PETER C. HARVEY
ATTORNEY GENERAL OF NEW JERSEY
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101
Attorney for Plaintiffs

By: Victoria Manning
Deputy Attorney General
(973) 648-4802

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION- GENERAL EQUITY
ESSEX COUNTY

PETER C. HARVEY, Attorney General of New Jersey, on behalf of FRANKLIN L. WIDMANN, Chief of the New Jersey Bureau of Securities,	Civil Action
Plaintiffs,	Docket No.
v.	
ALLIANZ DRESDNER ASSET MANAGEMENT OF AMERICA L.P.; PIMCO ADVISORS DISTRIBUTORS LLC; PEA CAPITAL LLC f/k/a PIMCO EQUITY ADVISORS LLC; and PACIFIC INVESTMENT MANAGEMENT COMPANY LLC,	**COMPLAINT**
Defendants.	

Plaintiffs, Franklin Widmann, Chief of the New Jersey Bureau of Securities ("Bureau Chief") and the New Jersey Bureau of Securities ("Bureau"), having their principal offices at 153 Halsey Street, in the City of Newark, County of Essex, State of New Jersey, by way of Complaint against the above-named defendants, by way of their attorney, Peter C. Harvey, Attorney

General of New Jersey, (Deputy Attorney General, Victoria Manning, appearing), say:

PARTIES

1. Plaintiff, Bureau Chief, is the principal executive of the New Jersey Bureau of Securities ("Bureau").

2. Plaintiff, Bureau, is a state regulatory agency charged with the enforcement powers to deal with securities firms and individuals regulated by the Bureau who violate the law.

3. Defendant Allianz Dresdner Asset Management of America, 888 San Clement, Suite 100, Newport Beach, California, 926660 L.P. ("ADAM") is a limited partnership organized and existing under the laws of the State of Delaware. ADAM owns a majority interest in the entities listed in paragraphs 3 through 5.

4. Defendant PEA Capital LLC, formerly known as Pimco Equity Advisors LLC ("PEA"), is a limited liability company organized and existing under the laws of the State of Delaware, with offices at 1345 Avenue of the Americas, New York, New York. PEA is the Advisor for the Pimco Equity Advisors PEA Target Fund ("Target"), Pimco Equity Advisors PEA Growth Fund ("Growth Fund"), Pimco Equity Advisors PEA Opportunity Fund ("Opportunity"), Pimco Equity Advisors PEA Innovation Fund ("Innovation") and Pimco Equity Advisors PEA Select Growth Fund ("Select Growth"), as well as the Pimco Equity Advisors Horizon Fund, L.P., among others (collectively the "PEA Funds").

5. Defendant Pacific Investment Management Company LLC ("PIMCO") is a limited liability company organized and existing under the laws of the State of Delaware, with offices at 840 Newport Center Drive, Newport Beach, California. PIMCO is the Advisor of the PIMCO Bond Funds, including the High Yield Fund ("High Yield") and Real Return Fund ("Real Return"), as well as the PIMCO Money Market funds (collectively the "PIMCO Funds").

6. Defendant Pimco Advisors Distributors LLC ("PAD") is a limited liability company organized and existing under the laws of the State of Delaware, with offices at 2187 Atlantic Street, Stamford, Connecticut. PAD is the fund distributor for the Funds listed above.

RELATED PARTIES

7. Canary Capital Partners, LLC and Canary Investment Management, LLC (collectively "Canary"), are limited liability companies that are both organized and existing under the laws of the State of New Jersey, with their main office at 400 Plaza Drive, Secaucus, New Jersey. Canary Capital Partners is a multi-million dollar hedge fund, which obtained special trading opportunities with mutual fund families – including ADAM – pursuant to undisclosed agreements that involved substantial benefits for the fund management companies, at the detriment of long-term shareholders. Canary's overall business profited as direct result of these schemes.

8. Brean Murray, Inc. ("Brean Murray") is a broker-dealer registered with the State of New Jersey, with its principal place of business at 570 Lexington Avenue, New York, New York. Brean Murray was Canary's introducing broker dealer to various mutual fund complexes, including ADAM, for the purpose of market timing the PEA Funds.

9. David Byck ("Byck"), a resident of New York State, was a market timing capacity consultant that negotiated market timing relationships at various mutual fund complexes on behalf of Canary. Specifically, Byck introduced Canary to PIMCO.

JURISDICTION

10. This action is brought in the name of and on behalf of the people of the State of New Jersey by the Attorney General pursuant to his authority under the New Jersey Uniform Securities Law, N.J.S.A. 49:3-47 et seq., to seek monetary and equitable relief where it is demonstrated that any person or entity has engaged in, is engaged or is about to engage in, any fraudulent practices in the offer for sale, sale, offer to purchase, or purchase of securities within or from the State of New Jersey.

BACKGROUND

11. A mutual fund is a fund operated by an investment company that raises money from shareholders and invests it in securities. These funds offer investors the advantages of diversification and professional management. Mutual funds are

priced once a day, at 4:00 p.m. EST. The price, known as the Net Asset Value ("NAV"), generally reflects the closing prices of the securities that comprise a given fund's portfolio, plus the value of any cash that the fund manager maintains for the fund, divided by the number of outstanding shares. Mutual funds are traditionally designed to be held as long-term investments for investors. Despite this, frequent trading "market timers" routinely attempt to trade in and out of certain mutual funds in order to exploit market conditions.

12. "Market timing" is an investment technique involving short-term, "in and out" frequent trading of mutual fund shares, either through purchases, exchanges or redemptions. Market timing works to the detriment of long-term shareholders in a number of ways: (a) effective market timing dilutes the value of the fund by allowing the timer to siphon short term profits from what is otherwise a long-term investment vehicle, (b) market timing may add to the transactional costs of the fund because of more frequent purchases and sales, (c) the fund may realize taxable capital gains at an undesirable time, and (d)market timing may result in managers having to sell stock into a falling market. Where money is not invested in the fund, but is kept in cash, then the fund's shareholders are deprived of the advantages of being fully invested in an appreciating stock market. For this reason, mutual fund prospectuses, such as PEA's and PIMCO's,

typically state that timing is monitored and the funds work to prevent it. Nevertheless, in return for investments that increased the advisers' fees, PEA and PIMCO officers entered into undisclosed agreements to allow market timing.

13. From 2001 to 2003, PEA, and later PIMCO, engaged in two separate fraudulent schemes with Canary, which benefited ADAM, PIMCO, PEA, Canary, and their intermediaries at the expense of mutual fund investors.

14. The first scheme involved PEA's market timing agreement with Brean Murray on behalf of Canary. The agreement, at the outset, allowed Canary $100 million of timing capacity, in exchange for placing $25 million of long-term assets in a separate fund. As a result, Canary was permitted to make 48 "round trips" per year in each of the funds in which they invested, in excess of the fund's prospectus. According to the PEA and PIMCO Funds prospectus, "[a]n investor makes a 'round trip' exchange when the investor purchases shares of a particular Fund, subsequently exchanges those shares for shares of a different PIMCO Fund and then exchanges back into the originally purchased Fund."

15. The second scheme was between PIMCO and David Byck, which allowed Byck's clients $80 million of timing capacity, to trade 12 times per year. In both schemes, PEA and PIMCO allowed Canary to make more round trips than any other investor, in

return for the prospect of substantial fees, and other income for themselves and their affiliates.

16. All told, in the little more than a year and a half in which Canary market timed the PIMCO Funds, Canary made more than 200 market timing transactions, totaling more than $4 billion in purchases and redemptions.

17. PEA and PIMCO, like many other mutual fund companies, have employees in their back-office operations to monitor trading activity. These employees are also referred to as "market timing police." The market timing police were supposed to identify and stop frequent trading activity, which violated the fund's prospectuses and worked to the detriment of the funds and their long-term shareholders. Regardless of this fact, PEA and PIMCO officers, based on their market timing agreements with Canary, arranged for their market timing police at PAD to look the other way and make an exception for Canary's market timing.

18. The mutual fund prospectuses created the misleading impression that mutual funds were vigilantly protecting investors against the negative effects of market timing. However, PEA and PIMCO officers sold the right to market time their funds to Canary, while the prospectuses made no mention of these arrangements.

19. Specifically, in return for market timing capacity in selected PEA funds, Canary agreed to leave millions of dollars in

a separate PEA fund on a long-term basis. These parked funds are more frequently known as "sticky assets." "Sticky assets" are an additional inducement for fund managers to allow market timing because these long-term investments, made not in the mutual fund in which the timing activity was permitted, but in one of the fund manager's financial vehicles (e.g., an equity fund, bond fund or a hedge fund run by the manager), assured a steady flow of fees to the adviser.

20. As a result of permitting market timing of ADAM, PEA, PIMCO, Canary and their intermediaries profited substantially at the expense of the long-term mutual fund investors. Additionally, through the market timing relationship with PEA and PIMCO, Canary avoided substantial losses, and obtained non public, material portfolio holdings information.

21. The executives and officers at PEA, PIMCO, PAD and ADAM were aware of the damaging effect that market timers had on their funds.

22. In both market timing schemes, the PEA and PIMCO fund managers and officers, agreed with Canary as to which funds Canary would be granted capacity to market time. Similarly, at the outset of the PEA relationship, and for the entire PIMCO relationship, the agreement required that Canary, between purchases, keep the market timing money in a money market or similar fund in the same fund family. By keeping millions of

dollars of market timing money in the fund family, the officers at PEA and PIMCO were assured that they would collect management and other fees on that money whether it was in the fund that was being traded or the vehicle where the assets were invested.

FACTUAL ALLEGATIONS

A. Pimco Equity Advisors

23. Between the years 2000-2003, PEA, through PAD, stopped and/or flagged many ordinary individuals for market timing PIMCO funds. Specifically, PAD sent out more than 700 stop notification letters and emails, identifying nearly 1,700 instances of market timing. This activity was of the kind which PEA and PIMCO found detrimental to its funds, causing it to freeze and/or lock the accounts of these abusers.

24. Nevertheless, starting in late 2001, and continuing until May 2003, PEA: (1) pursuant to an agreement that provided PEA with “sticky assets,” gave Canary permission to time the “PEA Funds” in violation of the prospectus language; (2) instructed the market timing police at PAD to allow the excessive Canary trades, which were placed through Brean Murray; and (3) provided the fund holdings to Brean Murray, giving Canary the knowledge and opportunity it needed to hedge and time the funds. None of these facts were disclosed in the PEA Funds prospectus. Furthermore, this relationship was mutually beneficial for ADAM,

PEA and Canary, at the expense of PEA funds' long-term shareholders.

1. Developing the Relationship with Canary

25. Around October of 2001, the Chief Operating Officer ("COO") of PEA, Taegan Goddard ("Goddard"), received a call from a former colleague of his at Circle Trust, regarding a client of Circle Trust. That client was seeking market timing capacity in the PEA funds. Following the call, Goddard arranged for a Senior Vice President at PEA, John Cashwell ("Cashwell"), to meet in person with a representative of Circle Trust. Regarding such a meeting with Circle Trust, Cashwell stated that "it was unique for me to be involved in this because it wasn't my typical method for raising institutional assets .... In terms of the typical institutional method of raising business, it was outside of that." (**EXHIBIT 1**, transcript of investigative deposition of John E. Cashwell taken January 27, 2004 ("Cashwell deposition"), 66:9-11 and 69:16-18) **(Exhibits are submitted as an Appendix to the Complaint and are incorporated by reference.)**

26. Cashwell met with Circle Trust, at which time Circle Trust proposed scheduling a meeting with the CEO of PEA, Kenneth Corba ("Corba"), for the purpose of introducing PEA to brokers from Brean Murray. The Brean Murray brokers conducted market timing on behalf of Canary, and wanted to explain their business to Corba, while at the same time, gain timing capacity at PEA for

Canary. (**EXHIBIT 2**) A conference call between PEA, Circle Trust, and Brean Murray was scheduled a week later to discuss more of the details. (**EXHIBIT 3**)

27. Following the meeting with Circle Trust, Cashwell briefed Corba and Goddard on the discussions, and informed them that he was going to contact Brean Murray for the purpose of setting up a meeting with Corba at the offices of PEA. Soon thereafter, on November 1, 2001, the brokers from Brean Murray came to PEA to meet with Corba and Cashwell, in Corba's office. Brean Murray described that they had high net worth clients that were interested in rapidly trading in and out of PEA Funds. The following day, Brean Murray composed a letter to Corba thanking him for meeting with them, which read in part,

> We are proposing a relationship whereby our clients, Canary Management, LLC and Trout Trading Management Co., have approval from your firm to trade on a short-term basis in the PIMCO Target fund, PIMCO Innovation fund, and the PIMCO Growth fund. Our proposal is based on capacity of up to three percent of these funds for trading on a short-term basis. Short-term trading can be defined as trading four to five round trips per calendar month. Additionally, Canary and Trout will make a commitment of long-term assets to a PIMCO bond fund, a PIMCO money market fund or to the fund that is being traded. Our clients are generally comfortable with depositing 25% of the total trading assets into the long-term commitments. On occasion we will substitute long-term assets placed in a bond, money market, or mutual fund with a long-term investment in an internal hedge fund.

(**EXHIBIT 4**)

28. After the November 1, 2001 meeting with Brean Murray in Corba's office, according to Cashwell, it was his understanding that Corba had to have this relationship approved by "the executives of PIMCO Funds, meaning Steve Treadway . . . ." (**EXHIBIT 1**, Cashwell deposition, 99:13-21) Specifically, "[h]e [Goddard], and others wanted to make sure there were specific parameters set around the trading relationship, meaning the number of round-trips, the percentage of cash, the monies represented in each fund. I think those were the two most important factors." (**EXHIBIT 1**, Cashwell deposition, 99:1-7)

29. On January 15, 2002, Cashwell sent the following email to Brean Murray:

> Mike,
> As per our discussion this morning, I've attached the following info:
>
> - 12/31/01 holdings for each of the Funds you'll be investing in
> - 12/31/01 product fact sheets on the PIMCO Equity Hedge Funds (Advantage, Navigator & Horizon)
>
> Also, please invest the long-term assets in Ken Corba's Select Growth Fund (admin share class). The ticker is PCEAX.
>
> Thanks, John

(**EXHIBIT 5**)

30. Corba made the decision to invest the long-term, or "sticky assets," in the Select Growth Fund that he managed in order to increase the assets in the fund, which were relatively

small at the time. Canary's sticky asset investment nearly doubled its assets under management in the Select Growth Fund.

31. In early 2002, Corba also met with the Managing Directors and Portfolio Managers, to inform them that PEA was going to enter a market timing relationship. The terms of the agreement were to allow capacity totaling $100 million in PEA Growth, Innovation and Target Funds, in exchange for a long-term investment of $25 million in a separate PEA growth fund. Michael Gaffney ("Gaffney"), a Managing Director and Portfolio Manager at PEA, recalled from this meeting "a little bit of eyebrows being raised a little bit, because it was something that the firm had not – we had not done before. It was a new, you know – as far as I know, there was, you know – there wasn't any market timing capacity offered up to anybody in the past." (**EXHIBIT 6**, transcript of investigative deposition of Michael Gaffney taken February 3, 2004 ("Gaffney deposition"), 78:24 through 79:4)

2. Permitting Market Timing in Pimco Equity Advisor Funds

32. On January 30, 2002, Canary, through Brean Murray, arranged to have the $25 million "sticky assets" set up in the PEA Select Growth Fund, which was managed by Corba. (**EXHIBIT 7**) Following this sticky asset agreement, on February 8, 2002, Brean Murray reallocated previous investments in PIMCO funds that had been placed through Bank of America, to new funds, specifically,

$27,301,027.00 to the PEA Target Fund, and $26,052,341.00 to the PEA Innovation Fund. (**EXHIBIT 8**)

33. When Canary began market timing the PEA funds, they ran into a few problems. Namely, the portfolio manager of the Innovation Fund, Dennis McKechnie, did not appreciate receiving such large redemptions late in the day because it disrupted his strategies for managing the fund. Thus, Canary was forced to stop market timing in the Innovation Fund in late February. Secondly, Canary's redemptions in the PEA funds were exchanged in and out of money market and fixed income funds managed by PIMCO's office in California. PIMCO did not appreciate the frequent exchanges in-and-out of the money market and bond funds, therefore, Brean Murray arranged to execute the trades through the Bear Stearns platform. Bear Stearns arranged for Canary's trades to clear T+1, meaning the trades were cleared the next day. This was opposed to T+3, the standard trades, which required three days to clear. This is advantageous for market timers, because they can purchase and redeem on a more frequent basis. In February 2002, Brean Murray executed three (3) round trips on behalf of Canary in the PEA Target Fund. (**EXHIBIT 9**)

34. After Canary lost capacity in the Innovation Fund, they requested a meeting between themselves and Cashwell, Corba and the brokers at Brean Murray. On March 5, 2002, the aforementioned parties met for lunch at the Racquet Club. Edward

Stern, the Managing Director of Canary, led the meeting and reiterated to Corba and Cashwell his interest in gaining additional market timing capacity in some of the PEA mutual funds, as well as potential investments in PEA managed hedge funds. On March 7, 2002, Cashwell sent Brean Murray the fund holdings for the PEA Target, Growth and Select Growth funds. (**EXHIBIT 10**) That same day, Cashwell also sent an email to Stern, attaching the operating documents for the PEA hedge funds: Horizon, Advantage and Worldwide Value. (**EXHIBIT 11**)

35. On March 10, 2002, Stern responded to Cashwell's email. Stern informed him that Canary was ready to begin trading in the Target and Growth Funds through Bear Stearns platform. Stern also stated, "As soon as we have traded successfully for a week or two, I will call you to discuss (a) Completing arrangements for $100 million of mutual fund trading capacity, as originally contemplated (a little bit of PIVAX, PFMAX, and/or PQNAX would be appreciated); and (b) Making arrangements to invest in the Horizon and PEA Worldwide funds." (**EXHIBIT 12**)

36. On March 22, 2002, Stern met with Michael Gaffney, the portfolio manager of the PEA Horizon hedge fund, for a due diligence meeting, in which Gaffney pitched the Horizon fund to Stern. Stern indicated to Cashwell that Canary wanted to invest $2 million in Horizon, and also "like to see a little give on the fund trading side." (**EXHIBIT 13**) Cashwell responded to Stern on

March 28, 2002, and attached the subscription documents for the Horizon Fund. He also informed Stern that related to the Canary investment in the Horizon Fund, PEA would draft a side letter allowing Stern to divest from the Fund if the market timing relationship ends. (**EXHIBIT 13**) In March, Brean Murray executed five (5) round-trips on behalf of the Canary account in the PEA Target Fund. (**EXHIBIT 9**)

37. On April 4, 2002, PEA sent a letter to Stern, which read:

> Dear Ed:
>
> In the event the market timing relationship between Canary Investment Management and PIMCO Funds ceases, PIMCO Equity Partners will waive the 12-month lock-up period, without penalty, for investments made on behalf of African Grey Capital Associates LLC in the PIMCO EQUITY ADVISORS HORIZON FUND, L.P. However, we will require at least thirty days notice for all redemptions from the fund.
>
> All other provisions of the PIMCO EQUITY ADVISORS HORIZON FUND, L.P. will apply.
>
> Sincerely,
> Taegan Goddard

(**EXHIBIT 14**)

Cashwell stated that either he or his assistant typed these letters at Goddard's direction, and they were prepared in order to give Canary the ability to redeem without being locked-up if the timing relationship ended. (**EXHIBIT 1**, Cashwell deposition, 112:11 through 113:24)

38. This exception was not disclosed in either the Horizon Fund’s private placement memorandum, or to other Horizon investors.

39. Cashwell explained that the investment in the Horizon Fund and the waiver of the lock-up, came about because (1) it was “tied to market timing access in the PEA Opportunity Fund,” which was also managed by Gaffney, and (2) Canary did due diligence and was “comfortable” making the investment. (**EXHIBIT 1**, Cashwell deposition, 114:24 through 115:8)

40. On April 4, 2002, Cashwell sent the positions in the PEA Target, Growth, Opportunity and Select Growth Funds, pursuant to an April 1 request from Brean Murray. (**EXHIBIT 15**) By April 26, 2002, the Canary account executed “at least 5 round trips,” in the Target fund, despite the fact that the agreement was limited to four (4) round trips per month. (**EXHIBIT 16**) Similarly, the market timing police at PAD, Steve Howell (“Howell”), alerted his superiors that the Canary account “was dividing the movement of shares (in or out of the fund) across a couple of days thereby increasing the number of individual transactions hitting the account.” (**EXHIBIT 16**) At that point, Steve Treadway, the CEO of PAD, requested a more “precise and limiting” definition of what constituted 4 round trips. (**EXHIBIT 16**)

41. On April 29, 2002, Howell was contacted by the fund's transfer agent, PFPC, requesting that Bear Stearns wait one more day before placing the trades, because Canary's market timing was so aggressive that they were placing these large dollar trades the same day, even before the trades were settling. (**EXHIBIT 17**) Howell forwarded this message to the brokers for Canary at Brean Murray, informing them, in part:

> The current pattern of trading is of concern to us. On several occasions, PIMCO has received redemption orders before the purchase orders have settled. This forces PIMCO to intervene and manually handle what would ordinarily be an automated transaction . . . . The manual element of this effort is prone to error and presents a risk that PIMCO finds unacceptable.

42. In testimony before the Bureau on February 4, 2004, Howell was asked his understanding as to why PFPC made the request regarding the trading at Bear Stearns. Howell stated, that "[t]he manner in which they had been placing trades was a problem for us or a problem for our transfer agent because they would place, for example, a redemption order before the purchase had settled and what that meant was there was actually no shares in an account for the redemption to take place." (**EXHIBIT 18,** transcript of investigative deposition of Steve Howell taken February 4, 2004 ("Howell deposition"), 151:13-18) Howell further explained that in his experience at PAD, regarding trades in a T+1 environment, he had never seen mutual fund trades

redeemed before the initial trades settled. (**EXHIBIT 18**, Howell deposition, 152:20-24) Nevertheless, the market timing agreement remained in place, and Canary continued to excessively trade the PEA funds, to the detriment of long-term shareholders.

43. In May 2002, Canary's brokers at Brean Murray executed in that month alone, 5 round-trips in *each* of the 3 funds that they were market timing, the Target, Opportunity and Growth Funds. On May 16th, Canary sold more than a combined $22 million worth of its shares in the PEA Target and Opportunity Funds. In response to this trading, Corba sent an email on May 17, 2002, to Brean Murray which read:

> We are monitoring our agreed upon maximum of 4 round trips per month. The pattern that is most disturbing to me is that you only seem to be interested in being in our funds for a day or two at a time – perhaps the most opportunistic but extreme form of market timing that I have ever seen.

(**EXHIBIT 19**)

44. Notably, at the same time that Canary was permissibly market timing more than $22 million in the PEA Target and Opportunity Funds, a trade was placed at PIMCO by Circle Trust on behalf of another Canary entity, Cockatoo, in the amount of $479,751.00. However, that trade was <u>not</u> pursuant to a "sticky asset" agreement, and thus was rejected by PAD as market timing. (**EXHIBIT 20**)

45. From June until the end of September, Canary continued to actively time the PEA Target, Opportunity and Growth Funds to the full extent of the 4 round trips that were permitted in the agreement. On September 27, 2002, in referring to the market timing agreement with Brean Murray, Stephen Maginn advises Howell, that "I spoke with Corba. He said that John Cashwell is going to call them and give them an Oct. 15th deadline so that they're long gone before we merge Select (where they are $40mm of the fund) into Growth." (**EXHIBIT 21**) Canary made 3 round trips in each of the three funds in the month of October. (**EXHIBIT 9**)

46. Nevertheless, Canary's market timing through Brean Murray continued into November. On November 8, 2002, Howell informed Maginn that it appeared Brean Murray was still active with PEA. Maginn's response was that Treadway gave them until year end. Despite the two separate deadlines, October 15th and the end of the year, Brean Murray's market timing, on behalf of Canary, did not stop. In fact, they continued to make more than a dozen round trips in the Opportunity Fund from November 2002 until May 2003, when Canary finally left PEA.

3. Summary of Market Timing Transactions

47. Between February 8, 2002 and November 21, 2002, Canary made a total of 132 transactions, nearly 40 round trips, including purchases, exchanges and redemptions, in the Target Fund. The 132 transactions involved purchases as great as $33

million. During this period, the NAV declined $3.08, a loss of 20%. Had PEA not allowed Canary to market time the funds, but required them to invest long-term, as other shareholders had, Canary would have realized additional losses of $2.9 million.

48. Between April 11, 2002 and May 2003, Canary made a total of 92 transactions, nearly 40 round trips, including purchases, exchanges and redemptions in the Opportunity Fund. The 92 transactions involved purchases as great as $5 million. During this period, the NAV declined $5.17, a loss of 30%. Had PEA not allowed Canary to market time the fund, but required them to invest long-term, as other shareholders had, Canary would have realized additional losses of $1.2 million.

49. Between April 11, 2002 and November 21, 2002, Canary made a total of 70 transactions, 25 round trips, including purchases, exchanges and redemptions in the Growth Fund. The 70 transactions involved purchases as great as $33 million. Through these transactions, Canary profited close to $1 million. During this period, the NAV declined $4.32, a loss of 21%. Had PEA not allowed Canary to market time the funds, but required them to invest long-term, as other shareholders had, Canary would have realized additional losses of approximately $7 million.

50. Most importantly, the non-market timing shareholders of the Growth Fund incurred an actual loss because of the Canary market timing relationship. During those days that Canary was

invested in the Growth Fund, the securities in the Growth Fund's portfolio appreciated in value. However, Corba, the portfolio manager of the Growth Fund, always left Canary's investment as a cash position. Therefore, had the market timing relationship been prohibited, Canary's investment would have been placed into securities which would have increased the NAV to the benefit of the Growth Fund's shareholders.

51. Between February 4, 2002 and April 3, 2002, Canary used five PIMCO fixed income and money market funds as vehicles to effect their market timing transactions. In total in three days, there were 89 transactions. Notably, between February 4th and February 7th, Canary purchased shares worth $61 million in these 5 funds.

4. Disclosure of the Non-Public Fund Holdings

52. PEA disclosed to Brean Murray the monthly holdings of all of the funds in which Canary was investing. These included, at one point or another during the course of the relationship, the holdings for the PEA Target, Growth, Innovation, Opportunity and Select Growth Funds.

53. PEA's disclosure as to the complete holdings of the funds listed above, gave Canary the opportunity to short the securities held by those funds. At PEA, Cashwell and his assistants forwarded the undisclosed holdings of these funds to Brean Murray, which then passed them on to Canary. Obtaining

this information could enable an investor --- like Canary --- to use derivatives or sell short the stocks that composed the PEA Funds. PEA provided these holdings on a regular monthly basis, soon after month end, before they were publicly available.

54. On January 15, 2002, Cashwell first sent the holdings of the PEA Funds to Brean Murray, contemporaneously with the forming of the market timing agreement. Upon information and belief, Brean Murray then forwarded the holdings onto Canary. (**EXHIBIT 5**)

55. On March 7, 2002, Brean Murray sent Cashwell a "reminder" to send the holdings for the Target, Growth and Select Growth Funds. (**EXHIBIT 10**) On April 1st, Brean Murray contacted Cashwell, again requesting the holdings in the Target, Growth, Opportunity and Select Growth Funds, which Cashwell sent April 4th. (**EXHIBIT 15**)

56. Notably, from April 2003 until January 2004, the Marketing Associate at PEA sent the complete holdings of the Opportunity Fund to Brean Murray. Nearly all of these holdings were emailed the day after month end. Furthermore, these holdings were sent to Brean Murray despite the fact that after May 2003, Canary was no longer market timing the PEA Funds pursuant to the initial agreement. (**EXHIBIT 22**)

57. From the start of the market timing agreement until April 2003, Michael Gaffney, the Portfolio Manager of the PEA

Opportunity Fund stated that he never provided Ed Stern with the holdings of his fund on a periodic basis, and he did not believe anybody would have done that. (**EXHIBIT 6**, Gaffney deposition, 133:16-22) Gaffney was asked whether he would be "surprised" to learn that Ed Stern was provided with the holdings of the fund every month.

> A: Yeah. I would be very surprised if they were sent out.
>
> Q: Why is that?
>
> A: Because you generally do not disclose your holdings to people. That's one of the things we, you know, kinda held, you know --- you don't want people to see what you are doing.
>
> Q: And why would that be?
>
> A: Because you don't want anyone to see what holdings you have in a portfolio, because there could be a hedge fund that gets a hold of those and knows that you have a position in something, and maybe they start shorting the stock to try and force you to sell it or something like that.

(**EXHIBIT 6**, Gaffney deposition, 135:12-25)

58. Gaffney was further asked whether he believed Stern would be in a position to hedge had he been provided with the holdings for a fund. Gaffney responded that "[h]e would have been in a position to hedge, yes. If you have somebody's holdings, you did get contracts to hedge those. That's correct." (**EXHIBIT 6**, Gaffney deposition, 150:22 through 151:1) Gaffney was then shown the correspondence between the Brean Murray

brokers and Cashwell, requesting the holdings for the Target, Growth, Opportunity and Select Growth Funds. (**EXHIBIT 15**) Moreover, Gaffney was asked whether based on this email communication it appeared that Brean Murray was getting reasonably accurate and "fresh" information as to the holdings of the various PIMCO funds:

A: I would consider that to be fresh information.

Q: And would that give Ed Stern an advantage?

A: It would give him information to hedge the positions out for sure.

Q: No question about that in your mind as a portfolio manager?

A: As a --- I've done some derivatives work in my day. So, if you have current holdings from somebody, you could buy an OTC option or something like that to be able to hedge a position out with a fair degree of accuracy.

Q: So, assuming in this instance that Ed Stern received the positions for the end of the month of the previous month, he was receiving current information that would give him an advantage; is that correct?

A: If he was receiving information on portfolios that were current, he would have an ability to – I'm not sure what an advantage means, but if he was running some sort of derivatives, you know, he would be able to hedge. I'm not sure what having an advantage would mean, but yes, he would be able to hedge those positions.

Q: And is it accurate that you did not know that the end of the month positions were being provided to Mr. Stern the next day or within a few days of those positions being posted?

A: To the best of my recollection, I did not know he was getting current portfolio holdings.

(**EXHIBIT 6**, Gaffney deposition, 164:17 through 165:22)

5. Failure to Disclose the Market Timing Arrangements

59. The "sticky asset" arrangements that allowed Canary the access and ability to market time the PEA Funds were never disclosed to the other long-term mutual fund investors. On the contrary, many of the relevant mutual fund prospectuses contained materially misleading statements assuring investors that the fund managers discouraged and worked to prevent mutual fund market timing. For example, the "Exchanging Shares" section in the November 1, 2002 prospectus for the Pimco Equity Funds states, in part:

> The Trust reserves the right to refuse exchange purchases if, in the judgment of the Adviser, the purchase would adversely affect a Fund and its shareholders. In particular, a pattern of exchanges characteristic of "market timing" strategies may be deemed by the Adviser to be detrimental to the Trust or a particular Fund. Currently, the Trust limits the number of "round trip" exchanges an investor may make. An investor makes a "round trip" exchange when the investor purchases shares of a particular Fund, subsequently exchanges those shares for shares of a different PIMCO Fund and then exchanges back into the originally purchased Fund. The Trust has the right to refuse any exchange for any investor who completes (by making the exchange back into the shares of the originally purchased Fund) more than six round trip exchanges in any twelve-month period.

(**EXHIBIT 23**)

60. Nevertheless, as previously described, PEA allowed Canary to time the funds, in exchange for "sticky assets," subject to, and in excess of, such prospectus language.

B. Pimco Advisors Distributors

61. PAD is the distributor for the PEA and PIMCO funds. As such, PAD is charged with the duty of reviewing all of the trading activity in the various PIMCO related funds to determine whether the trades in an account are in violation of the market timing policy, and whether such accounts should be stopped.

62. In or about early 2000, Steve Howell, the current Vice President, and former Manager of Operations at PAD, developed a program called the "market timing effort." (**EXHIBIT 18**, Howell deposition, 19:16-23). Howell described this market timing effort as "a daily effort whereby we review all activity that may be detrimental to the funds or other shareholders. And if it is that we find transactions that are detrimental then we'll try to isolate those transactions and prevent them from recurring." Howell defined "detrimental" as "[c]ostly [sic] that may incur undue expense or excessive expenses by the portfolio managers." (**EXHIBIT 18**, Howell deposition, 18:3-12)

63. Between 2000 and the present, PAD sent out more than 700 letters and emails, identifying nearly 1,700 instances of market timing, which it found detrimental its funds, causing it

to freeze and lock those accounts. These letters read, in part, "PIMCO has identified certain . . . accounts that violate PIMCO's prospectus and/or have been determined to be harmful to our Funds and subsequently our shareholders. These trades being passed to PIMCO by . . . appear to be transactions in response to market fluctuations (i.e., market timing). As such, PIMCO does not allow this type of activity to occur in our Funds." (**EXHIBIT 20**) Based on these letters, and PAD's policy, which Howell described came from senior management, PAD sought to prevent market timing:

Q: Were you in discussions with senior management where that policy was discussed?

A: No.

Q: So as far as you know sitting here today it's your belief that the policy came to you from Derek Hayes?

A: Yes. "The policy" being our program to stop market timing, yes.

Q: Is that what the program was, to stop market timing?

A: To prevent market timers, yes.

Q: To prevent market timers period?

A: That's correct.

(**EXHIBIT 18**, Howell deposition, 56:4-16)

64. PAD did make exceptions to its market timing policy. One such exception was made for Canary's market timing trades in the PEA funds. Canary's accounts, traded through Brean Murray,

were initially set up through Bank of America, and then Bear Stearns. This market timing was part of the "sticky asset" agreement that permitted frequent trading in consideration of the placement of $25 million in Ken Corba's Select Growth Fund. In tracing the origin of this market timing arrangement, Howell stated that in early 2002, his immediate supervisor, Derek Hayes, asked him to "facilitate the establishment of an account for Bank of America and subsequently Bear Stearns and that there would be frequent allocations and transactions that would be occurring in those accounts that may prompt us to pursue those accounts with the market timing program and he directed us not to pursue that." (**EXHIBIT 18**, Howell deposition, 56:24 through 57:5)

65. Howell indicated that while from time to time he observed the excessive or frequent trading in Canary's account, he did not bring it to the attention of his superiors because he was "directed to not – again, not apply our market timer procedures to those accounts." However, Howell did admit that while he did not stop the market timing by Brean Murray on behalf of Canary, he had never seen more abusive activity than that which he saw in the Brean Murray accounts:

> Q: Well, in terms of your experience at PIMCO did you ever observe any more abusive market timing than that which occurred in the Brean Murray accounts?
>
> . . .
>
> Q: Do you understand the question? I'm asking you very pointedly in terms of size and frequency of

transactions had you ever seen more abusive activity than that which you saw occur in the Brean Murray accounts at PIMCO?

A: No.

Q: And was it far in excess of anything you had ever seen at PIMCO, the activity on the Brean Murray accounts?

A: In terms of dollar amounts, yes.

(**EXHIBIT 18**, Howell deposition, 115:23-25; 117:19 through 118:3)

66. Early on in the Canary relationship with PEA, there was a problem with the large dollar size and frequency of the transactions occurring in the PIMCO funds, similar to those that would normally be stopped as market timing. However, because the activity was pursuant to a "sticky asset" agreement, the market timing police at PAD did not question this activity. Specifically, as Howell explained when questioned on this:

Q: Do I understand correctly that you at some point formed a belief that there were frequency and size issues regarding Brean Murray's trading activity involving the bond fund in California?

A: That's correct.

Q: And typically that would be your purview, market timing activity; right?

A: Yes.

Q: And recognizing that you had formed the belief there were market timing issues that were causing problems in the bond fund in California, did you bring that to the attention of Derek Hayes or any other person?

A: No.

Q: Can I ask why not?

A: Again, this whole arrangement was put together by, you know, people above me and I didn't want to, I guess – you know, I didn't feel like I was in a position to question what had been established.

(**EXHIBIT 18**, Howell deposition, 135:5 through 135:23)

67. Howell recognized that the market timing conducted by Brean Murray was very aggressive. However, the only reason he did not take action to stop such timing was because people above him, i.e., the senior management, made the decision to allow the timing, and "they were fully aware of what was going on and I didn't want to concern myself or, you know, step on anyone's toes so to speak." (**EXHIBIT 18**, Howell deposition, 161:16-25) 68.

Nevertheless, Howell did state that he and his staff have been actively involved in stopping market timing of other individuals since PAD began monitoring such activity, including stopping market timers for the whole period of time that Brean Murray's Canary accounts were at PIMCO. Moreover, Howell affirmed that for the entire period of time that the Brean Murray accounts were permitted to market time, PAD stopped trading of other accounts that were of much smaller size and traded with much less frequency. (**EXHIBIT 18**, Howell deposition, 162:18 through 163:2)

69. In addition to the above mentioned monitoring of market timing, PEA and PIMCO also recognized the need to restrict market

timing within the ADAM fund complex. For instance, in the PIMCO Funds prospectus supplement, dated May 7, 2002, the adviser imposed redemption fees of 1% for the respective funds. The supplement stated "[t]he purpose of the Redemption Fees is to defray the costs with the sale of portfolio securities to satisfy redemption and exchange requests made by 'market timers' and other short-term shareholders, thereby insulating longer-term shareholders from such costs." (**EXHIBIT 24**) This imposition of a redemption fee is an acknowledgment by PIMCO that frequent market timing trades cause economic harm to ordinary investors.

C. Pacific Investment Management Company

1. Market Timing Directly Contradicted the Prospectus

70. Upon information and belief, PIMCO, ADAM's fixed income and money-market fund manager, distributed a copy of the prospectus to all investors in its funds. The prospectus contains all information that a prospective investor would find relevant in purchasing or selling shares of a mutual fund. Since September 2000, the PIMCO High Yield Fund and Real Return Fund prospectus language concerning market timing has read identically to the prospectus for the Pimco Equity Funds. Namely, that ". . . a pattern of exchanges characteristic of 'market-timing' strategies may be deemed by PIMCO to be detrimental to the Trust or a particular Fund. Currently, the Trust limits the number of 'round trip' exchanges investors may make . . . . The Trust has

the right to refuse any exchange for any investor who completes ... more than six round trip exchanges in any twelve-month period." (**EXHIBIT 25**)

71. PIMCO enforced the above stated policy through PIMCO Shareholder Services. The January 13, 2000 Shareholder Services minutes reflect the policy with regard to exchanges. The minutes state that "Carol reviewed market timing and explained that in the . . . prospectus it states that no more than 6 round trip trades in any 12 month period is permitted." (**EXHIBIT 26**) Additionally, when an investor called with respect to the PIMCO policy regarding frequent trading, the response was PIMCO had a 6 month hold policy. (**EXHIBIT 27**)

2. Genesis of the Fixed Income Market Timing Relationship

72. On October 1, 2002, Doug Ongaro, a PIMCO Senior Vice President of Marketing, asked David Hinman, an Executive Vice President at PIMCO, and the High Yield portfolio manager, whether PIMCO fixed income funds could handle the trading of $20 million in market timing money once a month, or 12 times per year (i.e., exceeding that which is stated in the prospectus). Hinman responded affirmatively that the fund could handle that amount of market timing money. (**EXHIBIT 28**)

73. On October 2, 2002, Scott Spalding, a Vice President with PIMCO, sent an email to Byck, the market timing consultant who introduced Canary to PIMCO. The contents of the email

discussed the market timing opportunities in the PIMCO High Yield Fund. (**EXHIBIT 29**) Following the initial discussions, Spalding and Byck came to an agreement allowing Byck's clients to market time the fixed income funds.

74. On December 13, 2002, Spalding sent an email confirming the parameters of the market timing agreement. The agreement set forth the terms as follows: an initial funding of $30 million, 12 round trips per year and while the assets were not in the High Yield Fund the money would be invested in the Money Market, Short Term or Low Duration funds.

75. On December 14, 2002, Byck sent Canary the following email: "As promised, here is the deal from PIMCO in writing. It is very difficult to come by a deal they give in writing, I hope you are as excited about it as I am." (**EXHIBIT 30**)

76. On December 28, 2002, Byck sent Spalding, via email, the address of Canary. He also told Spalding to send the account application to Noah Lerner, the representative at Canary. (**EXHIBIT 31**) On January 17, 2003, Lerner explained to Spalding the background of Canary and the interest in market timing mutual funds. (**EXHIBIT 32**)

77. On January 22, 2003, Spalding informed Carol Rodgerson, a Vice President managing the Shareholder Services unit at PIMCO, the terms of the relationship between Canary and PIMCO. Spalding asked Rodgerson to have the Shareholder Services monitor the

activity and <u>not</u> reject any of the trades as long as Canary stayed within the market timing agreement which allowed trading of $30 million and one round trip per month. (**EXHIBIT 35**) The next day, Rodgerson responded that Shareholder Services would monitor and create monthly reports for the Canary account. (**EXHIBIT 34**)

78. Throughout the period in which PIMCO allowed an arrangement for market timing, Spalding and Byck were in contact with Douglas Ongaro and Andre Mallegol, a PIMCO Vice President of Marketing, regarding the parameters of the market timing relationship with Canary. (**EXHIBIT 35**) In addition, both Ongaro and Mallegol received monthly reports from Rodgerson regarding the Canary transactions. (**EXHIBIT 36**)

3. Request for Additional Capacity

79. Byck was searching for more fixed income market timing capacity in the High Yield Fund and Real Return Fund. On Monday, April 28, 2003, Byck contacted Mallegol to determine whether there was more market timing capacity within PIMCO. Two days later, Mallegol responded that there was market timing capacity for another $80 million subject to two conditions: (1) the trading would be done in 4 separate accounts; and (2) trading would occur on different days. Mallegol also requested a list of the accounts, client names and asset levels of those who wanted timing relationships. (**EXHIBIT 37**)

80. On May 5, 2003, Byck confirmed that he distributed an additional $50 million, in addition to the $30 million that was already invested. (**EXHIBIT 38**) The funding was to occur on June 18, 2003, when Byck's client was placing $4 million, to be held by Bear Stearns, in the PIMCO Real Return Fund. Two weeks later the investment increased to $30 million, and it was invested directly through PAD.

80. Between August 5, 2003 and August 6, 2003, PIMCO received the account numbers representing the $30 million investment (**EXHIBIT 39**) and a detailed list of all the market timing accounts that were placed with PIMCO. (**EXHIBIT 40**) All of the market timing transactions ceased approximately September 11, 2003.

4. Summary of Fixed Income Market Timing Accounts

81. Between January 24, 2003 and July 7, 2003, Canary invested $30 million, in account number 104220, through Tripod LLC, a Canary entity. During that time there were 14 transactions, including purchases, exchanges and redemptions, between the High Yield Fund and the Money Market Fund netting a profit of $2,947,061.03. (**EXHIBIT 41**)

82. Between February 6, 2003 and September 11, 2003, another limited partnership which PIMCO identified as a Canary entity, invested $5 million with PIMCO. During that time there were 23 transactions, including purchases, exchanges and

redemptions, between the High Yield Fund and the Money Market Fund, netting a profit of $937,861.00. (**EXHIBIT 42**)

83. Between August 6, 2003 and September 15, 2003, Canary invested $30 million, through three separate accounts at Canadian Imperial Holdings. The account numbers and initial dollar amounts were: #104888, $23 million; #104889, $5 million; and #104894, $1.5 million. During that time there were 45 transactions, including purchases, exchanges and redemptions, between the Real Return Fund and the Money Market Fund netting a profit of $180,333.00. (**EXHIBIT 43**)

COUNT I

EMPLOYING A DEVICE, SCHEME OR ARTIFICE TO DEFRAUD IN CONNECTION WITH THE OFFER, SALE OR PURCHASE OF SECURITIES N.J.S.A. 49:3-52(a)

84. Plaintiffs repeat the allegations in the preceding paragraphs as if fully set forth herein.

85. Defendants, through their directors, officers, employees and agents, acting in concert with each other and the other defendants named in this Complaint, employed a scheme to defraud investors by engaging in the conduct described in this Complaint.

86. The scheme included:

(a) Entering into an undisclosed market timing agreement that allowed Canary to trade, through Brean Murray, in excess of PEA’s policy. This market timing agreement was in consideration for Canary’s investment of $27 million of “sticky assets” and the expectation of substantial fees earned by ADAM, PAD, and PEA as a result of Canary’s investment. ADAM, PAD and PEA engaged in this scheme and artifice to defraud investors of the Target, Opportunity, Growth and Select Growth Funds’ investors.

(b) Entering into an undisclosed market timing agreement that allowed Canary to trade, through Byck, in excess of PIMCO' s policy. This market timing agreement was in consideration for Canary's investment and the prospective and actual fees earned by ADAM and PIMCO as a result of Canary's investment. PIMCO and ADAM engaged in this scheme and artifice to defraud investors of the High Yield and Real Return funds' investors.

87. Each and every purchase, sale, redemption and exchange executed by defendants in connection with the Canary market timing agreement is a separate and distinct violation of N.J.S.A. 49:3-52(a), and is cause for the imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

COUNT II

MAKING MATERIALLY FALSE AND MISLEADING STATEMENTS AND OMITTING MATERIAL FACTS NECESSARY TO MAKE STATEMENTS MADE NOT MISLEADING N.J.S.A. 49:3-52(b)

88. Plaintiffs repeat the allegations in the preceding paragraphs as if fully set forth herein.

89. Defendants through their officers, directors, employees, agents, successors, subsidiaries and affiliates, acting in concert with each other and the other defendants named

in this Complaint, directly and/or indirectly, omitted material facts and made materially false and misleading statements to investors in connection with the offer and sale of securities.

90. Among the omitted material facts and materially false and misleading statements were:

(a) Defendants ADAM, PAD and PEA concealed, omitted and otherwise failed to disclose to investors and prospective investors statements necessary in order to make the statements made in their prospectus relating to the firms market timing policy not misleading. The omissions included, but are not limited to: The Canary market timing relationship, which included the requirement to place sticky assets; the agreement, that a substantial portion of the assets under management of the Select Growth Fund and the Horizon Hedge Fund were dependent on the market timing relationship.

(b) Defendants ADAM and PIMCO concealed, omitted and otherwise failed to disclose to investors and prospective investors statements necessary in order to make the statements made in their prospectus relating to the firms market timing policy not misleading. The omissions included, but are not limited to: The Canary market timing relationship, which included the allowance of trades in excess of that permitted by the prospectus.

91. Each materially false or misleading statement is a violation of N.J.S.A. 49:3-52.

92. Each violation of N.J.S.A. 49:3-52 is a separate violation of that statute and is cause for the imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

COUNT III

ENGAGING IN ANY ACT, PRACTICE OR COURSE OF BUSINESS WHICH WOULD OPERATE AS A FRAUD OR DECEIT UPON ANY PERSON IN CONNECTION WITH THE OFFER, SALE OR PURCHASE OF SECURITIES N.J.S.A. 49:3-52(c)

93. Plaintiffs repeat the allegations in the preceding paragraphs as if fully set forth herein.

94. Defendants through their officers, directors, employees, agents, successors, subsidiaries and affiliates, acting in concert with each other and the other defendants named in this Verified Complaint, directly and/or indirectly, engaged in an act, practice or course of business that operated as a fraud or deceit upon any person in connection with the offer, sale or purchase of securities.

95. Among the act, practice or course of business that operated as a fraud or deceit included, but is not limited to: the disclosure of material, non-public holdings on a monthly and

timely basis, of the funds in which Canary was invested. This knowledge provided Canary with the opportunity to both market time the funds and to short the securities that made up the funds, in order to benefit themselves at the expense of the other investors in the funds.

96. Each violation of N.J.S.A. 49:3-52 is a separate violation of that statute and is cause for th e imposition of a civil monetary penalty for each separate violation pursuant to N.J.S.A. 49:3-70.1.

DEMAND FOR RELIEF

WHEREFORE, Plaintiffs petition this Court for a judgment and order:

(A) Declaring that defendants engaged in the acts and practices alleged above;

(B) Declaring that such acts and practices constitute violations of the Securities Law;

(C) Enjoining all defendants from violating the Securities Law in any manner;

(D) Assessing defendants' civil monetary penalties for each incident of violating the Securities Law in accordance with N.J.S.A. 49:3-70.1;

(E) Requiring defendants to pay restitution and disgorge all profits and/or funds gained through violations of the Securities Law; and

(F) Affording plaintiffs and other affected third parties any additional relief the Court may deem just and equitable, including attorney's fees, costs of investigation, and costs of suit.

PETER C. HARVEY
ATTORNEY GENERAL OF NEW JERSEY

By: ______________________________
Victoria Manning
Deputy Attorney General

DATED: February 15, 2004
Trenton, New Jersey

R. 4:5-1 CERTIFICATION

I certify that this matter is not the subject of any other action pending in any court or of a pending arbitration proceeding.

I certify that this matter is not the subject of any other contemplated action or arbitration proceeding and that there is no other party who should be joined in this action at this time.

PETER C. HARVEY
ATTORNEY GENERAL OF NEW JERSEY

By:___________________________
Victoria A. Manning
Deputy Attorney General

DATED: February 15, 2004
Trenton, New Jersey