

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-Q  
(MARK ONE)

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

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2002

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT  
FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

COMMISSION FILE NUMBER 0-26918

EXEGENICS INC.  
(EXACT NAME OF ISSUER AS SPECIFIED IN ITS CHARTER)

DELAWARE 75-2402409  
(STATE OR OTHER JURISDICTION OF (I.R.S. EMPLOYER  
INCORPORATION OR ORGANIZATION) IDENTIFICATION NUMBER)

2110 RESEARCH ROW, SUITE 621, DALLAS, TEXAS 75235  
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(214) 358-2000  
(ISSUER'S TELEPHONE NUMBER, INCLUDING AREA CODE)

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  
-----

STATE THE NUMBER OF SHARES OUTSTANDING OF EACH OF THE ISSUER'S CLASSES  
OF COMMON EQUITY, AS OF THE LATEST PRACTICABLE DATE: 16,184,486 SHARES OF COMMON  
STOCK, \$.01 PAR VALUE, OUTSTANDING AS OF AUGUST 6, 2002.

TABLE OF CONTENTS

<Table>  
<Caption>

<S>	<C>	<C>	Page(s)	<C>
			-----	
PART I.		FINANCIAL INFORMATION		

Item 1. -- Financial Statements:

Balance Sheets as of June 30, 2002 (unaudited)  
and December 31, 2001 3

Statements of Operations for the Three Months  
And Six Months Ended June 30, 2002 and 2001 (unaudited) 4

Statements of Cash Flows for the Six Months

Ended June 30, 2002 and 2001 (unaudited)	5
Notes to Financial Statements	6
Item 2. -- Management's Discussion and Analysis of Financial Condition and Results of Operations	8
Item 3. -- Quantitative and Qualitative Disclosures About Market Risk	12

PART II. OTHER INFORMATION

Item 1. -- Legal Proceedings	12
Item 2. -- Changes in Securities and Use of Proceeds	12
Item 3. -- Defaults upon Senior Securities	12
Item 4. -- Submission of Matters to a Vote of Security Holders	12
Item 5. -- Other Information	13
Item 6. -- Exhibits and Reports on Form 8-K	13

</Table>

EXEGENICS INC.  
BALANCE SHEETS

<Table>  
<Caption>

	JUNE 30, 2002	DECEMBER 31, 2001	
	-----		
	(unaudited)		
	<C>	<C>	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 11,620,000	\$ 14,995,000	
Restricted cash	550,000	550,000	
Investments	10,027,000	10,050,000	
Prepaid expenses and other current assets		421,000	656,000
	-----		
Total current assets	22,618,000	26,251,000	
Equipment, net	708,000	1,009,000	
Patent rights, less accumulated amortization of \$129,000 and \$111,000		55,000	74,000
Notes receivable - employee/stockholder		278,000	278,000
Other assets	8,000	13,000	
	-----		
Total	\$ 23,667,000	\$ 27,625,000	
	=====		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:			
Accounts payable and accrued expenses		\$ 827,000	\$ 1,163,000
Deferred revenue	-	56,000	
Current portion of capital lease obligations		91,000	83,000
	-----		
Total current liabilities	918,000	1,302,000	
Capital lease obligations, less current portion		148,000	202,000
	-----		
Total liabilities	1,066,000	1,504,000	
	-----		
Commitments and contingencies		-	-

Stockholders' Equity:

Preferred stock - \$.01 par value, 10,000,000 shares authorized; 828,023 and 755,590 shares of Series A convertible preferred issued

and outstanding (liquidation value \$2,070,000 and \$1,890,000)	8,000	8,000
Common stock - \$.01 par value, 30,000,000 shares authorized; 16,184,486 and 16,180,935 shares issued	162,000	162,000
Additional paid-in capital	67,145,000	67,025,000
Subscriptions receivable	(352,000)	(360,000)
Unearned compensation	-	(5,000)
Accumulated deficit	(41,792,000)	(38,139,000)
Treasury stock, 511,200 shares of common stock, at cost	(2,570,000)	(2,570,000)
Total stockholders' equity	22,601,000	26,121,000
Total	\$ 23,667,000	\$ 27,625,000

</Table>

See notes to financial statements

3

EXEGENICS INC.  
STATEMENTS OF OPERATIONS

<Table>  
<Caption>

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	June 30,		June 30,	
	2002	2001	2002	2001
	(unaudited)		(unaudited)	
	<C>	<C>	<C>	<C>
Revenue:				
Licensing & research fees	\$ 222,000	\$ 334,000	\$ 556,000	\$ 667,000
Operating Expenses:				
Research and development	1,254,000	1,858,000	2,476,000	3,006,000
General and administrative	1,030,000	1,741,000	2,109,000	2,708,000
	2,284,000	3,599,000	4,585,000	5,714,000
Operating (loss)	(2,062,000)	(3,265,000)	(4,029,000)	(5,047,000)
Other (income) expense:				
(Gain) or loss on disposition	(2,000)	-	(4,000)	-
Interest (income)	(182,000)	(367,000)	(371,000)	(828,000)
Interest expense	6,000	1,000	11,000	1,000
	(178,000)	(366,000)	(364,000)	(827,000)
Loss before items shown below	(1,884,000)	(2,899,000)	(3,665,000)	(4,220,000)
Provision (benefit) for taxes	1,000	50,000	(12,000)	68,000
Net Loss	(1,885,000)	(2,949,000)	(3,653,000)	(4,288,000)
Preferred stock dividend	-	-	(169,000)	(180,000)
Net loss attributable to common shareholders	\$ (1,885,000)	\$ (2,949,000)	\$ (3,822,000)	\$ (4,468,000)
Net loss per share-basic and diluted	\$ (0.12)	\$ (0.18)	\$ (0.24)	\$ (0.28)
Weighted average number of shares outstanding - basic and diluted	15,672,857	16,154,427	15,671,305	16,160,388

</Table>

See notes to financial statements

4

EXEGENICS INC.  
STATEMENTS OF CASH FLOWS

<Table>

<Caption>

	SIX MONTHS ENDED JUNE 30,		
	2002	2001	
	(unaudited)		
	<C>	<C>	
Cash flows from operating activities:			
Net (loss)	\$ (3,653,000)	\$ (4,288,000)	
Adjustments to reconcile net (loss) to net cash used in operating activities:			
Depreciation and amortization	210,000	136,000	
Value assigned to common shares and options for services		125,000	234,000
Changes in:			
Prepays and other assets	248,000	47,000	
Deferred revenue	(56,000)	222,000	
Accounts payable and accrued expenses		(336,000)	340,000
Net cash used in operating activities	(3,462,000)	(3,309,000)	
Cash flows from investing activities:			
Purchase of securities	23,000	(20,070,000)	
Sale (purchase) of equipment	110,000	(461,000)	
Net cash provided by (used in) investing activities	133,000	(20,531,000)	
Cash flows from financing activities:			
Payment of capital lease	(46,000)	-	
Purchase of treasury stock	-	(936,000)	
Net cash used in financing activities	(46,000)	(936,000)	
NET DECREASE IN CASH	(3,375,000)	(24,776,000)	
Cash and cash equivalents at beginning of period	15,545,000	35,408,000	
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 12,170,000	\$ 10,632,000	

Supplemental disclosures of cash flow information:

</Table>

See notes to financial statements

5

eXegenics Inc.  
Notes to Financial Statements  
June 30, 2002  
(unaudited)

(1) FINANCIAL STATEMENT PRESENTATION

The unaudited financial statements of eXegenics Inc., a Delaware

corporation (the "Company"), included herein have been prepared in accordance with the rules and regulations promulgated by the Securities and Exchange Commission and, in the opinion of management, reflect all adjustments (consisting only of normal recurring accruals) necessary to present fairly the results of operations for the interim periods presented. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. However, management believes that the disclosures are adequate to make the information presented not misleading. These financial statements and the notes thereto should be read in conjunction with the financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001. The results for the interim periods are not necessarily indicative of the results for the full fiscal year.

(2) CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents, and investments totaled \$22,197,000 at June 30, 2002 and consisted of \$12,170,000 on deposit with a financial institution and an investment security issued by the Federal National Mortgage Agency. The security, purchased in May 2001, matures in March 2003 and has a carrying value of \$10,027,000 at June 30, 2002. Interest at 5% per annum is received semi-annually in February and August.

(3) MASTER LICENSE AGREEMENT WITH BRISTOL-MYERS SQUIBB

In June 1998, the Company executed a "Master License Agreement" with Bristol-Myers Squibb ("BMS"). This agreement sublicensed to BMS the Company's rights to two technologies related to production of paclitaxel, the active ingredient in BMS's anti-cancer product, Taxol(R). The agreement provides for various fees, milestone payments, and royalties. The final payment due under an R&D development funding provision of this agreement was made in February 2002. The Company has thus curtailed its R&D spending on this project. Discussions are ongoing with BMS as to their intentions to commercialize this production process.

(4) LOSS PER COMMON SHARE

Basic and diluted loss per common share is based on the net loss increased by dividends on preferred stock divided by the weighted average number of common shares outstanding during the period. No effect has been given to outstanding options, warrants or convertible preferred stock in the diluted computation, as their effect would be antidilutive.

(5) STOCKHOLDERS' EQUITY

The Company accounts for its stock-based compensation plans under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." In October 1995, the Financial Accounting Standards Board issued Statement No. 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123"), which establishes a fair value-based method of accounting for stock-based compensation plans. The Company has adopted the disclosure-only alternative under SFAS No. 123. The Company accounts for stock based

compensation to nonemployees using the fair value method in accordance with SFAS No. 123 and Emerging Issues Task Force (EITF) Issue No. 96-18. The Company has recognized deferred stock compensation related to certain stock option and warrant grants. During the six months ended June 30, 2002 the Company granted 10,000, 25,000, 10,000 and 25,000 options to purchase shares of common stock at \$7.13, \$3.28, \$3.20 and \$1.67 per share, respectively, in return for consulting services. During the six months ended June 30, 2001 the Company granted 5,000

options to purchase shares of common stock at \$7.188 per share in return for consulting services. The Company valued these options using the Black-Scholes option pricing model. As a result, the Company recorded a charge of \$60,100 and \$2,800 during the six months ended June 30, 2002 and 2001, respectively, related to these grants. In connection with other option grants to consultants in previous years, the Company recorded a charge of \$65,000 and \$231,400 during the six months ended June 30, 2002 and 2001, respectively.

(6) DEFERRED REVENUE

The Company recognizes revenue from development agreements over the stated life of the agreement. Amounts received in advance of the services to be performed are recorded as deferred revenue. Accordingly, funds of \$500,000 received during the six months ended June 30, 2002, net of \$556,000 in revenues recognized cumulatively through June 30, 2002 and, including \$56,000 in deferred revenue outstanding as of December 31, 2001, eliminate deferred revenues at June 30, 2002.

(7) RESERVE FOR RESTRUCTURE

The Company generally recognizes operating expenses as incurred. As part of its reorganization efforts in June 2001, the Company terminated several employees, remodeled facilities and moved equipment. During the second quarter of 2002, due to the Company's decision to concentrate on its strategic drug discovery and development programs, as well as the completion of funding related to the "Sponsored Research Agreement" with BMS, the Company terminated additional employees. The Company recognized approximately \$560,000 related to those activities through June 30, 2002. Cash payments of \$166,000 were charged against the account during the six months ended June 30, 2002. Accrued expenses relating to restructuring are \$44,000 at June 30, 2002.

(8) SUBSEQUENT EVENTS

As a result of the Company's decision to concentrate on its strategic drug discovery and development programs, as well as the completion of funding related to the "Sponsored Research Agreement" with BMS, the Company recently began the process of renegotiating several scientific collaborations, including agreements with the Research and Development Institute, or RDI, and Washington State University Research Foundation. The agreement with RDI was terminated, relieving the Company of future annual minimum royalty payments.

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

The following discussion should be read in conjunction with, and is qualified in its entirety by, the Financial Statements and the Notes thereto included in this report. This discussion contains certain forward-looking statements that involve substantial risks and uncertainties. When used in this report, the words "anticipate," "believe," "estimate," "expect" and similar expressions as they relate to the Company or its management are intended to identify such forward-looking statements. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements. Historical operating results are not necessarily indicative of the trends in operating results for any further period.

### OVERVIEW

We were organized and commenced operations in 1991. Prior to 2001, our efforts were principally devoted to research activities including efforts to discover therapeutic products for human diseases. Beginning in 2001, we repositioned ourselves as a post-genomics drug creation enterprise with a goal

of building a development pipeline of commercially viable drug leads and pharmaceutical products for the treatment of cancers and drug-resistant bacterial diseases. In the first six months of 2002, we adopted a strategy to leverage our proprietary research technologies, Quantum Core Technology (QCT(TM)) and Optimized Anti-Sense Inhibitory Sequence (OASIS(TM)), to create and/or obtain novel compounds that may be advanced towards clinical drug candidates and pharmaceutical products. We increased our efforts to obtain and develop clinical drug candidates and to identify opportunities for financial and operational synergies. There can be no assurance, however, that we will be successful in discovering or advancing drug leads that are commercially viable or that we will otherwise be able to achieve our strategic goals.

In April 2002, we announced the discovery of a series of novel new chemical entities, ("NCEs"). These NCEs demonstrated excellent in vitro activity against Gram-positive bacterial pathogens, including *Staphylococcus aureus*, that are resistant to ordinary antibiotics. We filed a provisional U.S. patent application regarding the structure and use of these agents. We plan on using our proprietary research technologies to assist us in our effort to create clinical drug candidates based on these agents, although we must first overcome a number of hurdles, such as toxicity tests, before we are ready to begin clinical trials. There can be no assurance that we will overcome these hurdles or otherwise be successful in producing clinical drug candidates.

In April 2002, we announced that we are exploring acquisition and merger opportunities that would provide pharmaceutical compounds that are in or close to human clinical trials. We plan to identify and acquire and/or merge with companies having clinical drug candidates and technologies that complement our own technologies. We engaged a strategic and financial advisory firm with experience in biotechnology to assist in this endeavor. There can be no assurance, however, that we will be successful in obtaining clinical drug candidates or accelerating our development of proprietary drugs.

In April 2002, we announced that Bristol-Myers Squibb ("BMS") advised us that it would not provide additional funding beyond their previous commitment for our research related to the development of a new fermentation process for paclitaxel. The sponsored research program had been actively funded by BMS since 1998 and we received their final payment in February of this year. Our Master License Agreement with BMS remains in effect. As a result of the completion of funding related to the "Sponsored Research Agreement" with BMS, as well as our decision to concentrate on our strategic drug discovery and development programs, we have initiated efforts to renegotiate several scientific collaborations, including agreements with the Research and Development Institute ("RDI") and Washington State University Research Foundation. The agreement with RDI was terminated, relieving the Company of future annual minimum royalty payments. Further, discussions are ongoing with BMS as to their intentions to commercialize this production process.

8

As a result of our decision to focus on the discovery and creation of drug leads as well the lack of continued external funding of our paclitaxel research, we recently restructured our program of internal scientific projects. We have discontinued support of certain projects that are not consistent with our new focus. Consequently, we eliminated several scientific, administrative and support positions resulting in severance payments of approximately \$56,000 which will have been or will be paid in the second and third quarters of 2002 and charged against our Reserve for Restructure.

We hope to out-license to, or partner with, other companies to advance our system for producing glucocerebrosidase used in treating Gaucher's Disease. There can be no assurance that we will be successful in finding a partner for this program.

We anticipate that the focus of our efforts for the next twelve months will be as follows:

- o Advancing our research related to enzyme targets that are central to the development of resistance by *Mycobacterium tuberculosis*, the causative agent of tuberculosis. Using QCT we are in the preclinical discovery stage of creating "core inhibitors" of the specific enzyme targets.

- o Developing anti-infective candidate drug leads pursuant to our recently announced creation of a new series of anti-bacterial NCEs.
- o Establishing a partner relationship to advance and leverage our QCT(TM) and OASIS(TM) research platforms.
- o Acquiring, via merger or acquisition, later-stage pharmaceutical compounds that complement our own technologies to accelerate the development of proprietary drugs.
- o Divesting, via out-licensing or partnering, our system for producing glucocerebrosidase used in treating Gaucher's Disease.

Our actual research and development and related activities may vary significantly from current plans depending on numerous factors, including changes in the costs of such activities from current estimates, the results of our research and development programs, the results of clinical studies, the timing of regulatory submissions, technological advances, determinations as to commercial potential and the status of competitive products. The focus and direction of our operations will also be dependent upon the establishment of collaborative arrangements with other companies, the availability of financing and other factors.

## RESULTS OF OPERATIONS

FOR THE THREE MONTHS ENDED JUNE 30, 2002 AND JUNE 30, 2001

### Revenue

Revenues were \$222,000 for the three months ended June 30, 2002 and \$334,000 for the three months ended June 30, 2001. Revenues were attributable to license and research and development payments from our agreements with Bristol-Myers Squibb.

9

### Research and Development Expenses

We incurred research and development expenses of \$1,254,000 for the three months ended June 30, 2002 and \$1,858,000 for the three months ended June 30, 2001, a decrease of \$604,000 or 32 percent. The decrease in research and development expenses for the three months ended June 30, 2002 as compared to the same period in 2001 was due to a \$22,000 decrease in research services and supplies, a \$414,000 decrease in salary and wage expenses, a \$361,000 decrease in expenses for contract research, licenses and royalties, offset by a \$114,000 increase in research consulting cost, a \$13,000 increase in facilities and equipment related expenses and a \$45,000 increase in research operating costs previously charged to general and administrative expenses.

### General and Administrative Expenses

We incurred general and administrative expenses of \$1,030,000 for the three months ended June 30, 2002 and \$1,741,000 for the three months ended June 30, 2001, a decrease of \$711,000 or 41 percent. The decrease in general and administrative expenses for the three months ended June 30, 2002 as compared to the same period in 2001 was attributable to a \$230,000 decrease in administrative salary expense, a decrease of \$350,000 in professional fees for general corporate legal activities, a \$25,000 decrease in legal services related to intellectual property, a \$77,000 decrease in travel related expenses, a \$12,000 decrease in corporate governance fees, a \$9,000 decrease in professional consulting and audit services, a \$41,000 decrease in research operating costs now charged to research and development expenses, partially offset by a \$32,000 increase in public and financial relations expenses and an \$18,000 increase in other operating expenses.

### Interest Income



Interest income was \$182,000 and \$367,000 for the three months ended June 30, 2002 and June 30, 2001, respectively. The decrease was due primarily to lower interest rates in 2002 and also to lower principal balances.

#### Net Loss

In the three months ended June 30, 2002, we incurred a net loss attributable to common shareholders of \$1,885,000, which was 36% less than the net loss of \$2,949,000 for the three months ended June 30, 2001. The decrease in net loss of \$1,064,000 was primarily the result of the aforementioned changes in our operations. Likewise, the net loss per common share was improved by 33% at \$0.12 for the three months ended June 30, 2002 as compared to a net loss per common share of \$0.18 for the three months ended June 30, 2001.

#### FOR THE SIX MONTHS ENDED JUNE 30, 2002 AND JUNE 30, 2001

#### Revenue

Revenues were \$556,000 and \$667,000 for the six months ended June 30, 2002 and 2001, respectively. Revenues were attributable to license and research and development payments from our agreements with Bristol-Myers Squibb.

#### Research and Development Expenses

We incurred research and development expenses of \$2,476,000 for the six months ended June 30, 2002 and \$3,006,000 for the six months ended June 30, 2001, a decrease of \$530,000 or 18 percent. The decrease in research and development expenses for the six months ended June 30, 2002 as compared to the same period in 2001 was due to a \$420,000

10

decrease for research salaries due to discontinuation of non-strategic research projects, a \$420,000 decrease in expenses for contract research, licenses and royalties, partially offset by a \$174,000 increase in research consultant costs related to the creation of drug leads, a \$54,000 increase in equipment and depreciations expenses as well as costs associated with the closing of one location and a \$72,000 increase in research operating costs previously charged to general and administrative.

#### General and Administrative Expenses

We incurred general and administrative expenses of \$2,109,000 for the six months ended June 30, 2002 and \$2,708,000 for the six months ended June 30, 2001, a decrease of \$599,000 or 22 percent. The decrease in general and administrative expenses for the six months ended June 30, 2002 as compared to the same period in 2001 was attributable to a \$200,000 decrease in administrative salary expense, a decrease of \$325,000 in professional fees for general corporate legal activities, a \$86,000 decrease in travel related expenses, a \$93,000 decrease in corporate governance fees, a \$95,000 decrease in research operating costs now charged to research and development expenses offset by a \$49,000 increase in legal services related to intellectual property, a \$132,000 increase in professional consulting and audit services and a \$20,000 increase in other operating expenses.

#### Interest Income

Interest income was \$371,000 and \$828,000 for the six months ended June 30, 2002 and June 30, 2001, respectively. The decrease was due primarily to lower interest rates in 2002 and also to lower principal balances.

#### Net Loss

In the six months ending on June 30, 2002, we incurred a net loss attributable to common shareholders of \$3,822,000, or 14% less than the \$4,468,000 loss for the six months ended June 30, 2001. The decrease in net loss of \$646,000 was primarily the result of the aforementioned changes in our operations. Net loss per common share was \$0.24 for the six months ended June

30, 2002 and \$0.28 for the six months ended June 30, 2001.

## LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2002, we had cash, cash equivalents and investments of approximately \$22,200,000. Since inception we have financed our operations from debt and equity financings as well as fees received from licensing and research and development agreements. During the six months ended June 30, 2002, net cash used in operating activities was \$ 3,462,000, the largest element of which was the net loss of \$3,654,000. In addition, during the six months ended June 30, 2002 we used \$46,000 in financing activities and received \$133,000 from investing activities, primarily from the sale of equipment. As a result of the decision by BMS to discontinue funding of our paclitaxel research efforts, we have lost our previous sole source of revenue. We cannot make any assurance as to when, if ever, we will generate revenue again.

We have scheduled payments to fund scientific research at academic institutions and to make minimum royalty payments for licensing and collaborative agreements of approximately \$300,000 during the remainder of 2002. We do not expect these arrangements to have a significant impact on our liquidity and capital resources. We intend to continue to maintain and develop relationships with academic institutions and to establish licensing and collaborative agreements.

We have no material capital commitments for the year ending December 31, 2002.

We believe that we have sufficient cash and cash equivalents on hand at June 30, 2002 to finance our plan of operation for the next twelve months. However, there can be no assurance that we will generate sufficient

revenues, if any, to fund our operations after such period or that any required financings will be available, through bank borrowings, debt or equity offerings, or otherwise, on acceptable terms or at all.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our exposure to financial market risk, including changes in interest rates, relates primarily to our marketable security investments. We generally place our marketable security investments in high credit quality instruments, primarily U.S. government obligations. We do not believe that a 100 basis point increase or decrease in interest rates would significantly impact our business. We do not have any derivative instruments. We operate only in the United States and all sales have been made in U.S. dollars. We do not have any material exposure to changes in foreign currency exchange rates.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

None

### Item 2. Changes in Securities and Use of Proceeds

None

### Item 3. Defaults upon Senior Securities

None

### Item 4. Submission of Matters to a Vote of Security Holders

We held our annual meeting of stockholders on May 13, 2002, at which time the stockholders voted on the following proposals:

- (1) Election of eight directors for a one-year term each.

<Table>

<Caption>



EXHIBIT INDEX

<Table>

<Caption>

EXHIBIT NO.	DESCRIPTION
-----	-----
<S>	<C>
3.1	Amended and Restated By-Laws
99.1	Certification Pursuant to 18 U.S.C. Section 1350

</Table>

EXHIBIT 3.1  
AMENDED AND RESTATED BY-LAWS

OF

EXEGENICS INC.  
(a Delaware Corporation)

ARTICLE I

OFFICES

SECTION 1. Registered Office. The registered office shall be established and maintained at 32 Lookerman Square, Suite L-100, the City of Dover, in the county of Kent, in the State of Delaware. The name of its registered agent at that address is The Prentice-Hall Corporation System, Inc.

SECTION 2. Other Offices. The Corporation may have other offices, either within or without the State of Delaware, at such place or places as the Board of Directors may from time to time appoint or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

SECTION 1. Annual Meetings. Annual meetings of stockholders for the election of directors and for such other business as may be stated in the notice of the meeting shall be held at such place, either within or without the State of Delaware, and at such time and date as the Board of Directors, by resolution, shall determine and as set forth in the notice of the meeting.

If the date of the annual meeting shall fall upon a legal holiday, the meeting shall be held on the next succeeding business day. At each annual meeting, the stockholders entitled to vote shall elect a Board of Directors and they may transact such other corporate business as shall be stated in the notice of the meeting.

SECTION 2. Special Meetings. Special meetings of stockholders for any purpose or purposes, unless otherwise provided by law or by the Certificate of Incorporation, may be called at any time only by the vote of a majority of the Whole Board, at such time and place either within or without the State of Delaware as may be stated in the notice. The term "Whole Board" shall mean the total number of

directors that the Corporation would have if there were no vacancies in the Board of Directors. Stockholders of the Corporation shall not be entitled to call special meetings of stockholders.

SECTION 3. Voting. Each stockholder entitled to vote in accordance with the terms of the Certificate of Incorporation and in accordance with the provisions of these By-Laws shall be entitled to one vote, in person or by proxy, for each share of stock entitled to vote held by such stockholder, but no proxy shall be voted after three years from its date unless such proxy provides for a longer period. All elections for directors shall be decided by plurality vote; all other questions shall be elected by majority vote as otherwise provided by the Certificate of Incorporation or the laws of the State of Delaware.

A complete list of the stockholders entitled to vote at the ensuing election, arranged in alphabetical order, with the address of each, and the number of shares held by each, shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least ten days prior to, the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 4. Quorum. Except as otherwise required by law, by the Certificate of

Incorporation or by these By-Laws, the presence, in person or by proxy, of stockholders holding a majority of the stock of the Corporation entitled to vote shall constitute a quorum at all meetings of the stockholders. In case a quorum shall not be present at any meeting, the Chairman of the meeting shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting until the requisite amount of stock entitled to vote shall be present. At any such adjourned meeting at which the requisite amount of stock entitled to vote shall be represented, any business may be transacted which might have been transacted at the meeting as originally noticed, but only those stockholders entitled to vote at the meeting as originally noticed shall be entitled to vote at any adjournment or adjournments thereof.

SECTION 5. Notice of Meetings. Except as otherwise provided in these By-Laws, written notice, stating the place, date and time of the meeting, and the general nature of the business to be considered, shall be given to each stockholder entitled to vote at his address as it appears on the records of the Corporation, not less than ten nor more than sixty days before the date of the meeting. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to a stockholders may be

given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law.

SECTION 6. Notice of Stockholder Business and Nominations.

A. Certain Matters Pertaining to Stockholder Business and Nominations.

(1) For nominations or other business to be properly brought before an annual meeting by a stockholder or for nominations to be properly brought before a special meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and, in the case of other business to be brought before an annual meeting, such other business must otherwise be a proper matter for stockholder action. To be timely, a stockholder's notice pertaining to an annual meeting must be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the fifty-fifth (55th) day nor earlier than the close of business on the seventy-fifth (75th) day prior to the first anniversary of the date on which the Corporation first mailed its proxy materials for the preceding year's annual meeting ("Anniversary Date"); provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after the Anniversary Date, notice by the stockholder to be timely must be so delivered (a) not later than the close of business on the fifty-fifth (55th) day nor earlier than the close of business on the seventy-fifth (75th) day prior to the Anniversary Date or (b) by the close of business on the tenth (10th) day following the day on which public announcement of the date of such annual meeting is first made by the Corporation. To be timely, a stockholders' notice pertaining to a special meeting held for the purpose of electing one or more directors to the Board of Directors must be delivered to the Secretary at the principal executive offices of the Corporation (a) not later than the close of business on the fifty-fifth (55th) day nor earlier than the close of business on the seventy-fifth (75th) day prior to such special meeting date or (b) by the close of business on the tenth (10th) day following the day on which public announcement of the date of such special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting is first made.

(2) Such stockholder's notice for an annual meeting or a special meeting shall set forth: (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case, pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (b) as to any other business that the

stockholder proposes to bring before the annual meeting, a brief description of the business desired to be brought before the annual meeting, the reasons for

conducting such business at the annual meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class and number of shares of the Corporation that are owned beneficially and held of record by such stockholder and such beneficial owner, and (iii) whether either such stockholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of, in the case of a proposal, at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the Corporation's voting shares to elect such nominee or nominees.

(3) Notwithstanding anything in paragraph A(1) of this Section 6 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least seventy (70) days prior to the Anniversary Date (or, if the annual meeting is held more than thirty (30) days before or sixty (60) days after the Anniversary Date, at least seventy (70) days prior to such annual meeting), a stockholder's notice required by this Section 6 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive office of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

#### B. General.

(1) Only such persons who are nominated in accordance with the procedures set forth in this Section 6 shall be eligible to be nominated for election by a stockholder of the Corporation and only such other business shall be conducted at an annual meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 6. Except as otherwise provided by law or these By-Laws, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any other business proposed to be brought before a meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 6 and, if any proposed nomination or other business is not in compliance herewith, to declare that such defective proposal or nomination shall be disregarded.

(2) For purposes of this Section 6, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(3) Notwithstanding the foregoing provisions of this Section 6, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth herein. Nothing in this Section 6 shall be deemed to affect any rights (i) of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or (ii) of the holders of any class or series of preferred stock of the Corporation then outstanding to elect directors under specified circumstances.

### ARTICLE III

#### DIRECTORS

SECTION 1. Number and Term. Subject to the rights of the holders of any shares of any class or series of preferred stock of the Corporation then outstanding, the number of directors constituting the entire board shall not be less than three (3) and shall be fixed from time to time exclusively by action of the Whole Board (as defined in Article II, Section 2 above), or, if the number is not fixed, the number shall be three (3).

SECTION 2. Nominations for Election of Directors. Nominations for the election of directors at any annual or special meeting may be made by the Board of Directors. Nominations for election of directors by any stockholder may be made only in accordance with Article II, Section 6 above.

SECTION 3. Resignations. Any director, member of a committee or other officer may resign at any time. Such resignation shall be made in writing, and shall take effect at the time specified therein, and if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective.

SECTION 4. Vacancies. If the office of any director, member of a committee or other officer becomes vacant, the remaining directors in office, though less than a Quorum by a majority vote, may appoint any

qualified person to fill such vacancy, who shall hold office for the unexpired term and until his successor shall be duly chosen.

SECTION 5. Removal. Subject to the rights of the holders of any shares of any class or series of preferred stock of the Corporation then outstanding, any director or the entire Board of Directors may be removed from office by the affirmative vote of the holders of at least a majority of the voting power of all of the outstanding shares of capital stock of the Corporation entitled to vote thereon, voting together as a single class.

SECTION 6. Powers. The Board of Directors shall exercise all of the powers of the Corporation except such, as are by law, by the Certificate of Incorporation of the Corporation or by these By-Laws conferred upon or reserved to the stockholders.

SECTION 7. Committees. The Board of Directors may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act the meeting in the place of any such absent or disqualified member.

SECTION 8. Meetings. The newly elected directors may hold their first meeting for the purpose of organization and the transaction of business, if a quorum be present, immediately after the annual meeting of the stockholders; or the time and place of such meeting may be fixed by consent in writing of all the directors.

Regular meetings of the directors may be held without notice at such places and times as shall be determined from time to time by resolution of the directors.

Special meetings of the Board, may be called by the President or by the Secretary on the written request of any two directors on at least two days' notice to each director and shall be held at such place or places as may be determined by the directors, or as shall be stated in the call of the meeting.

Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, members of the Board of Directors, or any committees designated by the Board of Directors, may participate in a meeting, of the Board of Directors, or any committee, by means of conference telephone or similar communications equipment by means of which 2 persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

SECTION 9. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is obtained, and no further notice thereof need be given other than by announcement at the meeting which shall be adjourned.

SECTION 10. Compensation. Directors shall receive any stated salary for their services as directors as members of committees, but by resolution of the Board a fixed fee and expenses of attendance may be allowed for attendance at each



meeting. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent or otherwise, and receiving compensation therefor.

SECTION 11. Action Without Meeting. 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 of such committee, as the case may be, and such written consent is filed with the minutes of proceedings of the Board or committee.

## ARTICLE IV

### OFFICERS

SECTION 1. Officers. The officers of the Corporation shall be a President, a Treasurer and a Secretary, all of whom shall be elected by the Board of Directors and who shall hold office until their successors are elected and qualify. In addition, the Board of Directors may elect a Chairman, one or more Vice President; and such Assistant Secretaries and Assistant Treasurers as they may deem proper. None of the officers of the corporation need be directors. The officers shall be elected at the first meeting of the Board of Directors after each annual meeting. More than two offices may be held by the same person.

SECTION 2. Other Officers and Agents. The Board of Directors may appoint such other officers and agents as it may deem advisable, 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 of Directors.

SECTION 3. Chairman. The Chairman of the Board of Directors, if elected, shall preside at all meetings of the stockholders and all meetings of the Board of Directors and shall have and perform such other duties as from time to time may be assigned to him by the Board of Directors.

SECTION 4. President. The President shall be the chief executive officer of the Corporation and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation. He shall have general supervision, direction and control of the business of the Corporation, and, in the absence or non-election of the Chairman of the Board of Directors, shall preside at all meetings of the stockholders and at all meetings of the Board of Directors. Except as the Board of Directors shall authorize the execution thereof in some other manner, he shall execute bonds, mortgages, and other contracts in behalf of the Corporation, and shall cause the seal to be affixed to any instrument requiring it and when so affixed the seal shall be attested by the signature of the Secretary or the Treasurer or an Assistant Secretary or an Assistant Treasurer.

SECTION 5. Vice President. Each Vice President, if elected, shall have such powers and shall perform such duties as shall be assigned to him by the directors.

SECTION 6. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate account of receipts and disbursements in the books belonging to the Corporation. He shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, or the President, taking proper vouchers for such disbursements. He shall render to the President and Board of Directors at the regular meetings of the Board of Directors, or whenever they may request it, an account of his transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, he shall give the Corporation a bond for the faithful discharge of his duties in such amount and with such surety as the board shall prescribe.

SECTION 7. Secretary. The Secretary shall give, or cause to be given, notice of all meetings of stockholders and directors, and all other notices required by law or by these By-Laws, and in case of his absence or refusal or neglect so to do, any such notice may be given by any person directed by the President, or by

the directors, or stockholders, upon whose requisition the meeting is called as provided in these By-Laws. He shall record all the proceedings of the meetings of the Corporation and of the directors in a book to be kept for that purpose, and shall perform such other duties as may be assigned to him by the directors or the President. He shall have custody of the seal of the Corporation and shall affix the same to all instruments requiring it, when authorized by the directors or the President, and attest the same.

SECTION 8. Assistant Treasurers and Assistant Secretaries. Assistant Treasurers, and Assistant Secretaries, if any, shall be elected and shall have such powers and shall perform such duties as shall be assigned to them, respectively, by the directors.

## ARTICLE V

### INDEMNIFICATION

SECTION 1. Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation pursuant to this Article V. Such expenses (including attorneys' fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

## ARTICLE VI

### MISCELLANEOUS

SECTION 1. Certificates of Stock. Certificates of stock, signed by the Chairman or Vice Chairman of the Board of Directors, if they be elected, President or Vice President, and the Treasurer or an Assistant Treasurer, or Secretary or an Assistant Secretary shall be issued to each stockholder certifying the number of shares owned by him in the Corporation. Any or all of the signatures may be facsimiles.

SECTION 2. Lost Certificates. A new certificate of Stock may be issued in the place of any certificate theretofore issued by the Corporation, alleged to have been lost or destroyed, and the directors may, in their discretion, require the owner of the lost or destroyed certificate, or his legal representatives, to give the Corporation a bond, in such sum as they may direct, not exceeding double the value of the stock, to indemnify the corporation against any claim that may be made against it on account of the alleged loss of any such certificate, or the issuance of any such new certificate.

SECTION 3. Transfer of Shares. The shares of stock of the Corporation shall be transferable only upon its books by the holders thereof in person or by their duly authorized attorneys or legal representatives and upon such transfer the old certificates shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock and transfer books and ledgers, or to such other person as the directors may designate by whom they shall be canceled, and new certificates shall thereupon be issued. A record shall be made of each transfer and whenever a transfer shall be made or collateral Security, and not absolutely, it shall be made or collateral security, and not absolutely, it shall be so expressed in the entry of the transfer.

SECTION 4. Record Date for Meeting of Stockholders. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders, or to receive payment of any dividend or other distribution or allotment of any rights or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may, except as otherwise required by law, fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted and which record date shall not be more than sixty nor less than ten days before the date of any meeting of stockholders, nor more than sixty days prior to the time for such other action as hereinbefore described; provided, however, that if no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if

notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and, for determining stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or to exercise any rights of change, conversion or exchange of stock or for any other purpose, the record date shall be at the close of business on the day on which the Board of Directors adopts a resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall

apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 5. Record Date for Action by Written Consent. In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or any officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

SECTION 6. Dividends. Subject to the provisions of the Certificate of Incorporation, the Board of Directors may, out of funds legally available therefor at any regular or special meeting, declare dividends upon the capital stock of the Corporation as and when they deem expedient. Before declaring any dividend there may be set apart, out of any funds of the Corporation available for dividends, such sum or sums as the directors from time to time in their discretion deem proper for working capital or as a reserve fund to meet contingencies or for equalizing dividends or for such other purposes as the directors shall deem conducive to the interests of the Corporation.

SECTION 7. Seal. The corporate seal shall be circular in form and shall contain the name of the corporation, the year of its creation and the words "CORPORATE SEAL DELAWARE." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

SECTION 8. Fiscal Year. The fiscal year of the Corporation shall be determined by resolution of the Board of Directors.

SECTION 9. Checks. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, and in such manner as shall be determined from time to time by resolution of the Board of Directors.

SECTION 10. Notice and Waiver of Notice. Whenever any notice is a notice unless expressly so stated, required by these By-Laws to be given, person is not mean and any notice so required shall be deemed to be sufficient if given by depositing the same in the United States mail, postage prepaid, addressed to the

person entitled thereto at his address as it appears on the records of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to a stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law. Stockholders not entitled to vote shall not be entitled to receive notice of any meetings except as otherwise provided by statute.

Whenever any notice whatever is required to be given under the provisions of any law, or under the provisions of the Certificate of Incorporation of the Corporation or 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 therein, shall be deemed equivalent thereto.

## ARTICLE VII

### AMENDMENTS

SECTION 1. Amendment. These By-Laws may be amended, altered or repealed by the affirmative vote of a majority of the Whole Board (as defined in Article II, Section 2 above). In addition to any vote of the holders of any class or series of capital stock of the Corporation required by the Certificate of

Incorporation, if any, the affirmative vote of at least sixty-six and two-thirds percent (66 2/3rds%) of the voting power of all of the outstanding shares of capital stock of the Corporation, entitled to vote thereon, voting together as a single class, shall be required for the stockholders to amend, alter or repeal any By-Law of the Corporation.

EXHIBIT 99.1

CERTIFICATION  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY  
ACT OF 2002 (SUBSECTIONS (a) AND (b) OF SECTION 1350, CHAPTER  
63 OF TITLE 18, UNITED STATES CODE)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of eXegenics Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarter ended June 30, 2002 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: 08/09/02 /s/ RONALD L. GOODE  
-----  
RONALD L. GOODE  
[PRINCIPAL EXECUTIVE OFFICER]

Dated: 08/09/02 /s/ JOAN H. GILLETT  
-----  
JOAN H. GILLETT  
[PRINCIPAL FINANCIAL OFFICER]

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as a separate disclosure document.