

NASD OFFICE OF HEARING OFFICERS

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

ADAM HENG
(CRD No. 2831137),

Respondent.

Disciplinary Proceeding
No. E072004051101

DEFAULT DECISION

Hearing Officer – SW

Dated: September 27, 2006

Respondent was barred from associating with any NASD member firm in any capacity for violating Section 10(b) of the Securities Exchange Act of 1934, SEC Rule 10b-5 thereunder, and NASD Conduct Rules 2120 and 2110, by executing 72 unauthorized transactions in the accounts of four customers. In addition, Respondent was barred for violating NASD Procedural Rule 8210 and NASD Conduct Rule 2110, by failing to appear for an on-the-record interview scheduled by the NASD staff pursuant to Rule 8210.

Appearances

William Brice La Hue, Esq., Regional Counsel, Atlanta, GA, and Rory C. Flynn, Esq., Of Counsel, Washington, DC, for the Department of Enforcement.

No appearance for Respondent Adam Heng.

DECISION

I. Introduction

On May 19, 2006, the Department of Enforcement (“Enforcement”) filed the attached two-count Complaint, alleging that Respondent Adam Heng (“Respondent”): (1) executed 72 unauthorized transactions in the accounts of four customers while he was employed at Clark Street Capital, Inc. (“Clark Street”), in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”), SEC Rule 10b-5 thereunder, and NASD Conduct Rules 2120 and

2110; and (2) failed to appear for an on-the-record interview requested by the NASD staff pursuant to NASD Procedural Rule 8210, in violation of NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

On August 11, 2006, Enforcement filed a Motion for Entry of Default Decision ("Motion"), supported by the declaration of William Brice La Hue, Regional Counsel in NASD's Atlanta office, and by three exhibits.¹ For the reasons set forth below, Enforcement's Motion is granted.

II. Respondent's Default

On May 16, 2006, Enforcement served the Complaint and Notice of Complaint on Respondent by sending them, via first-class and certified mail, to his most current residential address as reflected in NASD's Central Registration Depository ("CRD address") and to a second address in Binghamton, NY (the "Binghamton address"), obtained from Respondent during NASD's investigation.² (CX-1, p. 1; CX-2; DECL at ¶ 7). Respondent did not answer the Complaint. (DECL at ¶ 8).

Accordingly, on June 14, 2006, Enforcement served the Second Notice of Complaint and Complaint on Respondent, via first-class and certified mail, at his CRD address and the Binghamton address. (CX-3; DECL at ¶ 8). Respondent did not respond to the Second Notice of Complaint and has not filed an answer to date. (DECL at ¶ 10).

The Hearing Officer finds that Enforcement complied with Rule 9134(b)(1) by sending the mailings to Respondent's CRD address and the Binghamton address. Accordingly, the

¹ Hereinafter, the statements in the Motion will be designated as "Motion, p."; the statements in the La Hue Declaration will be designated as "DECL at ¶"; and Enforcement's exhibits will be designated as "CX-" with the appropriate page or paragraph number.

Hearing Officer finds that Respondent received effective constructive notice of this proceeding and defaulted by failing to answer the Complaint.³

III. Findings of Fact and Conclusions of Law

A. Jurisdiction

Article V, Section 4 of the NASD's By-Laws creates a two-year period of retained jurisdiction over former registered persons, covering misconduct occurring before the registration terminated and failures to respond to requests for information issued by the NASD staff during the two-year period of retained jurisdiction.

Respondent was registered as a general securities representative with Clark Street from November 4, 2003, to July 23, 2004. (CX-1, pp. 5-6). Subsequently, Respondent was registered as general securities representative with Clayton, Dunning & Company, Inc. from September 9, 2004, to February 7, 2005, and with Prestige Financial Center, Inc. from February 9, 2005, to May 4, 2005. (CX-1, pp. 4-5). Respondent is not currently employed with any NASD member firm. (CX-1, p. 4).

Enforcement filed the Complaint on May 19, 2006, within two years of the May 4, 2005 termination date of Respondent's registration with Prestige Financial Center, Inc. The Complaint alleges misconduct occurring before Respondent's registration terminated, and alleges that Respondent failed to respond to the NASD staff's request for an on-the-record interview issued during the period of retained jurisdiction. Accordingly, NASD has jurisdiction over Respondent.

³ The following Findings of Fact and Conclusions of Law incorporate the allegations in the attached Complaint, pursuant to Rules 9215(f) and 9269(a) and NASD Notice to Members 99-77.

B. Respondent Executed 72 Unauthorized Transactions in the Accounts of Four Customers

The Complaint⁴ alleges that, between January 2004 and July 2004, while employed by Clark Street, Respondent executed the following 72 transactions without the customers' consent or authorization:

1. Fourteen unauthorized transactions in customer JY's account (six sales and eight purchases). (Complaint at ¶¶ 4-7; Exhibit A to the Complaint, p. 1).
2. Nine unauthorized transactions in customer RN's account (four sales and five purchases⁵). (Complaint at ¶¶ 8-10, Exhibit A to the Complaint, p. 1).
3. Seventeen unauthorized transactions in customer DW's account (nine sales and eight purchases). (Complaint at ¶¶ 11-15, Exhibit A to the Complaint, pp. 1-2).
4. Thirty-two unauthorized trades in the joint account of customer JC and his mother (18 sales and 14 purchases). (Complaint at ¶¶ 16-20; Exhibit A to the Complaint, pp. 2-3).

In addition, Enforcement represented in its Motion that its files contained, among other things, declarations from each of the customers and copies of the customers' complaint letters that support the allegations that the foregoing transactions were unauthorized. (DECL at ¶ 27).

Enforcement provided the additional information that Respondent used margin in customer JY's account without JY's authorization to purchase additional equity shares. (DECL at ¶ 13). When customer RN questioned Respondent regarding certain unauthorized trades in his account, Respondent stated that certain of the trades were mistakes that would be corrected and assured customer RN that the other trades would be profitable. (DECL at ¶ 17). Trades in customer RN's account were neither corrected nor profitable. (DECL at ¶ 18). In April 2004,

⁴ Complaint at ¶¶ 3-20.

⁵ The Hearing Officer notes that the schedule for customer RN on Exhibit A inaccurately duplicates a purchase transaction.

Customer DW orally instructed Respondent to close his account. (DECL at ¶ 20). Customer DW repeated his instructions to close his account in a letter to Respondent dated May 5, 2004.⁶ (Id.). Respondent ignored customer DW's directions and instead entered additional unauthorized trades in DW's account. (DECL at ¶ 21). After Respondent was assigned to customer JC's joint account with his mother, the address on the account was changed to an address in China without JC's or his mother's knowledge or authorization. (DECL at ¶ 25).

According to IM-2310-2(b)(4)(A)(iii), unauthorized trading is "[c]ausing the execution of transactions which are unauthorized by customers or the sending of confirmations in order to cause customers to accept transactions not actually agreed upon."

Unauthorized trading when accompanied by deceptive conduct violates the anti-fraud provisions of the federal securities laws.⁷ A violation of the anti-fraud provisions, i.e., Section 10(b) of the Exchange Act,⁸ SEC Rule 10b-5 thereunder, and NASD Conduct Rule 2120,⁹ requires a showing that: (1) respondent made misrepresentations and/or omissions; (2) the misrepresentations and/or omissions were material; (3) the misrepresentations and/or omissions were made with scienter;¹⁰ and (4) the misrepresentations and/or omissions were made in

⁶ In the May 5, 2004 letter, customer DW reiterated that, among other things, he wanted (i) the positions in his account sold, (ii) the proceeds of the sales forwarded to him by check, and (iii) his securities account closed. (DECL at ¶ 20).

⁷ Edgar B. Alacon, Exchange Act Rel. No. 49,970, 2004 SEC LEXIS 1422 (July 6, 2004).

⁸ Section 10(b) of the Exchange Act provides:

It shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange:

(b) To use or employ, in connection with the purchase or sale of any security registered on a national securities exchange or any security not so registered, any manipulative or deceptive device or contrivance in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest for the protection of investors.

⁹ Rule 2120 provides, "[n]o member shall effect any transaction in, or induce the purchase or sale of, any security by means of any manipulative, deceptive or other fraudulent device or contrivance."

¹⁰ Aaron v. SEC, 446 U.S. 680, 686-87 n.5 (1980); Ernst v. Hochfelder, 425 U.S. 185, 193 (1976).

connection with the purchase or sale of securities.¹¹ Scienter is established by a showing that the respondent acted intentionally or with severe recklessness.¹²

The four above elements for a violation of the anti-fraud provisions are met when a broker, intentionally or recklessly, fails to disclose to a customer, before the trade is made, the material fact that a trade will be made in the customer's account.¹³

In addition, the SEC has long held the position that sending written confirmations of trades to a customer who has not agreed to the trades violates the anti-fraud provisions.¹⁴ The SEC also has found deceptive conduct in violation of the anti-fraud provisions where a salesperson makes misrepresentations to victimized customers in an effort to conceal the salesperson's unauthorized transactions.¹⁵

Here, Enforcement provided additional information with its Motion that supports a finding that Respondent violated the anti-fraud provisions. Respondent failed to apprise his customers that he would be executing unauthorized trades in their accounts. Respondent also sent to his customers confirmations of trades that they neither agreed to nor had knowledge of until the confirmations were received. Further, Respondent deceived customer RN by telling him that the trades in his account would be corrected or would be profitable, and Respondent ignored customer DW's request to close his account. Respondent used margin without customer

¹¹ For Section 10(b) of the Exchange Act and SEC Rule 10b-5 thereunder, the transactions must also involve interstate commerce or the mails, or a national securities exchange. Respondent used a means and instrumentality of interstate commerce when he communicated with the customers via telephone across state lines and when he used the mails to send confirmations to the customers. SEC v. Hasho, 784 F. Supp. 1059, 1106 (S.D.N.Y. 1992), 1992 U.S. Dist. LEXIS 1322, at *148-149 (1992).

¹² Tuchman v. DSC Communications Corp., 14 F.3d 1061, 1067 (5th Cir. 1994), 1994 U.S. App. LEXIS 3326, at *14 (1994).

¹³ Laurie Jones Canaday, Exchange Act Rel. No. 41,250, 1999 WL 183600, at *9 (1999).

¹⁴ Martin Herer Engelman, 1993 SEC LEXIS 3128, at *26 (Nov. 8, 1993), aff'd, Exchange Act Rel. No. 35,729, 1995 SEC LEXIS 1197 (May 18, 1995), aff'd sub nom., Isen v. S.E.C., 87 F.3d 1319 (9th Cir. 1996).

¹⁵ Robert Meledandri, Exchange Act Rel. No. 42,471, 2000 SEC LEXIS 336, at *3 (Feb. 29, 2000) (respondent engaged in deceptive conduct where he told customers that the unauthorized transactions were clerical mistakes).

JY's authorization, and falsely changed account information for customer JC's account.

Respondent's actions indicate an egregious pattern of misconduct leading to the strong inference that he knowingly engaged in such conduct.

The allegations of the Complaint, and the evidence submitted by Enforcement, are sufficient to establish that Respondent executed 72 unauthorized transactions in the accounts of four customers, JY, RN, DW, and JC, in violation of Section 10(b) of the Exchange Act, SEC Rule 10b-5 thereunder, and NASD Conduct Rule 2120. Respondent also thereby violated NASD Conduct Rule 2110.¹⁶

C. Failure to Respond to an NASD Staff Request for an Interview

The Complaint alleges in the second cause that Respondent failed to appear for an on-the-record interview scheduled by the NASD staff pursuant to Rule 8210. (Complaint at ¶¶ 24-31). Specifically, on June 21, 2005, after agreeing to a third continuance, the NASD staff mailed a notice to Respondent at his CRD address, via certified and first-class mail, requesting that he appear for an on-the-record interview on July 12, 2005.¹⁷ (Complaint at ¶ 28). In a telephone conversation with the NASD staff on July 11, 2005, Respondent indicated that he was making travel arrangements to appear at the on-the-record interview. But, Respondent failed to appear on July 12, 2005. (Complaint at ¶¶ 29-30).

Procedural Rule 8210(a)(1) provides, in part, that "[f]or the purposes of an investigation, complaint, examination, or proceeding authorized by the NASD By-Laws or the Rules of [NASD], . . . [NASD] staff shall have the right to: require a member, person associated with a member, or person subject to [NASD]'s jurisdiction to provide information orally, in writing, or electronically . . . and to testify. . . , under oath or affirmation administered by a court reporter or

¹⁶ Robert Lester Gardner, Exchange Act Rel. No. 35,899, 1995 SEC LEXIS 1532, at *1 n.1 (June 27, 1995).

¹⁷ Enforcement had previously agreed to reschedule on-the-record interviews scheduled on (i) April 7, 2005, (ii) May 26, 2005, and (iii) May 27, 2005. (Complaint at ¶¶ 26-28).

a notary public if requested, with respect to any matter involved in the investigation, complaint, examination, or proceeding.” Failure to comply with Rule 8210 is a serious violation because it subverts NASD’s ability to perform its regulatory responsibilities.¹⁸

Based on his July 11, 2005 conversation with the NASD staff, the Hearing Officer finds that Respondent received actual notice of the July 12, 2005 on-the-record interview. In any event, Respondent is deemed to have received effective constructive notice of the on-the-record interview because the notice was sent to Respondent’s CRD address pursuant to Rule 8210(d).

The allegations in the second cause of Complaint, and the evidence submitted by Enforcement, are sufficient to establish that Respondent violated NASD Procedural Rule 8210 and thereby violated NASD Conduct Rule 2110 by failing to appear for the scheduled on-the-record interview.¹⁹

IV. Sanctions

A. Respondent Executed 72 Unauthorized Transactions

The NASD Sanction Guidelines for unauthorized transactions suggest a fine between \$5,000 and \$75,000, and a suspension of 10 business days to one year, in cases involving customer loss, and a longer suspension of up to two years or a bar, in egregious cases.²⁰

Pointing to the number of unauthorized transactions, Enforcement contended that Respondent’s execution of 72 unauthorized transactions was quantitatively egregious under the

¹⁸ See, e.g., Richard J. Rouse, Exchange Act Rel. No. 32,685, 1993 SEC LEXIS 1831, at *7 (1993); Joseph G. Chiulli, Exchange Act Rel. No. 42,359, 2000 SEC LEXIS 112, at *16 (Jan. 28, 2000) (noting that Rule 8210 provides a means for NASD to conduct its investigations effectively, and emphasizing that NASD members and associated persons must fully cooperate with requests for information).

¹⁹ See Dep’t of Enforcement v. Baxter, No. C07990016, 2000 NASD Discip. LEXIS 3, at **21, 25 (NAC Apr. 19, 2000).

²⁰ NASD Sanction Guidelines, p. 103 (2006).

National Adjudicatory Council's holding in District Bus. Conduct Comm. v. Hellen.²¹

Accordingly, Enforcement requested that Respondent be barred.

The Hearing Officer agrees that Respondent's conduct was egregious because the number of unauthorized trades demonstrated a pattern of fraudulent conduct. Accordingly, the Hearing Officer accepts Enforcement's recommended sanction. The Respondent is barred from associating with any member firm in any capacity for engaging in unauthorized transactions.

B. Respondent Failed to Appear for an On-the-Record Interview

For failing to appear at a scheduled on-the-record interview pursuant to the NASD staff's Rule 8210 request, Enforcement recommended that Respondent be barred. The NASD Sanction Guidelines provide that a bar should be standard when an individual respondent does not respond in any manner to a request issued pursuant to Rule 8210.²² The record does not indicate the existence of any mitigating factors that would warrant a lesser sanction. Accordingly, the Hearing Officer accepts Enforcement's recommendation, and bars Respondent from associating with any member firm in any capacity for failing to respond to the NASD staff's requests issued pursuant to Rule 8210.

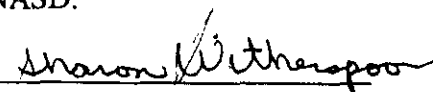
V. Order

Respondent Adam Heng is barred from associating with any NASD member firm in any capacity for his unauthorized trading and for his failure to appear in response to a Rule 8210 request for an on-the-record interview. The bars will become effective immediately upon this

²¹ No. C3A970031 (NAC, June 15, 1999) (egregious unauthorized trading warranting a bar or lengthy suspension includes cases involving numerous unauthorized transactions); see also Peter D. Ragofsyk, No. C10000086, 2001 NASD Discip. LEXIS 19 (OHO, Jan. 31, 2001) (ten unauthorized transactions in five customer accounts is quantitatively egregious).

²² Guidelines, at 35.

Default Decision becoming the final disciplinary action of NASD.


Sharon Witherspoon
Hearing Officer

Dated: Washington, DC
September 27, 2006

Copies to:

Adam Heng (via FedEx and first-class mail)

William Brice La Hue, Esq. (via electronic and first-class mail)

Rory C. Flynn, Esq. (via electronic and first-class mail)

Mark P. Dauer, Esq. (via electronic and first-class mail)

NASD OFFICE OF HEARING OFFICERS

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

ADAM HENG,
(CRD No. 2831137)

Respondent.

Disciplinary Proceeding
No. E0720040511

Hearing Officer -

COMPLAINT

Upon information and belief, Complainant alleges as follows:

RESPONDENT

1. Respondent Adam Heng ("Heng") was first registered as a general securities representative when he entered the securities industry in September 1997. He was employed by Clark Street Capital, Inc. ("CSC") from November 2003 until July 2004. Heng was last employed by a NASD member in November 2005. Heng is not currently employed by a member however he remains subject to the jurisdiction of the NASD pursuant to Article V, Section 4 of the NASD Bylaws.

FOR A FIRST CAUSE OF COMPLAINT

Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder and NASD

Conduct Rules 2110 and 2120

(Unauthorized Transactions)

2. The allegations contained in paragraph 1 above, are hereby realleged and incorporated herein by reference.

3. Heng executed numerous unauthorized trades in multiple customer accounts, used margin without authorization and failed to follow customer instructions in a pattern of knowing misconduct. Specifically, he entered a total of seventy-two (72) unauthorized trades in four (4) customer accounts during a seven-month period from January to July 2004, while employed by CSC.

Customer JY

4. Customer JY opened a securities account with CSC after receiving a "cold call" from Heng in March 2004. JY authorized the two initial purchases of Elan Corporation ("ELN") common stock in her account.
5. During the period from April 2005 through June 2004, there were 14 unauthorized transactions in JY's account commencing with the purchases of Celtron International, Inc. ("CLTR") common stock.
6. JY did not authorize Heng to use margin in her account or to purchase Humana Trans Services Holding Corp. ("HTSC") common stock using margin.
7. JY did not authorize Heng to enter the purchases and sales of CLTR, HTSC and Delta Mutual Inc. ("DLTM"), as more fully described in Exhibit A attached hereto and incorporated herein by reference, and each such transaction was executed by Heng without JY's knowledge or authorization.

Customer RN

8. RN opened an account with CSC after receiving a "cold call" from Heng in March 2004. RN authorized the initial purchase of 5,100 shares of ELN common stock in his account.

9. However, during the period from April 2005 through June 2004, there were 9 unauthorized transactions in RN's account commencing with the purchase of 16,000 shares of CLTR.
10. RN did not authorize Heng to enter the purchases and sales of CLTR and HTSC, as more fully described in Exhibit A attached hereto and incorporated herein by reference, and each such transaction was executed by Heng without RN's knowledge or authorization.

Customer DW

11. DW opened an account with CSC after receiving a "cold call" from Heng in December 2003. DW authorized the initial purchase transactions of Zanett, Inc. ("ZANE"), Flamel Tech SA ADR ("FLML") and Calpine Corp. ("CPN") common stock between December 2003 and January 2004.
12. During the period from January 2004 through June 2004, 17 unauthorized transactions were executed in DW's account commencing with the purchase of 25,200 shares of Prelude Ventures, Inc ("PLUD") common stock.
13. DW spoke to Heng in April 2004 and instructed him to close his account. DW followed up his conversation with Heng with a letter dated May 5, 2004, in which he reiterated that he wanted the positions in his account sold, the proceeds forwarded by check and his account closed, among other things.
14. Heng did not follow the directions of DW and instead while he sold positions in CLTR and HTSC, he later purchased shares of DLTM, among other securities.
15. DW did not authorize Heng to enter the purchases and sales in his account, as more fully described in Exhibit A attached hereto and incorporated herein by reference, and each such transaction was executed by Heng without DW's knowledge or authorization.

Customer JC

16. JC opened two accounts with CSC in 1999. One of the two accounts was a joint account with JC's mother. The joint account value was primarily in 3,578 shares of Hasbro Inc. common stock and it had been dormant since the last quarter of 2000.
17. Between February 2004 and March 2004 the account executive assigned to the account was changed to Heng.
18. JC's mother's address was listed as the address on the account between May 2004 and June 2004, when the address was changed, without JC's knowledge or authorization, to an address in China that was neither JC's address nor his mother's address.
19. During the period from February 2004 through July 2004, 32 unauthorized transactions were executed in JC's account commencing with the purchase of 25,000 shares of American Capital Alliance Inc. (Prelude Ventures (PLUD)) common stock
20. Neither JC nor his mother authorized Heng to enter the purchases and sales in their joint account, as more fully described in Exhibit A attached hereto and incorporated herein by reference, each such transaction was executed by Heng without JC's or his mother's knowledge or authorization.

Materiality and Scienter

21. The fact that Heng executed unauthorized trades, used margin without authorization and failed to follow customer directions in the accounts of JY, RN, DW and JC are material facts.
22. Heng acted with scienter in connection with the unauthorized trading in the accounts of JY, RN, DW and JC in that he knew the trading at issue was conducted without

authorization or, at a minimum, he was recklessly indifferent to whether the customers had authorized the trades and engaged in a pattern of unauthorized trading.

23. The unauthorized use of margin, the failure to follow customer directions and each unauthorized transaction effected in the accounts of JY, RN, DW and JC constitute separate and distinct violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder and Conduct Rules 2110 and 2120 by Respondent Heng.

FOR A SECOND CAUSE OF COMPLAINT

NASD Conduct Rule 2110 and Procedural Rule 8210

(Failure to Respond to NASD Request for Testimony)

24. The allegations contained in paragraphs 1 through 23, above, are hereby realleged and incorporated herein by reference.
25. During the course of the NASD's investigation of Heng's conduct regarding the subject customers, the NASD staff sought on-the-record ("OTR") testimony of Heng.
26. On April 7, 2005, the NASD Staff commenced the OTR. The OTR was not completed due to a last minute request by Heng to attend an appointment. The OTR was continued and scheduled to recommence on May 26, 2005.
27. Heng called on the morning of May 26th, indicated that he was sick and requested a continuance. The NASD Staff agreed to his request and set the OTR to recommence on May 27, 2005. Heng appeared on the 27th but, among other things, indicated that he was on medication and requested another postponement of his interview.
28. The NASD Staff agreed to a third continuance. On June 21, 2005, the NASD Staff sent a request letter to Heng at his CRD address, via first class and certified mail, pursuant to

NASD Procedural Rule 8210. The June 21, 2005 letter indicated that Heng's testimony was scheduled to recommence on July 12, 2005.

29. The June 21, 2005 letter sent by first class mail was not returned but a receipt was returned indicating that the June 21 letter sent by certified mail was delivered. Moreover, the NASD Staff contacted Heng on July 11, 2005 to confirm whether he planned to attend the testimony. Heng indicated that he was making travel arrangements. The Staff further confirmed that it expected him to appear the following day as scheduled.
30. However, Heng failed to appear and complete his OTR testimony on July 12, 2005 as scheduled.
31. Such failure to appear and testify as requested by the June 21, 2005 request letter constitutes separate and distinct violations of Procedural Rule 8210 and Conduct Rule 2110.

PRAYER FOR RELIEF

WHEREFORE, Complainant respectfully requests:

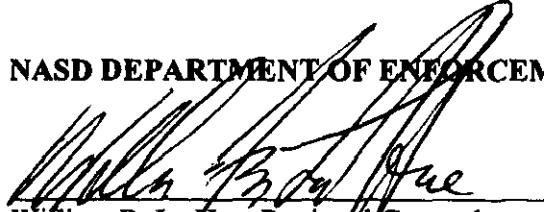
- A. Findings of fact and conclusions of law that Respondent Heng committed the violations charged and alleged herein;
- B. An order imposing sanctions upon Respondent Heng in accordance with NASD Rule 8310;
- C. An order requiring Respondent Heng to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest.
- D. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330; and

E. An order imposing any other fitting sanction.

Date:

May 16, 2006

NASD DEPARTMENT OF ENFORCEMENT



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Exhibit A**Customer JY**

SETTLEMENT DATE	STOCK	PRICE	BUY / SELL	QUANTITY
April 19, 2004	CLTR	\$.93	Buy	10,000
April 21, 2004	CLTR	\$.80	Buy	10,000
April 26, 2004	HTSC	\$1.192	Buy	2,500
April 27, 2004	HTSC	\$1.208	Buy	2,500
April 28, 2004	HTSC	\$1.1992	Buy	6,000
May 7, 2004	HTSC	\$.9475	Buy	10,500
May 13, 2004	HTSC	\$.54	Sell	2,250
May 17, 2004	CLTR	\$.86	Buy	23,000
June 3, 2004	HTSC	\$.73	Sell	5,000
June 4, 2004	Delta Mutual Inc. ("DLTM")	\$.45	Buy	20,000
June 4, 2004	CLTR	\$.79	Sell	10,000
June 8, 2004	HTSC	\$.80	Sell	8,000
June 11, 2004	CLTR	\$.75	Sell	7,500
June 11, 2004	HTSC	\$.60	Sell	6,250

Customer RN

SETTLEMENT DATE	STOCK	PRICE	BUY / SELL	QUANTITY
April 2, 2004	CLTR	\$0.094	Buy	16,000
April 22, 2004	HTSC	\$1.2451	Buy	15,400
April 23, 2004	HTSC	\$1.0641	Buy	15,600
April 27, 2004	CLTR	\$0.96	Buy	15,000
May 12, 2004	CLTR	\$0.79	Sell	21,000
May 17, 2004	CLTR	\$0.86	Buy	23,000
May 17, 2004	HTSC	\$0.56	Sell	5,000
May 25, 2004	CLTR	\$0.60	Sell	23,000
May 26, 2004	HTSC	\$0.70	Sell	1,720
April 2, 2004	CLTR	\$0.094	Buy	16,000

Customer DW

SETTLEMENT DATE	STOCK	PRICE	BUY / SELL	QUANTITY
January 23, 2004	Prelude Ventures, Inc ("PLUD")	\$.895	Buy	25,200
January 26, 2004	Nanobac Pharmaceuticals, Inc. ("NNBP")	\$.725	Buy	5,000

March 18, 2004	Tango Inc. ("TNGO")	\$1.45	Buy	10,000
March 26, 2004	Genta Inc. ("GNTA")	\$10.00	Buy	2,000
April 2, 2004	ZANE	\$2.80	Sell	3,500
April 2, 2004	CLTR	\$0.97	Buy	20,000
April 8, 2004	GNTA	\$11.64	Sell	2,000
April 12, 2004	Blastgard International, Inc. ("BLGA")	\$6.00	Buy	500
April 19, 2004	NNBP	\$0.535	Sell	5,000
April 19, 2004	CLTR	\$0.93	Sell	10,000
April 22, 2004	HTSC	\$1.2451	Buy	7,750
May 7, 2004	CLTR	\$0.80	Sell	10,000
May 13, 2004	HTSC	\$0.54	Sell	7,750
June 4, 2004	DLTM	\$0.45	Buy	10,000
June 21, 2004	DLTM	\$0.20	Sell	10,000
June 24, 2004	BLGA	\$4.20	Sell	500
June 24, 2004	TNGO	\$0.032	Sell	10,000

Customer JC

SETTLEMENT DATE	STOCK	PRICE	BUY / SELL	QUANTITY
February 9, 2004	PLUD	0.6496	BUY	25,000
February 18, 2004	PLUD	0.7400	BUY	13,000
February 19, 2004	Nutra Pharma Corp. ("NPC")	0.6050	BUY	8,000
February 23, 2004	NPC	0.5400	SELL	2,500
February 23, 2004	NPC	0.5400	SELL	3,500
February 25, 2004	NPC	0.5800	SELL	42,500
March 11, 2004	ELN	17.330	BUY	5,000
March 11, 2004	HASBRO, INC.	22.800	SELL	3,578
March 19, 2004	ELN	16.730	SELL	5,000
March 19, 2004	Collagenex Pharmaceuticals, Inc. ("CPI")	12.550	BUY	5,000
March 26, 2004	GNTA	10.000	BUY	3,000
March 31, 2004	CPI	13.400	SELL	5,000
April 2, 2004	CLTR	0.9700	BUY	30,000
April 6, 2004	CLTR	1.0000	BUY	10,000
April 8, 2004	GNTA	11.640	SELL	3,000
May 17, 2004	CLTR	0.8600	BUY	11,000
June 4, 2004	DLTM	0.4500	BUY	10,000

June 8, 2004	CLTR	0.7500	SELL	10,000
June 8, 2004	CLTR	0.7500	SELL	10,000
June 8, 2004	DLTM	0.3400	BUY	50,000
June 11, 2004	CLTR	0.7500	SELL	10,000
June 15, 2004	CLTR	0.7000	SELL	7,500
June 18, 2004	American Capital Alliance, Inc. ("ACAI")	0.0700	BUY	100,000
June 18, 2004	CLTR	0.6700	SELL	12,500
June 21, 2004	HTSC	0.9300	BUY	30,000
June 22, 2004	CLTR	0.7500	BUY	1,000
June 22, 2004	HTSC	1.1200	SELL	5,000
June 25, 2004	HTSC	1.0800	SELL	6,000
June 28, 2004	HTSC	0.9600	SELL	8,000
June 30, 2004	HTSC	0.9400	SELL	5,000
June 30, 2004	CLTR	0.7300	SELL	2,000
July 7, 2004	HTSC	1.0800	SELL	2,500