early reforms of the mutual fund scandals. The Dow Jones said, however, that Robert Colby, SEC deputy market regulation division director, predicted the SEC will take that to a vote in early June.

The Dow Jones report noted that naked short-selling occurs when sellers don't buy shares to replace those they borrowed, a manipulative practice that can drive a company's stock price sharply lower.

The stock certificate plan has been put to a 30-day comment period. Then the SEC would have to vote to adopt it. If adopted, Colby was quoted as saying that regulators might sue firms that seek to impose restrictions on stock transfers.

The recent lawsuit filed by Nanopierce Technologies (OTCBB: NPCT) alleges that the Depository Trust and Clearing Corp. has a lot of reasons, almost one billion of them a year, to keep illegal naked short selling in operation. It was the shot across the bow by the legendary Houston law firms of Christian, Smith, Wukoson and Jewell, and OQuinn, Laminack and Pirtle, whose notches already include environmental targets, the breast implant industry and the tobacco industry, all brought to their knees.

In comments to the U.S. Securities and Exchange Commission, C. Austin Burrell, who is providing litigation support and research for the law firms, said that StockGate is more

massive than anyone may have imagined. Illegal Naked Short Selling has stripped hundreds of billions, if not TRILLIONS, of dollars from American investors, and have resulted in over 7,000 public companies having been shorted out of existence over the past six years. Burrell said some experts believe as much as \$1 trillion to \$3 trillion has been lost to this practice.

He stated that the restrictions on short selling were deliberately put into the Securities Acts of 1933 and 1934 because of the first-hand evidence then available that the sheer scale of the crashes was a direct result of intentional manipulation of US markets through abusive short selling by a massive conspiracy.

Burrell noted that the 65-lawyer team presided over by lead lawyers Wes Christian and John O Quinn has uncovered more than 1,200 hedge fund and offshore accounts working through more than 150 broker-dealers and market makers in a joint cooperative effort to strip small and medium size public companies of their value.

Recently the NASD and U.S. Securities and Exchange Commission approved an interim naked short-selling band-aid, requiring U.S. brokers to make an affirmative determination that short-sellers, even foreign short-sellers, mostly Canadian, can find certificates to cover before processing the order.

Last year, many besieged public companies sought refuge from the manipulation by seeking to exit the DTC, but on June 14, 2003, the SEC stated the issues surrounding naked short selling are not germane to the manner in which DTC operates as a depository registered as a clearing agency. Decisions to engage in such transactions are made by parties other than DTC. DTC does not allow its participants to establish short positions resulting from their failure to deliver securities at settlement. While the Commission appreciates commenters' concerns about manipulative activity, those concerns must be addressed by other means.

The Nanopierce lawsuit, said to be the first of many out of the box, emphatically suggests otherwise. According to lawyer Christian, et.al., the DTC is at the very heart of the problem, and has almost a billion dollars a year at stake in keeping the problem.

The Depository Trust Company (DTC) is a member of the U.S. Federal Reserve System, a limited-purpose trust company under New York State banking law and a registered clearing agency with the SEC. The depository supposedly brings efficiency to the securities industry by retaining custody of some 2 million securities issues, effectively "dematerializing" most of them so that they exist only as electronic files rather than as countless pieces of paper. The depository also provides the services necessary for the maintenance of the securities it has in custody.

According to the suit, the DTCC has an enormous pecuniary and conflicted interest in the entire short selling scandal through the huge income stream they were realizing from it every day. They have made literally billions of dollars lending individual real shares, in most cases over and over, getting a fee each time they made a journal entry in the Stock Borrow Program.

The Stock Borrow Program was purportedly set up to facilitate expedited clearance of stock trades. Somewhere along the line, the DTCC became aware that if it could lend a single share an unlimited number of times, it could collect a fee each time, according to Burrell. There are numerous cases of a single share being lent ten or many more times, giving rise to the complaint that the DTCC has been electronically counterfeiting just as was done via printed certificates before the Crash.

Such re-hypothecation has in effect made the potential float in a single company's shares virtually unlimited and the term float meaningless. Shares could be electronically created/counterfeited/kited without a registration statement being filed, and without the underlying company having any knowledge such shares are being sold or even in existence. Burrell said the Christian/O Quinn lawsuits will seek to show that the counterfeiting/creation of unregistered shares is a specific violation of the Securities Act of 1933, barring the Sale of Unregistered Securities.

While the Nanopierce lawsuit has been filed at the state level, another companion lawsuit just heading to the courts on behalf of Exotics.com (OTC: EXII) will be argued at the Federal level.

Nanopierce's suit in the 2nd Judicial District Court in Nevada, is Case No. CV04-01079, alleges that the DTC's stock borrow program was purportedly created to address SHORT TERM delivery failures, but that the end result of the program has been to create tens of millions of unissued and unregistered shares to be traded in the public market, and in some instances resulting in two or more shareholders who purchase shares in separate transactions to own the same shares.

The complaint alleges that the DTC has a colossal disincentive to stop the stock borrow program, booking revenues from services of \$425,416,000 and similarly, the NSCC deriving revenues of \$293,133,000.

Further, the suit alleges that open positions resulting from this activity at the close of business on December 31, 2003, approximated \$3,025,467,000 due to NSCC, and \$2,303,717,000 due by NSCC, and unsettled positions of \$721,750,000 for securities borrowed through the NSCC's Stock Borrow Program.

Nanopierce claims that DTCC and NSCC have joined in a scheme to manipulate downward the price of the affected securities, thereby reducing the market value of the open fail to deliver positions. The suit also claims that the defendants have permitted sellers to maintain open fail to deliver positions of tens of millions of shares for periods of a year and even longer.

It quotes the National Association of Security Dealers as admitting that concerns have been raised by members, issuers, investors and other interested parties about potentially abusive short selling activities occurring in the marketplace. In particular, naked short selling, or selling short without borrowing securities to make delivery, can result in long term failures to deliver, including aggregate failures to deliver that exceed the total float of a security. NASD believes such extended failures to deliver can have a negative effect

on the market. Among other things, by not having to deliver securities, naked short sellers can take on larger short positions than would otherwise be permissible, which can facilitate manipulative activity.

Nanopierce claims that it had relied on material misrepresentations and omissions by DTC and NSCC in trading its shares in the stock market without knowledge of Defendants' fraud -on-the market through statements they made about the clearing and settlement services they provided. Further, it claims that the Defendants acted with sciente since they had a major financial financial motivation to falsely represent their services, which Nanopierce claims are also anticompetitive.

The largely unregulated DTC has become something of a defacto Czar presiding over the entire U.S. markets system, wielding more day-to-day influence and control than the SEC, the NASD and NASDAQ combined. And, as the SEC's June 14 ruling indicates, its monopoly over the electronic trading system appears even to be protected.

The Depository Trust and Clearing Corp.'s two p referred shareholders are the New York Stock Exchange and the NASD, a regulatory agency that also owns the NASDAQ (OTCBB: NDAQ) and the embattled American Stock Exchange! Regulators, regulate thyself?

In an era when corporate governance is the primary interest for the SEC and state regulators, the DTCC is hardly a role model. Its 21 directors represent a virtual litany of conflict:

They include Bradley Abelow, Managing Director, Goldman Sachs (NYSE: GS); Jonathan E. Beyman, Chief Information Officer, Lehman Brothers (NYSE: LEH); Frank J. Bisignano, Chief Administrative Officer and Senior Executive Vice President, Citigroup / Solomon Smith Barney's Corporate Investment Bank (NYSE: C); Michael C. Bodson, Managing Director, Morgan Stanley (NYSE: MWD); Gary Bullock, Global Head of Logistics, Infrastructure, UBS Investment Bank (NYSE: UBS); Stephen P. Casper, Managing Director and Chief Operating Officer, Fischer Francis Trees & Watts, Inc.; Jill M. Considine, Chairman, President & Chief Executive Officer, The Depository Trust & Clearing Corporation (DTCC);

Also, Paul F. Costello, President, Business Services Group, Wachovia Securities (NYSE: WB); John W. Cummings, Senior Vice President & Head of Global Technology & Services, Merrill Lynch & Co. (NYSE: MER); Donald F. Donahue, Chief Operating Officer, The Depository Trust & Clearing Corporation (DTCC); Norman Eaker, General Partner, Edward Jones; George Hrabovsky, President, Alliance Global Investors Service; Catherine R. Kinney, President and Co-Chief Operating Officer, New York Stock Exchange; Thomas J. McCrossan, Executive Vice President, State Street Corporation (NYSE: STT); Eileen K. Murray, Managing Director, Credit Suisse First Boston (NYSE: CSR); James P. Palermo, Vice Chairman, Mellon Financial Corporation (NYSE: MEL); Thomas J. Perna, Senior Executive Vice President, Financial Companies Services Sector of The Bank of New York (NYSE: BNY); Ronald Purpora, Chief Executive Officer,

Garban LLC; Douglas Shulman, President, Regulatory Services and Operations, NASD; and Thompson M. Swayne, Executive Vice President, JPMorgan Chase (NYSE: JPM).

In their comments to the SEC regarding Regulation SHO in January, the 50 state regulators, through their association, the North American Association of Securities Administrators (NASAA) issued what many consider to be a strong warning that if the DTC is not dealt with in the final regulations, state regulators such as New York State Attorney General Eliot Spitzer may step to the plate.

In what many considered to have been explosive comments, Ralph Lambiase, NASAA president and Director of the Connecticut Division of Securities, warned "NASAA urges the Commission to reconsider its stance regarding the role of the Depository Trust and Clearing Corporation (the DTC). As a threshold matter, NASAA believes that the Commission should explicitly prohibit the DTC from lending more shares of a security than it actually holds. The ability of the overall proposed rule would be severely impaired unless the Commission undertakes to implement such a prohibition.

As the Nanopierce lawsuit reveals, those were indeed strong words, meddling as it did, in a substantial revenues base for the DTCC.

Recently, leading market makers and brokers named in various lawsuits and other actions, including FleetBoston (NYSE: FBF), Goldman, Sachs & Co. (NYSE: GS), H. Myerson & Co., Inc. (NASDAQ: MHMY), Olde / H&R Block (NYSE: HRB), Charles Schwab (NYSE: SCH), Toronto-Dominion s (NYSE: TD), TD Waterhouse Group and vFinance, Inc. (OTCBB: VFIN). A.G. Edwards, Inc. (NYSE: AGE), Ameritrade Holding Corp. (NASDAQ: AMTD), Deutsche Bank AG (NYSE: DB), and ETrade Group, Inc. (NYSE: ET), were forced to comply with new short-selling market regulations imposed by the NASD after the SEC had sat on the NASD request to plug material loopholes for almost 2-1/2 years.

The new rules expand the scope of the affirmative determination requirements to include orders received from broker/dealers that are not members of NASD ("non-member broker/dealers").

The new rule is on the web at [http://www.nasdr.com/2610\\_2004.asp#04-03](http://www.nasdr.com/2610_2004.asp#04-03)

The rule itself, while welcomed by small companies and their shareholders in the U.S., nevertheless raised an outcry because the NASD's request to put it into effect had set on a shelf at the SEC since 2001.

The scandal has embroiled hundreds of companies and dozens of brokers and marketmakers, in a web of international intrigue, manipulative short-selling and cross-border actions and denials.

Comments on Regulation SHO ended January 5, and may be viewed at <http://www.sec.gov/rules/proposed/s72303.shtml> .

Some 122 companies, including 13 brokers, such as FleetBoston (NYSE: FBF), Goldman, Sachs & Co. (NYSE: GS), H. Myerson & Co., Inc. (NASDAQ: MHMY), Olde / H&R Block (NYSE: HRB), Charles Schwab (NYSE: SCH), Toronto-Dominion s (NYSE: TD), TD Waterhouse Group and vFinance, Inc. (OTCBB: VFIN). A.G. Edwards, Inc. (NYSE: AGE), Ameritrade Holding Corp. (NASDAQ: AMTD), Deutsche Bank AG (NYSE: DB), and ETrade Group, Inc. (NYSE: ET), have been embroiled for over a year in a raging controversy

The remaining 109 companies among the 122 named to date have issued press releases or been named in the media as having been victimized, or as taking various actions, either alone or in concert with other companies, to oppose manipulative trading in the form of illegal naked short selling. The actions have ranged from lawsuits to withdrawals and threatened withdrawals from the electronic trading system managed by the Depository Trust & Clearing Corp., to withdrawals from toxic financings, to the issuance of dividends or name changes designed to squeeze manipulators, to joining associations or networks or to contacting regulatory authorities to provide documentation of abuses or otherwise complain.

The complete list of those 108 companies include Advanced Viral Research Corp. (OTCBB: ADVR), AdZone Research, Inc. (OTCBB: ADZR), Amazon Natural Treasures (OTC: ANTD), America's Senior Financial Services (OTCBB: AMSE), American Ammunition, Inc. (OTCBB: AAMI), AngelCiti Entertainment (OTCBB: AGLC), ATSI Communications, Inc. (OTC: ATSC), Federal Agricultural Mortgage / Farmer Mac (NYSE: AGM) Allied Capital (NYSE: ALD), American Motorcycle (OTC: AMCYV), American International Industries (OTCBB: AMIN), Ameri-Dream (OTC: AMDR), Adirondack Pure Springs Mt. Water Co. (OTCBB: APSW), ATSI Communications, Inc. (OTC: ATSC) Bluebook International (OTCBB: BBIC), Blue Industries (OTCBB: BLIIV), Bentley Communications (OTCBB: BTLY), BIFS Technologies Corporation (OTCBB: BIFT), Biocurex (OTCBB: BOCX). Broadleaf Capital Partners, Inc. (OTCBB: BDLF), Chattem, Inc. (NASDAQ: CHTT), Critical Home Care (OTCBB: CCLH), Composite Holdings (OTC: COHIA), CyberDigital, Inc. (OTCBB: CYBD). Diamond International Group (OTCBB: DMND), Dobson Communications Corp. (NASDAQ: DCEL), Eagle Tech Communications (OTC: EATC), Edgetech Services (OTCBB: EDGH);

Also, Endovasc Ltd. (OTCBB: EVSC), Enviro-Energy Corporation (OTCBB: ENGY), Environmental Products & Technologies (OTC: EPTC), Environmental Solutions Worldwide, Inc. (OTCBB: ESWW), EPIXTAR Corp. (OTCBB: EPXR), eResearchTechnologies, Inc. (NASDAQ: ERES), Flight Safety Technologies (OTCBB: FLST), Freddie Mac (NYSE: FRE), FreeStar Technologies (OTCBB: FSRCE), Front Porch Digital, Inc. (OTCBB: FPDI), Geotec Thermal Generators, Inc. (OTCBB: GETC), Genesis Intermedia (OTC: GENI), GeneMax Corp. (OTCBB: GMXX), Global Explorations Inc (OTC: GXXL), Global Path (OTCBB: GBPI), GloTech Industries, Inc. (OTCBB: GTHI), Green Dolphin Systems (OTCBB: GLDS), Group Management (OTCBB: GPMT), Hop-On (OTC: HPON), H-Quotient, Inc., (OTCBB: HQNT), Hyperdynamics Corp. (OTCBB: HYPD), International Biochem (OTCBB: IBCL), Intergold Corp. (OTCBB: IGCO),

International Broadcasting Corporation (OTCBB: IBCS), InternetStudios, Inc. (OTCBB: ISTO), ITIS Holdings (OTCBB: ITHH), Investco Corp. (OTCBB: IVCO), Lair Holdings (OTC: LAIR), Lifeline BioTechnologies Inc. (OTC: LBTT), Life Energy & Technology (OTCBB: LETH), MBIA (NYSE: MBI);

Also, MegaMania Interactive (OTC: MNIA), MetaSource Group, Inc. (OTCBB: MTSR), Midastrade.com (OTC: MIDS), Make Your Move (OTCBB: MKMV), Medinah Minerals (OTC: MDMN), MSM Jewelry Corp. (OTC: MSMC), Nanopierce Technologies, Inc. (OTCBB: NPCT), Nutra Pharmaceutical (OTCBB: NPHC), Nutek (OTCBB: NUTK), Navigator Ventures (OTC: NVGV), Orbit E-Commerce, Inc. (OTCBB: OECI), Pitts & Spitts (OTC: PSPP), Sales OnLine Direct (OTCBB: PAID), Pacel Corp. (OTCBB: PACC), PayStar Corporation (OTC: PYST), Petrogen Corp. (OTCBB: PTGC), Pinnacle Business Management (OTC: PCBM), Premier Development & Investment, Inc. (OTCBB: PDVN), PrimeHoldings.com, Inc. (OTC: PRIM), Phlo Corporation (OTCBB: PHLC), Resourcing Solutions (OTC: RESG), Reed Holdings (OTC: RDHC), Rocky Mountain Energy Corp. (OTCBB: RMECE), RTIN Holdings (OTCBB: RTNHE), Saflink Corp. (NASDAQ: SFLK), Safe Travel Care (OTCBB: SFTVV), Sedona Corp. (OTCBB: SDNA);

Also, Sionix Corp. (OTCBB: SINX), Sonoran Energy (OTCBB: SNRN), Starmax Technologies (OTC: SMXIF), Storage Suites America (OTC: SSUA), Suncomm Technologies (OTC: STEH), Sports Resorts International (NASDAQ: SPRI), Technology Logistics (OTC: TLOS), Swiss Medica, Inc. (OTCBB: SWME), Ten Stix, Inc. (OTCBB: TNTI), Tideland Oil (OTCBB: TIDE), Titan Construction (OTC: TTCS), Trezac Corp. (OTCBB: TRZAV), Universal Express, Inc. (OTCBB: USXP), Valesc Holdings, Inc. (OTCBB: VLSHV), Vega Atlantic (OTCBB: VGAC), Viragen (AMEX: VRA), Viragen International (OTCBB: VGNI), Vista Continental Corporation, (OTCBB: VICC), Viva International (OTCBB: VIVI), Vtex Energy (OTCBB: VXENE) and Wizzard Software (OTCBB: WIZD), WorldTradeShow.com (OTC: WTSW) and Y3K Secure Enterprise Software, Inc. (OTCBB: YTHK).

Earlier in 2003, the SEC fined Rhino Advisors, Inc., \$1 million for its representation of Amro International in the financing and manipulation of Sedona Corp. Amro, also known as AMRO, was registered in Panama, a secretive offshore haven, but was not named in the SEC settlement. Another 60 public companies may have been manipulated by the fined Rhino Advisors and its indicted principals, or its funding apparatus, Amro.

These include:

All American Food Group Inc (OTC: AAFGQ), Amanda Co Inc (OTC: AMNA), Antra Holdings (OTC: RECD), Aquis Communications Group Inc (OTCBB: AQUIS), Avaniir Pharmaceuticals (AMEX: AVN), Bionutrics Inc (OTC: BNRX), Brilliant Digital Entertainment Inc (AMEX: BDE), Bravo! Foods International Corp. (OTCBB: BRVOE), Butler National Corp (NASDAQ: BUTL), Calypte Biomedical Corp (OTCBB: CYPT), Chemtrak Inc/DE (OTC: CMTR), Clicknsettle Com Inc (OTCBB: CLIK), Corporate Vision Inc (OTC: CVIA), Crown Laboratories Inc/DE (OTC: CLWB), Dental Medical

Diagnostic Systems Inc (OTC: DMDS), Detour Media Group Inc (OTC: DTRM),

Also, Digital Privacy Inc/DE (OTC: DGPV), Senior Services Inc (OTC: DISS), International Inc (OTC: DYNX), Endovasc Ltd Inc (OTCBB: EVSC), Esynch Corp/CA (OTCBB: ESYN), Focus Enhancements Inc (NASDAQ: FSCE), Frederick Brewing Co (OTC: FRBW), Greystone Digital Technology Inc (OTC: GSTN), Havana Republic Inc/FL (OTCBB: HVNR), Henley Healthcare Inc (OTC: HENL), Hollywood Media Corp (NASDAQ: HOLL), Ibiz Technology Corp (OTCBB: IBZT), Diagnostic Systems Inc/FL (OTCBB: IMDS), Imaging Technologies (OTCBB: IMTO), Integrated Surgical Systems Inc (OTCBB: RDOC),

Also, Interferon Sciences Inc (OTC: IFSC), Interiors Inc (OTC: ITRNA), Laminaire Corp (OTC: THMZ), Medisys Technologies Inc (OTC: SCEP), Milestone Scientific Inc/NJ (AMEX: MS), Nevada Manhattan Group Inc (OTC: NVMH), Innovations Inc (OTCBB: NTGE), Systems Group (OTC: OSYM), Pacific Systems Control Technology Inc (OTCBB: PFSY), Professional Transportation Group Ltd Inc (OTC: TRUC), Rnethealth Inc (OTC: RNTT),

Also, Sand Technology Inc (NASDAQ: SNDT), Sedona Corp (OTCBB: SDNA), Silverado Foods Inc (OTC: SVFO), Stockgroup Information Systems (OTCBB: SWEB) Surgilight Inc (OTC: SRGL), Tasty Fries Inc (OTCBB: TFRY), Tech Laboratories Inc (OTCBB: TCHL), Teltran International Group Ltd (OTC: TLTG), Titan Motorcycle Co of America Inc (OTC: TMOTQ), Trans Energy Inc (OTCBB: TSRG), Motorcycle Co (OTC: UMCC), Universal Communication Systems Inc (OTCBB: UCSY), Medical Systems Inc (OTC: UMSI), Vianet Technologies Inc (OTC: VNTK), Viragen Inc (AMEX: VRA), Webcatalyst Inc (OTC: WBCL), Worldwide Wireless Networks Inc (OTCBB: WWWNQ), and ZAP (OTCBB: ZAPZ).

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