

Bayou update:

The Superior Court of Arizona has signed an order forfeiting the proceeds of the Wachovia account that contained \$100,000,000 to the State of Arizona. This action is a necessary step in the process that will lead to the return of the funds to the rightful owners.

The Attorney General has not yet received the necessary documentation tracing the forfeited funds back to Bayou. The Attorney General expects to receive the documentation well before the distribution formula and distribution mechanism are in place in New York, so the timing of the transfer from the Arizona Attorney General to the U.S. District Court in New York will not delay the distribution in any way.

It has come to the attention of the Attorney General that an Internet offer has been made to pay billions of dollars in purported stock in a company called Toks, Inc., with dividends, in exchange for Bayou assets. This offer purports to offer millions of common shares in Toks, Inc., worth billions of dollars to Bayou investors and their attorneys. It is signed by Ade O. Ogunjobi, Chairman & Chief Executive Officer.

The Attorney General is not aware of any legitimate offer similar to this. The Attorney General's Office has no connection with this offer or with anyone associated with it.

It is interesting to note that an October 25, 2001 article in the Orlando Weekly stated:

Nothing for something

A Mr. Ogunjobi, 41, has filed papers with the SEC offering to buy General Electric, General Motors, AOL Time Warner, AT&T (and AT&T wireless), Hughes Electronics and Marriott International. The firms have a combined market capitalization of some \$650 billion. Ogunjobi, a naturalized American citizen from Nigeria, is proposing to pay shareholders triple the value of their shares. The downside: Payment would be made entirely in shares of Ogunjobi's Toks Inc., which has a current market capitalization of \$0. Ogunjobi owns 100 percent of Toks Inc. and is its sole employee.

A public-source SEC-related document dated August 29, 2003 states:

SEC SUES TOKS, INC. AND ITS CHIEF EXECUTIVE OFFICER ADE O. OGUNJOBI FOR SECURITIES FRAUD

The Commission announced today that it filed a complaint alleging that Toks, Inc., a shell company, and Ade O. Ogunjobi, Toks' founder, chairman and chief executive officer, are engaged in an ongoing fraudulent and unregistered offering of promissory note securities over the Internet. The complaint was filed in the U.S. District Court for the District of Columbia.

Specifically, the complaint alleges that through the Toks Internet website, Toks and Ogunjobi are conducting an unregistered offering of "promissory notes" with the stated purpose of raising between \$1 billion and \$10 billion to pay Commission filing fees and otherwise finance tender offers for the stock of at least fifteen of the world's largest corporations. The complaint further alleges that Toks did not register the offering of the notes with the Commission despite the fact that the notes are securities, the offering does not qualify for any exemption from registration, and the notes are not exempt securities under the federal securities laws.

According to the complaint, the offering is deceptive and fraudulent because, among other things, Toks has no assets, sales or revenues and Ogunjobi is its only employee, and thus Toks and Ogunjobi have no ability to conduct the contemplated tender offers. The complaint alleges that Toks' and Ogunjobi's previous effort to advance this fraudulent plan took place in 2001, when they filed a registration statement with the Commission setting forth a similar plan to raise billions of dollars to fund tender offers for a number large of corporations. The complaint further alleges that a stop order proceeding was instituted against Toks and Ogunjobi that resulted in a stop order being issued on January 8, 2002 that found the offering to be materially false and misleading. According to the complaint, despite the issuance of the stop order, Toks and Ogunjobi have continued, through an Internet website, to pursue essentially the same fraudulent plan since at least May 12, 2003.

The complaint charges Toks and Ogunjobi with violating Section 5(c), a registration provision of the Securities Act of 1933, and Sections 17(a)(1) and 17(a)(3), antifraud provisions of the same Act. In addition, the Commission charges that Toks' and Ogunjobi's conduct violates Section 14(e) of the Securities Exchange Act of 1934 and Exchange Act Rules 14d-2(b) and 14e-8, tender offer provisions of the federal securities laws.

The Commission is seeking final relief in the form of permanent injunctions enjoining Toks and Ogunjobi from future violations of the securities laws and rules named above and prohibiting them from acting as issuers, brokers or dealers in an unregistered offering, disgorgement of any illegally obtained proceeds, and civil penalties. The Commission has also asked the Court to grant interim relief that includes preliminary injunctions, an order barring the defendants from accepting any investor funds in connection with the offering, and an accounting to determine the full amount of any monies received by Toks and Ogunjobi as a result of the alleged conduct. [SEC v. Toks, Inc. and Ade O. Ogunjobi, 03 CV 01787, D.D.C.] (LR-18309)

You may find the rebuttal of Mr. Ogunjobi at: www.tsnotes.com/page2.html - 49k

It is said that "a word, to the wise, is sufficient."

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