

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

UNITED STATES ANTIMONY CORP  
Form 10QSB  
May 15, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-QSB

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

For the quarterly period ended March 31, 2003

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934

For the transition period to

Commission file number 33-00215

UNITED STATES ANTIMONY CORPORATION

(Name of small business issuer in its charter)

MONTANA

81-0305822

-----  
(State or other jurisdiction  
of incorporation or organization)

-----  
(I.R.S. Employer  
Identification No.)

P.O. BOX 643, THOMPSON FALLS, MONTANA

59873

-----  
(Address of principal executive offices)

-----  
(Zip code)

Registrant's telephone number, including area code: (406) 827-3523

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES    X            No  
    ---            ---

At May 14, 2003, the registrant had outstanding 27,027,959 shares of par value \$0.01 common stock.

UNITED STATES ANTIMONY CORPORATION  
QUARTERLY REPORT ON FORM 10-QSB

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

FOR THE QUARTERLY PERIOD  
ENDED MARCH 31, 2003

TABLE OF CONTENTS

	Page
PART I - FINANCIAL INFORMATION	
Item 1: Financial Statements . . . . .	1
Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations . . . . .	5
Item 3: Controls and Procedures . . . . .	7
PART II - OTHER INFORMATION	
Item 1: Legal Proceedings . . . . .	8
Item 2: Changes in Securities . . . . .	8
Item 3: Defaults among Senior Securities. . . . .	8
Item 4: Submission of Matters to a Vote of Security Holders . . . . .	8
Item 5: Other Information . . . . .	8
Item 6: Exhibits and Reports on Form 8-K. . . . .	8
SIGNATURES. . . . .	9
CERTIFICATIONS. . . . .	10

[The balance of this page has been intentionally left blank.]

PART I-FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

CONSOLIDATED BALANCE SHEETS

	(UNAUDITED) MARCH 31, 2003	DECEMBER 2002
ASSETS		
Current assets:		
Accounts receivable, less allowance for doubtful accounts of \$30,000 . . . . .	\$ 167,223	\$ 106,971
Inventories . . . . .	46,069	123,307
	-----	-----
Total current assets . . . . .	213,292	230,278
Investment in USAMSA, net . . . . .	17,125	18,625
Properties, plants and equipment, net . . . . .	515,728	529,416
Restricted cash for bank note payable . . . . .	102,022	102,022
Restricted cash for reclamation bonds . . . . .	91,186	91,186
Restricted cash for payroll taxes . . . . .	14,000	
	-----	-----
Total assets . . . . .	\$ 953,353	\$ 971,527
	=====	=====
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Checks issued and payable . . . . .	\$ 114,092	\$ 53,641
Accounts payable . . . . .	918,350	783,799
Accrued payroll and property taxes . . . . .	270,984	280,247
Accrued payroll and other . . . . .	90,406	85,838
Judgment payable . . . . .	50,630	49,780
Accrued interest payable . . . . .	14,640	18,663
Payable to related parties . . . . .	172,311	202,625
Stock subscription payable . . . . .	35,000	35,000
Notes payable to bank, current . . . . .	263,239	266,284
Accrued reclamation costs, current . . . . .	41,083	44,565
	-----	-----
Total current liabilities . . . . .	1,970,735	1,820,442
Notes payable to bank, noncurrent . . . . .	323,681	345,638
Accrued reclamations costs, noncurrent . . . . .	152,050	152,050
	-----	-----
Total liabilities . . . . .	2,446,466	2,318,130
	-----	-----
Commitments and contingencies (Note 3)		
Stockholders' deficit:		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized:		
Series A: 4,500 shares issued and outstanding . . . . .	45	45
Series B: 750,000 shares issued and outstanding . . . . .	7,500	7,500
Series C: 177,904 shares issued and outstanding . . . . .	1,779	1,779
Series D: 368,000 shares issued and outstanding . . . . .	3,680	960
Common stock, \$0.01 par value, 30,000,000 shares authorized; 27,027,959 issued and outstanding . . . . .	270,279	270,279
Additional paid-in capital . . . . .	16,988,090	16,963,610
Accumulated deficit . . . . .	(18,764,486)	(18,590,776)
	-----	-----
Total stockholders' deficit . . . . .	(1,493,113)	(1,346,603)
	-----	-----

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Total liabilities and stockholders' deficit. . . . . \$ 953,353 \$ 971,527  
 =====

The accompanying notes are an integral part of the financial statements.

1

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
 CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	FOR THE THREE MONTHS ENDED	
	MARCH 31, 2003	MARCH 31, 2002
Revenues:		
Sales of antimony products and other. . . . .	\$ 1,019,496	\$ 651,089
Sales of zeolite products . . . . .	120,700	61,314
	-----	-----
	1,140,196	712,403
Cost of sales:		
Cost of antimony production . . . . .	775,666	550,248
Cost of zeolite production. . . . .	123,269	31,101
Antimony depreciation . . . . .	9,476	14,300
Zeolite depreciation. . . . .	13,686	6,200
Antimony freight and delivery . . . . .	77,677	79,809
Zeolite freight and delivery. . . . .	20,594	2,010
	-----	-----
	1,020,368	683,668
Gross profit. . . . .	119,828	28,735
	-----	-----
Other operating expenses:		
Bear River Zeolite general and administrative	73,314	60,351
Antimony general and administrative . . . . .	130,884	97,896
Bear River Zeolite sales expenses . . . . .	14,436	8,130
Antimony sales expenses . . . . .	25,568	26,865
	-----	-----
	244,202	193,242
Other (income) expense:		
Interest expense. . . . .	16,376	17,453
Factoring expense . . . . .	33,565	19,326
Interest income and other . . . . .	(605)	(6,950)
	-----	-----
	49,336	29,829
	-----	-----
Net loss. . . . .	\$ 173,710	\$ 194,336
	=====	=====

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Basic net loss per share of common stock . . .	\$	0.01	\$	0.01
	=====		=====	
Basic weighted average shares outstanding . . .		27,027,959		26,588,070
	=====		=====	

The accompanying notes are an integral part of the financial statements.

2

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	FOR THE THREE MONTHS ENDED	
	MARCH 31, 2003	MARCH 31, 2002
Cash flows from operating activities:		
Net loss . . . . .	\$ (173,710)	\$ (194,336)
Adjustments to reconcile net loss to net cash used by operations:		
Depreciation and amortization . . . . .	24,662	26,931
Series D stock issued to directors . . . . .	7,200	
Series D stock issued for legal services . . . . .	20,000	
Change in:		
Restricted cash . . . . .	(14,000)	144
Accounts receivable . . . . .	(60,252)	64,486
Inventories . . . . .	77,238	(6,868)
Accounts payable . . . . .	134,551	67,271
Accrued payroll and property taxes . . . . .	(9,263)	14,909
Accrued payroll and other . . . . .	4,568	(125)
Judgment payable . . . . .	850	851
Accrued interest payable . . . . .	(4,023)	
Payable to related parties . . . . .	(30,314)	(26,380)
Accrued reclamation costs . . . . .	(3,482)	
	-----	-----
Net cash used by operating activities . . .	(25,975)	(53,117)
	-----	-----
Cash flows from investing activities:		
Purchase of properties, plants and equipment . . . . .	(9,474)	(106,021)
	-----	-----
Net cash used in investing activities . . .	(9,474)	(106,021)
	-----	-----
Cash flows from financing activities:		
Proceeds from issuance of common stock and warrants		160,000
Payments on notes payable to bank . . . . .	(74,370)	(96,117)
Proceeds from notes payable to bank . . . . .	49,368	99,491
Change in checks issued and payable . . . . .	60,451	(4,236)

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

	-----	-----
Net cash provided by financing activities . . . . .	35,449	159,138
	-----	-----
Net change in cash. . . . .	0	0
Cash, beginning of period . . . . .	0	0
	-----	-----
Cash, end of period . . . . .	\$ 0	\$ 0
	=====	=====
Supplemental disclosures:		
Cash paid during the period for interest. . . . .	\$ 13,683	\$ 13,343
	=====	=====

The accompanying notes are an integral part of these financial statements.

3

PART I - FINANCIAL INFORMATION, CONTINUED:

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION:

The unaudited consolidated financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America for interim financial information, as well as the instructions to Form 10-QSB. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of the Company's management, all adjustments (consisting of only normal recurring accruals) considered necessary for a fair presentation of the interim financial statements have been included. Operating results for the three-month period ended March 31, 2003 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2003. Certain consolidated financial statement amounts for the three-month period ended March 31, 2002 have been reclassified to conform to the 2003 presentation. These reclassifications had no effect on the net loss or accumulated deficit as previously reported.

For further information refer to the financial statements and footnotes thereto in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2002.

2. LOSS PER COMMON SHARE:

The Company accounts for its income (loss) per common share according to the Statement of Financial Accounting Standards No. 128 "Earnings Per Share" ("SFAS No. 128"). Under the provisions of SFAS No. 128, primary and fully diluted earnings per share are replaced with basic and diluted earnings per share. Basic earnings per share is arrived at by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding, and does not include the impact of any potentially dilutive common stock equivalents. Common stock equivalents, including warrants to purchase the

## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Company's common stock and common stock issuable upon the conversion of debentures are excluded from the calculations when their effect is antidilutive.

### 3. COMMITMENTS AND CONTINGENCIES:

Until 1989, the Company mined, milled and leached gold and silver in the Yankee Fork Mining District in Custer County, Idaho. In 1994, the U.S. Forest Service, under the provisions of the Comprehensive Environmental Response Liability Act of 1980 ("CERCLA"), designated the cyanide leach plant as a contaminated site. In 1996, the Idaho Department of Environmental Quality requested that the Company sign a consent decree related to completing the reclamation and remediation at the Preachers Cove mill. The Company has been diligently reclaiming the property and anticipates it will have the reclamation complete in the near term.

In November of 2001, the Environmental Protection Agency ("EPA") listed two by-products of the Company's antimony oxide manufacturing process as hazardous wastes under subtitle C of the Resource Conservation and Recovery Act ("RCRA"), and emergency notification requirements for releases to the environment under CERCLA. On November 26, 2002, the Company received a notice of violation related to a hazardous waste discharge that was discovered during a hazardous waste compliance evaluation inspection conducted at the Company's Thompson Falls antimony facility. In response to the notice, the Company removed certain antimony materials from its production area and agreed to ensure that future releases of hazardous waste would not occur. At March 31, 2003, management believes that no additional liability will result from the violation.

4

UNITED STATES ANTIMONY CORPORATION AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED), CONTINUED:

### 3. COMMITMENTS AND CONTINGENCIES, CONTINUED:

During the first quarter of 2003, the Company paid \$3,482 in water monitoring costs relating to its Preachers Cove property that were charged to its accrued reclamation liability.

The Company's management believes that USAC is currently in substantial compliance with environmental regulatory requirements and that its accrued environmental reclamation costs are representative of management's estimate of costs required to fulfill its reclamation obligations. Such costs are accrued at the time the expenditure becomes probable and the costs can reasonably be estimated. The Company recognizes, however, that in some cases future environmental expenditures cannot be reliably determined due to the uncertainty of specific remediation methods, conflicts between regulating agencies relating to remediation methods and environmental law interpretations, and changes in environmental laws and regulations. Any changes to the Company's reclamation plans as a result of these factors could have an adverse affect on the Company's operations. The range of possible losses in excess of the amounts accrued cannot be reasonably estimated at this time.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

#### General

This report contains both historical and prospective statements concerning the Company and its operations. Prospective statements (known as "forward-looking statements") may or may not prove true with the passage of time because of

## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

future risks and uncertainties. The Company cannot predict what factors might cause actual results to differ materially from those indicated by prospective statements.

### Results of Operations

The Company's operations resulted in a net loss of \$173,710 for the three-month period ended March 31, 2003, compared with a net loss of \$194,336 for the three-month period ended March 31, 2002. The decrease in the loss for the first quarter of 2003 compared to the similar quarter of 2002 is primarily due to increased sales prices for antimony oxide and an increase in sales of zeolite during the first quarter of 2003.

Total revenues from antimony product sales for the first quarter of 2003 were \$1,019,496 compared with \$651,089 for the comparable quarter of 2002, an increase of \$368,407. During the three-month period ended March 31, 2003, 48.79% of the Company's revenues from antimony product sales were from sales to one customer and 5.55% were from sales to a second individual customer. Sales of antimony products during the first quarter of 2003 consisted of 751,681 pounds at an average sale price of \$1.36 per pound. During the first quarter of 2002 sales of antimony products consisted of 752,049 pounds at an average sale price of \$0.87 per pound. The increase in sale prices of antimony products from the first quarter of 2002 to the first quarter of 2003 is the result of a corresponding increase in antimony metal prices.

Sales of zeolite products during the first quarter of 2003 were \$120,700 compared with first quarter sales in 2002 of \$61,314. The increase in sales for the first quarter of 2003 compared to the first quarter of 2002 was due to the Company's marketing efforts and a corresponding increase in the number of zeolite customers. Gross profit from antimony and zeolite sales during the first three-month period of 2003 was \$119,828 compared with gross profit of \$28,735 during the first three-month period of 2002.

The cost of antimony sales was \$775,666, or \$1.03 per pound sold, during the first quarter of 2003 compared to \$550,248 or \$0.73 per pound sold, during the first quarter of 2002. The increase was due to the corresponding increase in antimony metal prices during the first quarter of 2003.

5

### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION, CONTINUED:

The cost of zeolite sales was \$123,269 for the first quarter of 2003 compared to \$31,101 during the first quarter of 2002. The increase was principally due to the increase in sales of zeolite.

Antimony depreciation for the first quarter of 2003 was \$9,476 compared to \$14,300 for the first quarter of 2002. The decrease in depreciation from 2002 to 2003 is due to certain depreciable assets nearing the end of their useful lives.

Zeolite depreciation for the first quarter of 2003 was \$13,686 compared to \$6,200 for the first quarter of 2002. The increase in depreciation is due to the continued purchase of capital assets associated with zeolite production.

Antimony freight and delivery for the first quarter of 2003 was \$77,677 and was comparable to \$79,809 of freight and delivery expense during the first quarter of 2002.

Zeolite freight and delivery for the first quarter of 2003 was \$20,594 compared



## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

to \$2,010 for the first quarter of 2002. The increase is due to a corresponding increase in zeolite sales.

During the first quarter of 2003, the Company incurred costs totaling \$73,314 associated with general and administrative expenses of its 100% owned subsidiary, Bear River Zeolite Company, compared to \$60,351 of such expenses in the comparable quarter of 2002. The increase in BRZ expenses was principally due to costs associated with zeolite marketing efforts and other product development activities during 2003.

Zeolite sales expenses were \$14,436 during the first quarter of 2003 compared to \$8,130 during the first quarter of 2002. The increase in zeolite sales expense was due to a corresponding increase in zeolite sales.

General and administrative expenses in the antimony division were \$130,884 during the first quarter of 2003 compared to \$97,896 during the first quarter of 2002. The increase in general and administrative expenses was partially due to costs totaling \$27,200 from Series D Preferred Stock issues to the Company's directors and an attorney during the first quarter of 2003.

Antimony sales expenses were \$25,568 in the first quarter of 2003 and were comparable with \$26,865 during the first quarter of 2002.

Interest expense of \$16,376 was incurred during the first quarter of 2003 and was comparable to \$17,453 during the first quarter of 2002.

Accounts receivable factoring expense was \$33,565 of factoring expense incurred during the first quarter of 2003 compared to \$19,326 during the first quarter of 2002. The increase was primarily due to an increase in sales during the first quarter of 2003.

Interest and other income decreased from \$6,950 during the first quarter of 2002 to \$605 during the first quarter of 2003. The decrease was the result of the decrease in interest rates during the first quarter of 2003.

6

### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION, CONTINUED:

#### Financial Condition and Liquidity

At March 31, 2003, Company assets totaled \$953,353, and there was a stockholders' deficit of \$1,493,113. The stockholders' deficit increased \$146,510 from December 31, 2002, primarily due to the net loss incurred during the first quarter of 2003. At March 31, 2003 the Company's total current liabilities exceeded its total current assets by \$1,757,443. Due to the Company's operating losses, negative working capital, and stockholders' deficit, the Company's independent accountants included a paragraph in the Company's 2002 financial statements relating to a going concern uncertainty. To continue as a going concern the Company must generate profits from its antimony and zeolite sales and to acquire additional capital resources through the sale of its securities or from short and long-term debt financing. Without financing and profitable operations, the Company may not be able to meet its obligations, fund operations and continue in existence. While management is optimistic that the Company will be able to sustain profitable operations and meet its financial obligations, there can be no assurance of such.

## Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Cash used by operating activities during the first three months of 2003 was \$25,975, and resulted from the first quarter net loss of \$173,710 as adjusted by increasing accounts payable, decreasing inventories and the non-cash affects of depreciation and amortization expenses.

Cash used in investing activities during the first three months of 2003 was \$9,474 and primarily related to the construction of capital assets at the Bear River Zeolite facility.

Net cash provided by financing activities was \$35,449 during the first three months of 2003 was primarily generated from an increase in checks issued and payable.

### ITEM 3. CONTROLS AND PROCEDURES

Based on their most recent evaluation, which was completed within 90 days of the filing of this Form 10-QSB, the Company's president believes the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) are effective to ensure that information required to be disclosed by the Company in this report is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. There were no significant changes in the Company's internal controls or other factors that could significantly affect these controls subsequent to the date of their evaluation and there were no corrective actions with regard to significant deficiencies and material weaknesses.

7

## PART II - OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

None

### ITEM 2. CHANGES IN SECURITIES

Neither the constituent instruments defining the rights of the registrant's securities filers nor the rights evidenced by the registrant's outstanding common stock have been modified, limited or qualified.

### ITEM 3. DEFAULTS UPON SENIOR SECURITIES

The registrant has no outstanding senior securities.

### ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None

### ITEM 5. OTHER INFORMATION

None

### ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

Exhibit 10.51 Consulting Agreement Dated March 1, 2003

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

Reports on Form 8-K None

8

SIGNATURE

Pursuant to the requirements of Section 13 or 15(b) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITED STATES ANTIMONY CORPORATION  
(Registrant)

By: /s/ John C. Lawrence Date: May 14, 2003

-----  
John C. Lawrence, Director and President  
(Principal Executive, Financial and Accounting Officer)

9

CERTIFICATION

I, John C. Lawrence, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of United States Antimony Corporation

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of and for the periods presented in this quarterly report.

4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and I have:

a. designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b. evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c. presented in this quarterly report our conclusions about the effectiveness of disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or

Edgar Filing: UNITED STATES ANTIMONY CORP - Form 10QSB

persons performing the equivalent functions);

- a. all significant deficiencies in the design or operations of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and
- b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and

6. I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 14, 2003

/s/ John C. Lawrence  
-----

John C. Lawrence  
President, Director and Principal Financial Officer

10

CERTIFICATION PURSUANT TO THE SARBANES-OXLEY ACT  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002

I, John C. Lawrence, President, Director and Principal Financial Officer of United States Antimony Corporation ("the "Registrant") do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- 1. This Quarterly Report on Form 10-QSB of the Registrant for the period ended March 31, 2003, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: May 14, 2003

/s/ John C. Lawrence  
-----

John C. Lawrence  
President, Director and Principal Financial Officer

11

