

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

FORM 10-QSB

(Mark One)

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

For the quarterly period ended June 30, 1997

or

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

For the transition period from _____ to _____

Commission File Number: 0-1665

EXTECH CORPORATION

(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

36-2476480
(I.R.S Employer
Identification No.)

90 Merrick Avenue, East Meadow, New York
(Address of principal executive offices)

11554
(Zip Code)

(516) 794-6300
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 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. (X) Yes () No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and
reports required to be filed by Sections 12, 13 or 15(d) of the Securities
Exchange Act of 1934 subsequent to the distribution of securities under a plan
confirmed by a court. () Yes () No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes
of common stock, as of the latest practicable date.

5,591,367 shares as of July 14, 1997

This document consists of 10 sequentially numbered pages.

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
(UNAUDITED)

June 30, 1997

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 1,471,626
Accounts receivable	36,537
Notes and other receivables	43,844
Inventories	4,818
Prepaid expenses and other current assets	12,628

Total current assets 1,569,453

PROPERTY AND EQUIPMENT, net 139,975

OTHER ASSETS:

Operating equipment, net	11,198
Deposits	5,000

Total other assets 16,198

\$ 1,725,626
=====

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts payable	\$ 5,066
Accrued expenses	48,153
Debentures payable	154,200
Accrued taxes payable	14,993

Total current liabilities 222,412

MINORITY INTEREST 560

OTHER LONG TERM LIABILITIES: 59,883

STOCKHOLDERS' EQUITY:

Common Stock, \$.01 par value; authorized, 10,000,000 shares; issued and outstanding, 5,591,367 shares	55,914
Capital in excess of par	5,264,950
Deficit	(3,878,093)

1,442,771

\$ 1,725,626
=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Six months ended	
	June 30,	
	1997	1996
Revenues:		
Rooms	\$ 512,635	\$ 506,162
Other	9,273	12,391
Interest	30,200	15,041
	-----	-----
Total revenues	552,108	533,594
	-----	-----
Costs and expenses:		
General, administrative and sundry	259,612	207,687
Departmental	149,256	151,507
Depreciation and amortization	25,926	25,832
Energy costs	11,366	7,311
Lease rentals	100,695	101,231
Marketing	11,610	13,200
Property operation and maintenance	12,483	10,426
Provision for bad debt	600	1,200
	-----	-----
	571,548	518,394
Net (loss) income	\$ (19,440)	\$ 15,200
	=====	=====
Income per common share:		
Net (loss) income	\$ (.01)	\$.01
	=====	=====
Weighted average number of common shares outstanding	5,591,367	2,866,092
	=====	=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three months ended	
	June 30,	
	1997	1996
Revenues:		
Rooms	\$ 205,164	\$ 204,551
Other	4,135	5,728
Interest	16,940	8,854
	-----	-----
Total revenues	226,239	219,133
	-----	-----
Costs and expenses:		
General, administrative and sundry	145,137	106,618
Departmental	68,922	70,725
Depreciation and amortization	13,106	12,845
Energy costs	6,459	2,676
Lease rentals	38,964	39,046
Marketing	4,412	5,409
Property operation and maintenance	6,642	5,861
Provision for bad debt	300	600
	-----	-----
	283,942	243,780
Net (loss)	\$ (57,703)	\$ (24,647)
	=====	=====
Income per common share:		
Net (loss)	\$ (.01)	\$ (.01)
	=====	=====
Weighted average number of common shares outstanding	5,591,367	3,340,818
	=====	=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six months ended	
	June 30,	
	1997	1996
Cash flows from operating activities:		
Net (loss) income	\$ (19,440)	\$ 15,200
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	25,926	25,832
Provision for bad debts	600	1,200
Decrease (increase) in assets:		
Accounts receivable	13,454	21,539
Inventories	1,582	1,005
Prepaid expenses and other current assets	109,851	(8,189)
Notes receivable	38,012	(30,648)
Other assets	(1,669)	1,844
Deposits	(5,000)	(10,000)
Increase (decrease) in liabilities:		
Accounts payable	3,092	(926)
Accrued expenses	(75,473)	(15,854)
Accrued taxes payable	14,993	12,335
Claims withheld	59,883	-0-
	-----	-----
Net cash provided by operating activities	165,811	13,338
	-----	-----
Cash flows from investing activities:		
Purchases of property and equipment	(12,306)	(4,476)
	-----	-----
Net cash (used in) investing activities:	(12,306)	(4,476)
	-----	-----
Cash flows from financing activities:		
Proceeds from issuance of stock	-0-	800,000
	-----	-----
Net cash provided by financing activities	-0-	800,000
	-----	-----
Net increase in cash and cash equivalents	153,505	808,862
Cash, beginning of period	1,318,121	644,956
	-----	-----
Cash, end of period	\$1,471,626	\$ 1,453,818
	=====	=====

See notes to condensed consolidated financial statements.

EXTECH CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
SIX MONTHS ENDED JUNE 30, 1997 AND 1996 (UNAUDITED)

1. The Condensed Consolidated Balance Sheet as of June 30, 1997, the Condensed Consolidated Statements of Operations for the three and six months ended June 30, 1997 and 1996 and the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 1997 and 1996 have been prepared by the Company without audit. In the opinion of the Company, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to present fairly its financial position as of June 30, 1997, results of operations for the three and six months ended June 30, 1997 and 1996 and cash flows for the six months ended June 30, 1997 and 1996. This report should be read in conjunction with the Company's Annual Report on Form 10-KSB for the year ended December 31, 1996.
2. The results of operations and cash flows for the six months ended June 30, 1997 are not necessarily indicative of the results to be expected for the full year.

EXTECH CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OR
PLAN OF OPERATION

SIX MONTHS ENDED JUNE 30, 1997 AND 1996

Results of Operations:

The Company's net loss for the six months ended June 30, 1997 was \$19,440 as compared to a net income of \$15,200 for the six months ended June 30, 1996. The total revenues for the six months ended June 30, 1997 was \$18,514 higher than for the six months ended June 30, 1996. However, the additional revenues were offset by \$51,925 of additional general, administrative and sundry expenses. These additional costs were primarily from increased professional fees associated with certain contemplated business acquisitions and from additional officer compensation.

Liquidity and Capital Resources:

As of June 30, 1997, the Company had \$1,471,626 in cash and cash equivalents and a working capital surplus of \$1,347,041. As of December 31, 1996, the Company had \$1,318,121 in cash and cash equivalents and a working capital surplus of \$1,299,647. The increase in cash and cash equivalents was primarily the result of cash generated from operating activities for the first quarter of 1997, including the receipt of \$77,652 in royalty payments during the first quarter of 1997 (which royalty payments were recognized as revenue in 1996), and the receipt of \$28,735 in payments from Robeson Industries Corp. pursuant to a certain promissory note.

The increase in working capital was primarily the result of the increase in cash and cash equivalents and the reclassification of \$59,883 of certain disputed rental obligations of the Company's wholly-owned subsidiary, IAH, Inc., as long term liabilities, rather than as accrued expenses.

The Company did not have any material commitments for capital expenditures as of June 30, 1997; however, the Company is continuing to explore business opportunities in connection with the acquisition and/or operation of a sports franchise. No definitive arrangements are currently in place and no assurances can be given that any such transaction will be entered into.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

None

Item 2. CHANGES IN SECURITIES

None

Item 3. DEFAULTS UPON SENIOR SECURITIES

None

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

(a) Exhibits

3(a) Certificate of Incorporation,
as amended 1

3(b) By-laws, as amended

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(b) Reports on Form 8-K

None

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1 Denotes document filed as an exhibit to the Company's Annual Report on Form 10-KSB for the year ended December 31, 1993 and incorporated herein by reference.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EXTECH CORPORATION

Dated: August 13, 1997

By: /s/ Morton L. Certilman

MORTON L. CERTILMAN
President (Chief Operating Officer and
Principal Financial Officer)

EXTECH CORPORATION

BY-LAWS

ARTICLE I

OFFICES

Section 1. The principal office shall be in the City of Wilmington, County of New Castle, State of Delaware.

Section 2. The corporation may also have offices at such other places both within and without the State of Delaware as the board of directors may from time to time determine or the business of the corporation may require.

ARTICLE II

MEETING OF STOCKHOLDERS

Section 1. All meetings of the stockholders for the election of directors shall be held in the City of Chicago, State of Illinois, at such place as may be fixed from time to time by the board of directors. Meetings of stockholders for any other purpose may be held at such time and place, within or without the State of Delaware, as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 2. Annual meetings of stockholders, commencing with the year 1976, shall be held on the fourth Thursday of September if not a legal holiday, and if a legal holiday, then on the next secular day following, at 11:00 A.M., at which they shall elect a board of directors by a plurality vote (as provided in Section 10 of this Article II), and transact such other business as may properly be brought before the meeting.

Section 3. Written notice of the annual meeting shall be given to each stockholder entitled to vote thereat at least ten days before the date of the meeting.

Section 4. The officer who has charge of the stock ledger of the corporation shall prepare and make, at least ten days before every election of directors, a complete list of the stockholders entitled to vote at said election, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, during ordinary business hours, for a period of at least ten days prior to the election, either at a place within the city, town or village where the election is to be held and which place shall be specified in the notice of the meeting, or, if not specified, at the place where said meeting is to be held, and the list shall be produced and kept at the time and place of election during the whole time thereof, and subject to the inspection of any stockholder who may be present.

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Section 5. Special meeting of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the certificate of incorporation, may be called by the president and shall be called by the president or secretary at the request in writing of a majority of the board of directors, or at the request in writing of stockholders owning a majority in amount of the entire capital stock of the corporation issued and outstanding and entitled to vote. Such request shall state the purposes or purposes of the proposed meeting.

Section 6. Written notice of a special meeting of stockholders, stating the time, place and object thereof, shall be given to each stockholder entitled to vote thereat, at least five days before the date fixed for the meeting.

Section 7. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 8. The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat,

present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

Section 9. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the certificate of incorporation, a different vote is required in which case such express provision shall govern and control the decision of such question.

Section 10. Each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder, but no proxy shall be voted on after three years from its date, unless the proxy provides for a longer period, and, except where the transfer books of the corporation have been closed or a date has been fixed as a record date for the determination of its stockholders entitled to vote, no share of stock shall be voted on at any election for directors which has been transferred on the books of the corporation within twenty days next preceding such election of directors. At all elections of directors of the corporation each stockholder having voting power shall be entitled to exercise the right of cumulative voting as provided in the certificate of incorporation.

Section 11. Whenever the vote of stockholders at a meeting thereof is required or permitted to be taken in connection with any corporate action by any provisions of the statutes or of the certificate of incorporation, the meeting and vote of stockholders may be dispensed with, if all the stockholders who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such corporate action being taken.

ARTICLE III

DIRECTORS

Section 1. The number of directors which shall constitute the whole board shall be three (3). The directors shall be elected at the annual meeting of the stockholders, except as provided in Section 2 of this Article, and each director elected shall hold office until his successor is elected and qualified. Directors need not be stockholders.

Section 2. Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, though less than a quorum, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced.

Section 3. The business of the corporation shall be managed by its board of directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the certificate of incorporation or by those by-laws directed or required to be exercised or done by the stockholders.

MEETING OF THE BOARD OF DIRECTORS

Section 4. The board of directors of the corporation may hold meetings, both regular and special, either within or without the State of Delaware.

Section 5. The first meeting of each newly elected board of directors shall be held immediately following the close of the annual meeting at the place of the holding of said annual meeting. No notice of any such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. In the event such meeting is not held at such time and place, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the board of directors, or as shall be specified in a written waiver signed by all of the directors.

Section 6. Regular meetings of the board of directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

Section 7. Special meetings of the board may be called by the chairman of the board or the president on two days' notice to each director, either personally or by mail or by telegram; special meetings shall be called by the president or secretary in like manner and on like notice on the written request of two directors.

Section 8. At all meetings of the board a majority of the directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the board of directors, except as may be otherwise specifically provided by statute or by the certificate of incorporation. If a quorum shall not be present at any meeting of the board of directors the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 9. Unless otherwise restricted by the certificate of incorporation or these by-laws, any action required or permitted to be taken at any meeting of the board of directors or of any committee thereof may be taken without a meeting, if prior to such action a written consent thereto is signed by all members of the board or such committee, as the case may be, and such written consent is filed with the minutes of proceeding of the board or committee.

COMMITTEES OF DIRECTORS

Section 10. There shall be established an executive committee consisting of the chairman of the board, the vice chairman of the board, the president, the executive vice-president of the corporation and such other members as may be designated by resolution passed by a majority of the whole board, which committee shall be responsible for the management of the business and affairs of the corporation, subject to the direction of the board of directors. The board of directors may, by resolution passed by a majority of the whole board, designate one or more additional committees, each committee to consist of two or more directors of the corporation, which, to the extent provided in the resolution, shall have and may exercise the powers of the board of directors in the management of the business and affairs of the corporation and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors.

Section 11. Each committee shall keep regular minutes of its meetings and report the same to the board of directors when required.

COMPENSATION OF DIRECTORS

Section 12. The directors may be paid their expenses, if any, of attendance at each meeting of the board of directors and may be paid a fixed sum for attendance at each meeting of the board of directors and such salary or other compensation as directors, as the board by resolution may determine. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

ARTICLE IV

NOTICES

Section 1. Notices to directors and stockholders shall be in writing and delivered personally or mailed to the directors or stockholders at their addresses appearing on the books of the corporation. Notice by mail shall be deemed to be given at the time when the same shall be mailed. Notice to directors may also be given by telegram.

Section 2. Whenever any notice is required to be given under the provisions of the statutes or of the certificate of incorporation or of these by-laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated herein, shall be deemed equivalent thereto.

ARTICLE V

OFFICERS

Section 1. The officers of the corporation shall be chosen by the board of directors and shall be a president, a secretary and a treasurer. The board of directors may also choose vice-presidents, and one or more assistant secretaries and assistant treasurers. Two or more offices may be held by the same person, except that where the offices of president and secretary are held by the same person, such person shall not hold any other office.

Section 2. The board of directors at its first meeting after each annual meeting of stockholders shall choose a president from among the directors, and shall choose a secretary and a treasurer, neither of whom need be a member of the Board.

Section 3. The board of directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board.

Section 4. The salaries of all officers of the corporation shall be fixed by the board of directors.

Section 5. The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer elected or appointed by the board of directors may be removed at any time by the affirmative vote of a majority of the board of directors. Any vacancy occurring in any office of the corporation shall be filled by the board of directors.

PRESIDENT

Section 6. The president shall be the chief executive officer of the

corporation. He shall preside at all meetings of the board of directors, be a member of the executive committee and shall see that all orders and resolutions of the board of directors are carried into effect. He shall have the power to execute on behalf of the corporation bonds, mortgages and other contracts and instruments requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation.

EXECUTIVE VICE PRESIDENT

Section 7(a). The executive vice president shall be in charge of over-all operations of and be chief operating officer of the corporation and shall report directly to the president and the board of directors as to such operations. In the absence or disability of the president, he shall perform the duties and exercise the powers of the president and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

THE VICE PRESIDENTS

Section 7(b). The vice president, or if there shall be more than one, the vice presidents in the order determined by the board of directors, shall, in the absence or disability of the executive vice president, perform the duties and exercise the powers of the executive vice president and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

SECRETARY AND ASSISTANT SECRETARIES

Section 8. The secretary shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and of the board of directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision he shall be. He shall keep in safe custody the seal of the corporation and, when authorized by the board of directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of an assistant secretary.

Section 9. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

THE TREASURER AND ASSISTANT TREASURERS

Section 10. The treasurer shall have the custody of the corporate funds and

securities and shall keep full and accurate accounts of receipts and disbursements in books and belongings to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors,

Section 11. He shall disburse the funds of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements, and shall render to the president and the board of directors, at its regular meetings, or when the board of directors so requires, an account of all his transactions as treasurer and of the financial condition of the corporation.

Section 12. If required by the board of directors, he shall give the corporation a bond (which shall be renewed every six years) in such sum and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

Section 13. The assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the board of directors, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

ARTICLE VI

CERTIFICATE OF STOCK

Section 1. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or in the name of the corporation by, the president or a vice president and the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the corporation, certifying the number of shares owned by him in the corporation.

Section 2. Where a certificate is signed (1) by a transfer agent or an assistant transfer agent or (2) by a transfer clerk acting on behalf of the corporation and a registrar, the signature of any such president, vice president, treasurer, assistant treasurer, secretary or assistant secretary may be facsimile. In case any officer or officers who have signed, or whose facsimile signature or signatures have been used on, any such certificate or certificates shall cease to be such officer or officers of the corporation, whether because of death, resignation or otherwise, before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be adopted by the corporation and be issued and delivered as though the person or persons who signed such certificate or certificates or whose facsimile signature or signatures have been used thereon had not ceased to be such officer or officers of the corporation.

LOST CERTIFICATES

Section 3. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

TRANSFERS OF STOCK

Section 4. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

CLOSING OF TRANSFER BOOKS

Section 5. The board of directors may close the stock transfer books of the corporation for a period not exceeding fifty days preceding the date of any meeting of stockholders or the date for payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of capital stock shall go into effect or for a period of not exceeding fifty days in connection with obtaining the consent of stockholders for any purpose. In lieu of closing the stock transfer books as aforesaid, the board of directors may fix in advance a date, not exceeding fifty days preceding the date of any meeting of stockholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining such consent, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of capital stock, or to give such consent, and in such case such stockholders and only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, or to give such consent, as the case may be, notwithstanding any transfer of any stock on the books of the corporation after any such record date fixed as aforesaid.

REGISTERED STOCKHOLDERS

Section 6. The corporation shall be entitled to recognize the exclusive

right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VII

GENERAL PROVISIONS

DIVIDENDS

Section 1. Dividends upon the capital stock of the corporation, subject to the provisions of the certificate of incorporation, if any, may be declared by the board of directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the certificate of incorporation.

Section 2. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the directors shall think conducive to the interest of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

ANNUAL STATEMENT

Section 3. The board of directors shall present at each annual meeting, and at any special meeting of the stockholders when called for by vote of the stockholders, a full and clear statement of the business and condition of the corporation.

CHECKS

Section 4. All checks or demand for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

FISCAL YEAR

Section 5. The fiscal year of the corporation shall be fixed by resolution of the board of directors.

SEAL

Section 6. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Delaware". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

INDEMNIFICATION

Section 7. The corporation shall to the full extent permitted by Section 145 of the Delaware General Corporation Law, as amended from time to time, indemnify all persons whom it may indemnify pursuant thereto. The indemnifications authorized hereby shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under or through any agreement, vote of stockholders or disinterested directors or otherwise, both as to action in the official capacity of those seeking indemnification and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such persons. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of Section 145.

ARTICLE VIII

AMENDMENTS

Section 1. These by-laws may be altered or repealed at any regular meeting of the stockholders or of the board of directors or at any special meeting of the stockholders or of the board of directors if notice of such alteration or repeal be contained in the notice of such special meeting, or by written consent of the board of directors pursuant to the provisions of Section 9 of Article III of these by-laws.

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The schedule contains summary financial information extracted from the financial Statements and is qualified in its entirety by reference to such financial statements.

	1	1
6-MOS		
	Dec-31-1997	
	Jan-01-1997	
	Jun-30-1997	
	1	1,471,626
	0	
	80,381	
	0	
	4,818	
	1,569,453	139,975
	25,926	
	1,725,626	
222,412	0	
0	0	
	55,914	
	5,264,950	
1,442,771	0	
	552,108	0
	571,548	
0	0	
0	(19,440)	
0	0	
(19,440)	0	
0	0	
	0	
	(19,440)	
	(.01)	
	(.01)	