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TIV scam stock or AMEX poster-child?

On October 29, 2003 Tri-Valley Corporation (AMEX: TIV, \$9.01) began trading on the American Stock Exchange ("AMEX"). At the time TIV's President F. Lynn Blystone stated that "We believe listing on the AMEX is especially propitious at this time." This propitious event occurred 22 years after Mr. Blystone had merged TIV with a \$14,000 shell to become a "public" company. TIV has put-up an almost uninterrupted string of losses and stock selling schemes since that ignoble debut. Investors may question how and why a company like TIV got listed and maintains its AMEX listing.

Cohen Specialists LLC ("Cohen") is the AMEX stockbroker that has listed TIV since it began trading on the exchange. Tri-Valley's AMEX listing credentials include questionable accounting methods (see ["so who owns the cash on tri-valley's books?"](http://asensio.com/Reports/ReportView.aspx?ReportId=681&CompanyId=146&CompanyName=Report "so who owns the cash on tri-valley's books?") target="_blank">"So Who Owns The Cash on Tri-Valley's Books?"), an endless stream of questionable press releases (see ["tri-valley's loose 'tight gas' story"](http://asensio.com/Reports/ReportView.aspx?ReportId=680&CompanyId=146&CompanyName=Report "tri-valley's loose 'tight gas' story") target="_blank">"Tri-Valley's Loose 'Tight Gas' Story"), affiliations with dubious associates and back-door penny-stock sales (see ["tri-valley's gas sure smells fishy"](http://asensio.com/Reports/ReportView.aspx?ReportId=677&CompanyId=146&CompanyName=Report "tri-valley's gas sure smells fishy") target="_blank">"Tri-Valley's Gas Sure Smells Fishy"), and questionable statements about its reserves (see ["tri-valley's mineral resources: mere postulation?"](http://asensio.com/Reports/ReportView.aspx?ReportId=672&CompanyId=146&CompanyName=Report "tri-valley's mineral resources: mere postulation?") target="_blank">"Tri-Valley's Mineral Resources: Mere Postulation?").

Investors may ask what money-making opportunity Cohen saw in TIV. Cohen's AMEX listing track record may serve to provide an answer. We found at least eight other questionable companies that like TIV enjoyed incredible stock run-ups after Cohen begun acting as their AMEX specialist. In addition to questionable stock run-ups, these Cohen listings, Adventrix Pharmaceuticals (AMEX: ANX, \$3.11); Meretek Technologies (AMEX: MEK, \$7.44); Home Solutions of America (AMEX: HOM, \$5.58); Flight Safety Technologies (AMEX: FLT, \$2.30); Wireless Xcessories Group Incorporated (AMEX: XWG, \$5.21); Dune Energy Incorporated (AMEX: DNE \$2.87); Tan Range Exploration Corporation (AMEX: TRE, \$3.53); InfoSonic Corporation (AMEX: IFO, \$15.68) and Fieldpoint Petroleum Corporation (AMEX: FPP, \$8.28), all share a number of other irregularities.

Almost all of the companies have changed their names at least once and two have changed their name five times. As a group Cohen's AMEX listings have engaged in reverse splits, been de-listed from the NASDAQ, conducted a self-unit underwriting, done a share exchange, declared that its "operations were minimal and our revenues were not material," been registered in British Columbia as an extra provincial company and were created through reverse mergers like TIV.

In the August 15, 2005 edition of "The American Exchange" the AMEX's official newsletter, Cohen's Managing

Director of Floor Operations, Robert Nunn, described himself as an AMEX "Senior Floor Official".

Mr. Nunn appears to be Cohen's face man. He is a floor broker specialist, often called a \$2 broker whose function is to be an order taker. Yet he has appeared on such CNBC shows as "Morning Call" and "Closing Bell" at least seventeen times in the past two years commenting on topics such as the market's reaction to terrorism, diversification in animation stocks, and the impact of rising energy costs on the market. Mr. Nunn's enthusiasm to comment on these lofty topics seem at odds with making money on the AMEX trading of such questionable and questionably promoted companies like TIV.

Among the qualitative factors that the AMEX supposedly takes in to account in deciding to grant a new listing are "historical record and pattern of growth" as well as "financial integrity." It is difficult to understand how TIV's losses, questionable dealings, and financial reporting qualify it to be listed on the AMEX. That is until investors realize that the AMEX has run in to problems in the past for listing and not delisting companies that skirt or have difficulty meeting listing requirements.

Three different investigations initiated by Congress have found "weaknesses" in the AMEX's practices of assessing company's qualifications for listing and not delisting companies that don't meet the continued listing requirements. It seems that little has changed since the first investigation in May of 1994. With TIV's history of losses, questionable dealings, and financial reporting, it just may be the perfect poster-child for AMEX listed companies with compliance issue that the AMEX does not delist.

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