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UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION,	:	
450 Fifth Street, NW	:	**Jury Trial Demanded**
Washington, DC 20549	:	
	:	
Plaintiff,	:	
	:	
v.	:	
	:	
	:	**05 Civ. _____**
DAVID E. WHITTEMORE,	:	
WHITTEMORE MANAGEMENT, INC.,	:	
PETER S. CAHILL, and	:	
CLEARLAKE VENTURE GROUP,	:	
	:	
	:	
	:	
Defendants.	:	

COMPLAINT

Plaintiff Securities and Exchange Commission ("SEC"), for its complaint against Defendants David E. Whittemore ("Whittemore"), Whittemore Management, Inc. ("WMI"), Peter S. Cahill ("Cahill"), and Clearlake Venture Group ("Clearlake"), (collectively, the "Defendants"), alleges as follows:

SUMMARY

1. This action alleges a scheme, commonly referred to as a "pump and dump," to defraud the public through the nationwide broadcasting of fraudulent voicemail messages touting the stocks of small, thinly-traded companies. In or about July 2004, Defendant Cahill, through the entity he controls, Defendant Clearlake, hired Defendant WMI and its sole employee, Defendant Whittemore, to use auto-dialing equipment to place hundreds of thousands of calls nationwide leaving prerecorded messages promoting stocks. The prerecorded messages were intended to deceive each recipient by making him believe that the caller had dialed his number by mistake and that he was the "unintended" recipient of a "hot" stock tip meant for a friend of the caller. The messages were entirely fictitious and disseminated for the purpose of artificially inflating, or "pumping," the trading volumes and share prices of the touted companies so that Cahill and others in on the scheme could profit by selling shares of the touted stocks at the fraudulently inflated prices. The calls broadcast by the Defendants accomplished their unlawful and fraudulent purpose. During the calling period of approximately 30 days, the trading volume of the touted stocks increased by approximately 1,600% in the aggregate and the share prices of the touted stocks increased in the aggregate amount of approximately $22 million in market capitalization.

JURISDICTION AND VENUE

2. The SEC brings this action pursuant to authority conferred by Section 21(d) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78u(d)] seeking to permanently enjoin Defendants from engaging in the wrongful conduct alleged in this complaint. The SEC seeks a final judgment ordering Defendants to pay civil money penalties and other relief pursuant to Section 21(d) of the Exchange Act.

3. This Court has jurisdiction over this action pursuant to Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa]. Defendants directly or indirectly, singly or in concert, have made use of the means or instrumentalities of transportation or communication in, or the instrumentalities of, interstate commerce, or of the mails, in connection with the transactions, acts, practices, and courses of business alleged in this complaint.

4. Venue lies in this district pursuant to Section 27 of the Exchange Act [15 U.S.C. § 78aa]. Certain of the transactions, acts, practices, and courses of business constituting the violations alleged herein occurred within the District of Columbia, including the dissemination of the false and misleading messages to the telephone answering machines of potential investors residing in the District of Columbia.

DEFENDANTS

5. David E. Whittemore, age 41, is the owner and sole employee of Whittemore Management, Inc., and is a resident of the State of Texas.

6. Whittemore Management, Inc. is a privately-held company incorporated under the laws of the State of Texas with its principal place of business in Dallas, Texas. The company sends prerecorded voice messages via telephone.

7. Peter S. Cahill, age 48, controls Clearlake Venture Group, and is a resident of the State of Texas.

8. Clearlake Venture Group is an entity controlled by Cahill with its principal place of business in Houston, Texas.

RELEVANT ENTITIES

9. Triton American Energy Corp. ("TRAE") is and was, at all relevant times, an oil and natural gas exploration and production company incorporated under the laws of the State of

Colorado with its principal place of business in Houston, Texas. TRAE's common stock is quoted in the Pink Sheets, a price quotation system primarily used for trading the securities of small corporations that do not meet the minimum listing requirements of a national securities exchange. It is quoted under the symbol TRAE.

10. Yap International, Inc. ("YPIL") is and was, at all relevant times, an Internet communications company incorporated under the laws of the State of Nevada with its principal place of business in Vancouver, British Columbia. YPIL's common stock is quoted in the Pink Sheets, a price quotation system primarily used for trading the securities of small corporations that do not meet the minimum listing requirements of a national securities exchange. It is quoted under the symbol YPIL.

THE SCHEME TO DEFRAUD
The TRAE Fraudulent Messages

11. In or about July 2004, Defendant Cahill, who had acquired, owned or controlled a substantial number of the outstanding shares of TRAE, a small, Houston-based oil company, contacted Defendant Whittemore to engage WMI's services to broadcast voicemail messages touting TRAE's stock. Defendants Whittemore and WMI, who are in the business of using auto-dialing computers to broadcast prerecorded messages via telephone, agreed to broadcast messages for Cahill and Defendant Clearlake, the entity Cahill controlled. On or about August 12, 2004, Cahill paid Whittemore 594,000 shares of TRAE stock in advance for his services. Whittemore later returned the TRAE shares to Cahill, who then paid Whittemore $142,000 in lieu of the returned stock.

12. On or about August 17, 18, 19, 31 and September 14, 2004 and other dates unknown, in furtherance of the scheme to defraud, Whittemore and WMI broadcast a series of false and

misleading messages touting TRAE, leaving the following or a substantially similar message on telephone answering machines across the country:

> Hey David, it's Kathy. Listen, honey, Jim wanted me to give you a call. I just put him on a plane and he didn't have time to call you himself, uh, but he wanted you to know…remember those guys that do those stock promos? They're getting ready to start another one this week. Uhm, they just did, uh, shoot. Hang on there a minute, let me look here and see. Okay, the first one was CNDD, the other one was PWRM, and he said that the next one you can get in on was TRAE. Let me look here, uhm, yeah, TRAE. It's an oil company. And, anyway, he said he thought that it's gonna be their best stock promotion this year. It's at 75 right now and I think it's going to go up to like five or six bucks, or something like that. He said you needed to get in in the morning before the price starts going up 'cause you definitely want in on this one. Give him a call later tonight, sweetheart, and, um, I think that's it. I'll talk to you soon. Bye.

13. The messages had their intended effect, increasing the trading volume and share price of TRAE stock. During the voicemail scheme to defraud, the price of TRAE's common stock, which had last traded at $.32 per share on August 6, 2004 with a trading volume of 10,000 shares, tripled to a high of $.97 per share with a trading volume of 756,000 shares on August 19, 2004, an increase in market capitalization of approximately $12 million.

14. Cahill profited by selling TRAE shares while the voicemails were being broadcast. Between approximately August 23 and September 14, 2004, Cahill sold 680,800 TRAE shares, generating proceeds of $508,056.

The YPIL Fraudulent Messages

15. In or about late August and early September 2004, Defendants Whittemore and WMI broadcast a similar fraudulent message intended to deceive recipients nationwide by making them believe that they had received an inside stock tip about YPIL. On August 13, 2004, WMI was paid 210,000 shares of YPIL in advance by an unknown party to broadcast these messages.

Between approximately August 19 and August 27, 2004, WMI sold 45,014 of these YPIL shares generating proceeds of approximately $37,070.

16. On or about August 30, 31 and September 9, 2004 and other dates unknown, in furtherance of the scheme to defraud, Defendants Whittemore and WMI broadcast a series of false and misleading messages touting YPIL. The message or a substantially similar message was left on answering machines across the country, stating the following:

> Hey Mark, it's Jill. Listen, honey, Gary wanted me to give you a call. Um, I just put him on a plane and he didn't have time, but he wanted me to let you know…remember those guys that do those stock promotions? They're getting ready to start another one this week. And, they just did, let me look here, AUML and the other one was CNDD. Uh, he said the next one you can get in on was Y-P as in Paul-I-L, I think. Yeah, YPIL. It's a communications company that's doing some sort of free long distance service called the Yapper. Anyway, he said he thought that it's gonna be the best one, uh, the best stock promo this year. It's at 68 cents right now and they think it's going to go up to like six or seven dollars, or something outrageous. But anyway, he said that you needed to get in on it in the morning before the price starts going up 'cause you definitely want to get on this one. So, um, give him a call later on tonight, and, um, I'll be talking to you soon. Bye sweetie.

17. The messages had their intended effect, increasing the trading volume and share price of YPIL's common stock. During the voicemail scheme to defraud, the price and trading volume of YPIL's common stock, which had traded at $.68 per share with a trading volume of 7,380 shares on August 27, 2004, spiked to a high of $1.00 per share with a trading volume of 302,814 shares on September 1, 2004, an increase in market capitalization of approximately $10 million.

FIRST CLAIM FOR RELIEF
(All Defendants)
Violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder

18. The Commission realleges and incorporates by reference herein the averments of paragraphs 1 through 17 of the Complaint.

19. Defendants have, by engaging in the conduct set forth above, directly or indirectly, by use of means or instrumentalities of interstate commerce, or of the mails, or of a facility of a national security exchange, have with intent to defraud or reckless disregard for the truth: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices or courses of business which operated or would operate as a fraud or deceit upon other persons, in connection with the purchase or sale of securities.

20. Defendants Whittemore, WMI, Cahill, and Clearlake by engaging in the conduct set forth above, knowingly or with reckless disregard for the truth, violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

SECOND CLAIM FOR RELIEF
(Defendants Whittemore and WMI)
Aiding and Abetting Violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder

21. The Commission realleges and incorporates by reference herein the averments of paragraphs 1 through 17 of the Complaint.

22. Defendants Cahill and Clearlake, by engaging in the conduct set forth above, directly or indirectly, by use of means or instrumentalities of interstate commerce, or of the mails, or of a

facility of a national security exchange, have with intent to defraud or with reckless disregard for the truth: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices or courses of business which operated or would operate as a fraud or deceit upon other persons, in connection with the purchase or sale of securities.

23. Defendants Whittemore and WMI, by engaging in the conduct set forth above, knowingly provided substantial assistance to Cahill and Clearlake in their violation of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

24. Based on the foregoing, defendants Whittemore and WMI aided and abetted violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

PRAYER FOR RELIEF

WHEREFORE, Plaintiff SEC respectfully requests that this Court enter final judgments:

I. Permanently enjoining each of the Defendants, their agents, servants, employees, attorneys in-fact, and all persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise, and each of them, from violating Section 10(b) of the Exchange Act and Rule 10b-5 thereunder;

II. Permanently enjoining Defendants Whittemore and WMI, their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise, and each of them, from aiding and abetting violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder;

III. Ordering each of the Defendants to account for and disgorge their ill-gotten gains from the violative conduct alleged in this complaint, and to pay prejudgment interest thereon;

IV. Ordering each of the Defendants to pay the maximum civil monetary penalties pursuant to Section 21(d)(3) of the Exchange Act; and

V. Granting such other and further relief as the Court deems appropriate.

Dated: WASHINGTON, DC

_____ __, 2005

By: _____

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