

ALJ

ADMINISTRATIVE PROCEEDING  
FILE NO. 3-11310

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
March 3, 2004

SECURITIES & EXCHANGE COMMISSION  
MAILED FOR SERVICE

MAR 04 2004

FIRST CLASS

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In the Matter of	:	
	:	
LORSIN, INC.,	:	
LORETTA M. LOCKHART,	:	ORDER
CRAIG K. HJALMARSON,	:	
RUSSELL MANAGEMENT, INC.,	:	
GEORGE R. SIEMBIDA,	:	
HAROLD ENGEL, JR.,	:	
MICROCAP MARKETING, INC.,	:	
and SHANE M. NELSON	:	

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The Securities and Exchange Commission initiated this proceeding on October 23, 2003, seeking cease-and-desist and disgorgement orders against all Respondents. The Respondents have all filed answers.

On January 8, 2004, the Division of Enforcement (Division) filed a motion for summary disposition (Motion) and attached exhibits, including the Respondents' brokerage records, as evidence of the disgorgement amounts it is seeking. All Respondents, except George R. Siembida (Siembida), filed responses to the Motion. On February 20, 2004, the Division filed its reply. A prehearing conference was held yesterday and all parties except Siembida attended. During the prehearing conference, the Division agreed to supplement the record and provide further clarification on the calculation of disgorgement in its Motion.

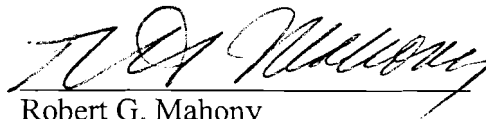
The Division is ORDERED to provide the undersigned and all Respondents with a supplemental chart and a written explanation to describe how the Division arrived at its disgorgement calculations. See 17 C.F.R. § 201.111.

The Division shall trace the shares at issue transaction-by-transaction as to each Respondent's account. Each transaction being traced shall include the following information: (1) the date and method of acquisition, (2) from whom the shares were acquired, (2) the quantity of shares at issue, (3) the identity of each purchaser of the shares, and (4) the price at which the shares were allegedly sold. The Division shall refer to specific pages in the exhibits attached to its Motion, and provide any additional documents, to show how it arrived at its conclusions.

The Division shall also explain the methodology it utilized, along with relevant authority, in tracing and pricing the shares to determine the disgorgement amounts being sought. In establishing its pricing methodology, the Division shall include whether or not it included brokerage fees or commissions for each transaction, and if so, the applicable amounts for each transaction.

The Division shall provide the undersigned and Respondents with its supplemental chart, written explanation, and any additional documents by the close of business on Friday, March 12, 2004. Prior to this submission, the Division shall contact each Respondent and review its proposed disgorgement calculations and methodologies. The Division shall also arrange a prehearing conference date with Respondents during the week of March 15, 2004, to discuss the supplemental filings and prehearing schedule. The Division shall notify this office of the time and date of the prehearing conference. The Division shall obtain a court reporter and initiate the call.

IT IS SO ORDERED.



Robert G. Mahony  
Administrative Law Judge