

NON PUBLIC

13FCONFIDENTIAL

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

11/20/03



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Form 13F

Form 13F COVER PAGE

Report for the calendar year or quarter ended September 30, 2000

Check here if Amendment []; Amendment Number: _____
This Amendment (Check only one.): [] is a restatement.
[] adds new holdings entries.

Institutional Investment Manager Filing this Report:

Name: Staro Asset Management, L.L.C.
Address: 1500 W. Market Street
Suite 200
Mequon, WI 53092

Form 13F File Number: 28- 5806

The institutional investment manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person Signing this Report on Behalf of Reporting Manager:

Name: Colin M. Lancaster
Title: General Counsel
Phone: (262) 241-1810

Signature, Place, and Date of Signing:

Mequon, WI November 14, 2000

Report Type (Check only one.):

CONFIDENTIAL TREATMENT EXPIRES
and
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- [X] 13F HOLDINGS REPORT. (Check here if all holdings of this reporting manager are reported in this report.)
- [] 13F NOTICE. (Check here if no holdings reported are in this report, and all holdings are reported by other reporting manager(s).)
- [] 13F COMBINATION REPORT. (Check here if a portion of the holdings for this reporting manager are reported in this report and a portion are reported by other reporting manager(s).)

List of Other Managers Reporting for this Manager: None.

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FORM 13F SUMMARY PAGE

Report Summary:

Number of Other Included Managers: 0

Form 13F Information Table Entry Total: 241

Form 13F Information Table Value Total: \$1,530,552
(thousands)

List of Other Included Managers:

Provide a numbered list of the name(s) and Form 13F file number(s) of all institutional investment managers with respect to which this report is filed, other than the manager filing this report.

None.

Form 13F

STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:			Column 6: Investment Discretion	Column 7: Other Managers	Column 8:	
				Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call			Sole	Shared Voting Authority None
Mitsubishi Finance	Debt	55262XAA3	\$103	100	Principal		Sole		X	
Aether Systems, Inc.	Debt	00808VAA3	\$3,720	4,800	Principal		Sole		X	
Affymetrix, Inc.	Debt	00826TAD0	\$7,080	12,000	Principal		Sole		X	
Standard Automotive Corp.	Common	853097103	\$278	44,000	Shares		Sole		X	
Standard Automotive Corp.	Preferred	853097202	\$573	77,700	Shares		Sole		X	
Alpharma, Inc.	Debt	020813AB7	\$21,737	10,110	Principal		Sole		X	
Amgen, Inc.	Option	031162900	\$6,983	1,000		Call	Sole		X	
American Tower Corp.	Class A	029912201	\$1,357	36,000	Shares		Sole		X	
American Tower Corp.	Debt	029912AD4	\$13,054	10,856	Principal		Sole		X	
American Tower Corp.	Debt	029912AB8	\$8,322	4,910	Principal		Sole		X	
Allied Riser Communications	Common	019496108	\$76	11,500	Shares		Sole		X	
At Home Corporation	Debt	045919AF4	\$8,450	13,255	Principal		Sole		X	
Atmel Corporation	Debt	049513AC8	\$1,490	1,693	Principal		Sole		X	
AT & T Wireless Group	Common	001957406	\$14,091	675,000	Shares		Sole		X	
Base Ten Systems, Inc.	Class A	069779304	\$72	127,186	Shares		Sole		X	
Brocade Communications Sys	Option	111621908	\$40,120	1,700		Call	Sole		X	
Biovail Corporation	Preferred	09067J208	\$13,906	203,000	Shares		Sole		X	
Biovail Corporation	Option	09067J909	\$2,443	300		Call	Sole		X	
Biovail Corporation	Warrant	09067J117	\$82,245	657,300	Shares		Sole		X	
Continental Airlines	Option	210795908	\$2,594	500		Call	Sole		X	
Cephalon, Inc.	Preferred	156708406	\$18,535	258,054	Shares		Sole		X	
Cellstar Corporation	Common	150925105	\$316	100,000	Shares		Sole		X	
Cellstar Corporation	Debt	150925AC9	\$19,716	49,290	Principal		Sole		X	
Comverse Technology, Inc.	Debt	205862AG0	\$115,668	22,889	Principal		Sole		X	
CNF Transportation, Inc.	Preferred	12612V205	\$2,268	61,290	Shares		Sole		X	
Canadian Natl Railway Co.	Preferred	136375409	\$2,213	49,600	Shares		Sole		X	
Curagen Corporation	Debt	23126RAC5	\$3,525	3,625	Principal		Sole		X	
Cirrus Logic Corporation	Debt	172755AC4	\$26,270	15,950	Principal		Sole		X	
CV Therapeutics, Inc.	Debt	126667AB0	\$6,687	5,000	Principal		Sole		X	

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STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:			Column 6: Investment Discretion	Column 7: Other Managers	Column 8:	
				Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call			Voting Authority	None
Cymer, Inc.	Common	232572107	\$921	30,000	Shares		Sole		X	
Cymer, Inc.	Debt	232572AC1	\$2,419	2,500	Principal		Sole		X	
Douclick, Inc.	Debt	258609AC0	\$17,806	18,500	Principal		Sole		X	
Dell Computer Corporation	Option	247025909	\$13,866	4,500		Call	Sole		X	
Dell Computer Corporation	Common	247025109	\$3,910	126,900	Shares		Sole		X	
Dexter Corporation	Common	252165105	\$55,794	753,050	Shares		Sole		X	
Echostar Communications	Debt	278762AD1	\$6,600	5,000	Principal		Sole		X	
Daisylek Int'l Corporation	Common	234053106	\$306	48,500	Shares		Sole		X	
Eastern Enterprises	Common	27637F100	\$7,578	118,750	Shares		Sole		X	
Egain Communications Corp.	Common	28225C103	\$406	43,142	Shares		Sole		X	
EMC Corporation	Option	268648902	\$9,913	1,000		Call	Sole		X	
Emmis Communications Corp.	Preferred	291525202	\$3,642	87,500	Shares		Sole		X	
Emerge Interactive, Inc.	Class A	29088W103	\$359	22,600	Shares		Sole		X	
Etoys, Inc.	Common	297862104	\$135	25,200	Shares		Sole		X	
Earthweb, Inc.	Debt	27032CAB4	\$925	2,500	Principal		Sole		X	
Federated Department Stores	Warrant	31410H127	\$825	194,000	Shares		Sole		X	
Federal Express Corporation	Option	31428X906	\$2,217	500		Call	Sole		X	
Friede Goldman Halter, Inc.	Debt	358430AA4	\$7,652	13,080	Principal		Sole		X	
Federal Mogul Corporation	Common	313549107	\$1,359	250,000	Shares		Sole		X	
Global Crossing Ltd.	Common	G3921A100	\$1,085	35,000	Shares		Sole		X	
Giltech, Inc.	Common	37929C103	\$322	51,500	Shares		Sole		X	
Home Depot, Inc.	Option	437076902	\$11,646	2,200		Call	Sole		X	
Human Genome Sciences, Inc.	Debt	444903AH1	\$12,385	12,901	Principal		Sole		X	
Human Genome Sciences, Inc.	Debt	444903AF5	\$13,427	8,125	Principal		Sole		X	
Healthcon Corp/WEBMD Corp.	Common	94769M105	\$787	51,600	Shares		Sole		X	
Health Mgmt. Associates, Inc.	Debt	421933AA0	\$12,980	59,000	Principal		Sole		X	
HMT Technology, Inc.	Debt	403917AD9	\$2,491	7,813	Principal		Sole		X	
HNC Software, Inc.	Common	40425P107	\$1,644	20,100	Shares		Sole		X	
Hexcel Corporation	Debt	428291AA6	\$1,485	1,500	Principal		Sole		X	

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STARO ASSET MANAGEMENT

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STARO ASSET MANAGEMENT										
Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:			Column 6: Investment Discretion	Column 7: Other Managers	Column 8:	
				Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call			Voting Authority	Shared
Internet Cap Group, Inc.	Debt	46059CAA4	\$2,340	4,500	Principal		Sole		X	
Inhale Therapeutic Systems, Inc.	Debt	457191AF1	\$6,305	4,000	Principal		Sole		X	
Intel Corporation	Option	458140900	\$20,781	5,000		Call	Sole		X	
Intel Corporation	Common	458140100	\$3,109	74,800	Shares		Sole		X	
International Paper Company	Common	460146103	\$786	27,400	Shares		Sole		X	
International Rectifier Corp.	Debt	460254AD7	\$6,353	3,000	Principal		Sole		X	
Digital Island, Inc.	Debt	25385NAA9	\$8,083	13,700	Principal		Sole		X	
IT Group, Inc.	Preferred	465266302	\$8,681	518,280	Shares		Sole		X	
Invitrogen Corporation	Option	46185R900	\$5,152	775		Call	Sole		X	
Invitrogen Corporation	Debt	46185RAB6	\$15,525	15,091	Principal		Sole		X	
Jenny Craig, Inc.	Common	224206102	\$209	115,500	Shares		Sole		X	
Jacor Communications, Inc.	Warrant	469858138	\$2,770	346,300	Shares		Sole		X	
J C Penney Company	Option	708160906	\$295	250		Call	Sole		X	
Juniper Networks, Inc.	Debt	48203RAA2	\$4,074	2,700	Principal		Sole		X	
Korea Electric Power Corp.	Common	500631106	\$653	50,000	Shares		Sole		X	
Kmart Financing	Preferred	498778208	\$5,548	178,264	Shares		Sole		X	
Kerr McGee Corporation	Common	492386107	\$364	5,500	Shares		Sole		X	
Coca-Cola Company	Common	191216100	\$10,038	182,100	Shares		Sole		X	
Lamar Advertising Company	Debt	512815AF8	\$5,025	5,000	Principal		Sole		X	
Lehman Brothers Holdings, Inc.	Option	524908900	\$14,775	1,000		Call	Sole		X	
Learnout & Hauspie Sp Prod	Common	B5628B104	\$816	62,200	Shares		Sole		X	
Va Linux Systems, Inc.	Common	91819B105	\$957	20,688	Shares		Sole		X	
Lodgian, Inc.	Common	54021P106	\$283	98,600	Shares		Sole		X	
Lattice Semiconductor Corp.	Debt	518415AC8	\$12,240	8,500	Principal		Sole		X	
LSI Logic Corporation	Debt	502161AD4	\$31,185	15,790	Principal		Sole		X	
Lucent Technologies Inc.	Option	549463907	\$1,528	500		Call	Sole		X	
Level 3 Communications Inc.	Option	52729N900	\$8,869	1,150		Call	Sole		X	
McDonald's Corporation	Option	580135901	\$2,264	750		Call	Sole		X	
MDC Communications Corp.	Class A	55267W309	\$1,810	200,000	Shares		Sole		X	

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Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5: Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call	Column 6: Investment Discretion	Column 7: Other Managers	Column 8: Voting Authority
									Sole Shared None
Medtronic Inc.	Option	585055906	\$1,554	300		Call	Sole		X
Merrill Lynch & Co. Inc.	Option	590188908	\$20,750	3,144		Call	Sole		X
Methode Electronics Inc.	Class A	591520200	\$9,115	205,700	Shares		Sole		X
Magna Int'l	Debt	559222AE4	\$1,758	1,801	Principal		Sole		X
Magna Int'l	Debt	559222AG9	\$1,187	1,366	Principal		Sole		X
Meridian Insurance Group Inc.	Common	589644103	\$527	36,000	Shares		Sole		X
MIPS Technologies Inc.	Class B	604567206	\$6,095	158,307	Shares		Sole		X
Markel Corp.	Common	570535104	\$8,412	55,434	Shares		Sole		X
Philip Morris Companies Inc.	Common	718154107	\$3,827	130,000	Shares		Sole		X
Motorola Inc.	Option	620076909	\$1,413	500		Call	Sole		X
MPW Industrial Services Group	Common	553444100	\$111	37,100	Shares		Sole		X
Mpower Communications	Common	62473J106	\$1,744	200,000	Shares		Sole		X
Micron Technology Inc.	Common	595112103	\$4,099	89,100	Shares		Sole		X
Morgan Stanley Dean Witter	Option	617446908	\$6,858	750		Call	Sole		X
National Australia Bk	Preferred	632525309	\$6,712	275,000	Shares		Sole		X
Newfield Exploration Co.	Preferred	651291205	\$2,125	32,200	Shares		Sole		X
Network Plus Corp.	Preferred	64122D605	\$1,046	60,000	Shares		Sole		X
Nextel Communications Inc.	Option	65332V903	\$2,338	500		Call	Sole		X
Offshore Logistics Inc.	Debt	676255AF9	\$14,687	15,235	Principal		Sole		X
Sprint Corp.	Common	852061506	\$19,039	543,000	Shares		Sole		X
Sprint Corp.	Option	852061906	\$6,557	1,870		Call	Sole		X
Pride International Inc.	Debt	741932AB3	\$8,152	18,115	Principal		Sole		X
Six Flags Inc.	Preferred	83001P208	\$5,204	165,200	Shares		Sole		X
Patina Oil & Gas Corp.	Warrant	703224113	\$989	131,862	Shares		Sole		X
Pogo Producing Co.	Debt	730448AE7	\$6,567	8,019	Principal		Sole		X
Peregrine Systems Inc.	Common	71366Q101	\$189	10,000	Shares		Sole		X
PSC Inc.	Common	69361E107	\$455	151,500	Shares		Sole		X
Powerfel Inc.	Common	73936C109	\$6,214	81,700	Shares		Sole		X
Provident Financial Corp.	Debt	74406AAA0	\$2,205	2,000	Principal		Sole		X

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STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5: Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call	Column 6: Investment Discretion	Column 7: Other Managers	Column 8: Voting Authority
Qwest Communications Int'l.	Common	749121109	\$1,184	24,642	Shares		Sole		Sole
Qwest Communications Int'l.	Option	749121909	\$7,003	1,457		Call	Sole		Sole
Qualcomm, Inc.	Option	747525103	\$1,718	250		Call	Sole		Sole
Quality Dining, Inc.	Common	74756P105	\$321	160,300	Shares		Sole		Sole
Quantum Corporation	Debt	747906AC9	\$553	705	Principal		Sole		Sole
Redback Networks	Common	757209101	\$2,985	18,200	Shares		Sole		Sole
Read-Rite Corporation	Common	755246105	\$337	29,960	Shares		Sole		Sole
Read-Rite Corporation	Option	755246955	\$4,500	4,000		Put	Sole		Sole
Read-Rite Corporation	Debt	755246AB1	\$799	395,000	Principal		Sole		Sole
Reliance Group Holdings	Common	759464100	\$7	35,000	Shares		Sole		Sole
Revlon, Inc.	Class A	761525500	\$1,500	224,300	Shares		Sole		Sole
Rouse Company	Preferred	779273309	\$6,776	199,298	Shares		Sole		Sole
Sinclair Broadcast Group	Preferred	829226505	\$8,388	268,414	Shares		Sole		Sole
Scana Corporation	Common	80589M102	\$618	20,000	Shares		Sole		Sole
Seibel Systems, Inc.	Debt	826170AC6	\$48,884	10,100	Principal		Sole		Sole
Sealed Air Corporation	Common	81211K100	\$815	18,000	Shares		Sole		Sole
Sealed Air Corporation	Preferred	81211K209	\$1,586	35,234	Shares		Sole		Sole
Sealed Air Corporation	Option	81211K900	\$5,430	1,200		Call	Sole		Sole
Silicon Graphics, Inc.	Debt	827056AC6	\$4,035	6,232	Principal		Sole		Sole
Semtech Corporation	Option	816850101	\$2,156	500		Call	Sole		Sole
Semtech Corporation	Debt	816850AD3	\$3,276	2,750	Principal		Sole		Sole
Simula, Inc.	Debt	829206AB7	\$928	2,992	Principal		Sole		Sole
Sunbeam Corporation	Common	867071102	\$2,688	2,048,200	Shares		Sole		Sole
Sunbeam Corporation	Debt	867071AA0	\$24	710	Principal		Sole		Sole
S & P 500 Depository Receipt	Common	78462F103	\$2,873	20,000	Shares		Sole		Sole
Stratos Lightwave, Inc.	Common	863100103	\$4,073	126,300	Shares		Sole		Sole
Sun Microsystems, Inc.	Option	866810904	\$23,350	2,000		Call	Sole		Sole
Smallworld PLC	Common	83168P108	\$3,826	193,100	Shares		Sole		Sole
Stryker Corporation	Option	863667901	\$945	220		Call	Sole		Sole

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STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:			Column 6: Investment Discretion	Column 7: Other Managers	Column 8:		
				Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call			Sole	Shared	None
AT & T Corporation	Common	001957109	\$8,677	295,389	Shares		Sole		X		
AT & T Corporation	Option	001957909	\$2,938	1,000		Call	Sole		X		
Terayon Communication Sys	Common	880775101	\$1,697	50,000	Shares		Sole		X		
Trimark Holdings, Inc.	Common	89621J100	\$224	23,900	Shares		Sole		X		
Speedway Motorsports, Inc.	Debt	847788AC0	\$4,450	5,000	Principal		Sole		X		
TVX Gold, Inc.	Debt	87308KAA9	\$2,756	3,801	Principal		Sole		X		
Trans World Airlines	Common	893349837	\$970	510,451	Shares		Sole		X		
Tower Automotive, Inc.	Debt	891707AE1	\$4,500	6,000	Principal		Sole		X		
Texas Biotech Corporation	Warrant	88221T120	\$214	27,800	Shares		Sole		X		
Texas Instruments, Inc.	Option	882508904	\$11,797	2,500		Call	Sole		X		
US Air	Option	911905907	\$1,522	500		Call	Sole		X		
US Air	Option	911905957	\$1,522	500		Put	Sole		X		
Unisys Corporation	Option	909214908	\$956	850		Call	Sole		X		
Williams Communications Grp	Common	969455104	\$10,170	508,500	Shares		Sole		X		
Weatherford International	Common	947074100	\$3,010	70,000	Shares		Sole		X		
Western Gas Resources	Preferred	958259301	\$1,869	49,850	Shares		Sole		X		
WHX Corp.	Common	929248102	\$328	218,901	Shares		Sole		X		
WHX Corp.	Preferred	929248201	\$1,794	273,303	Shares		Sole		X		
WHX Corp.	Preferred	929248300	\$263	40,000	Shares		Sole		X		
Wind River Systems, Inc.	Debt	973149AC1	\$14,925	10,000	Principal		Sole		X		
Sheet A General Holdings Totals:			\$1,165,677								
Sheet B Risk Arb Totals:			\$364,875								
AGGREGATE TOTALS:			\$1,530,552								

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STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:			Column 6: Investment Discretion	Column 7:		Column 8:	
				Shares or Principal Amount	Shares/ Prn. Amt.	Put/ Call		Other Managers	Sole	Shared	None
Acme Electric Corporation	Common	004644100	\$1,951	226,200	Shares		Sole		X		
Associates First Capital Corp.	Common	046008108	\$225	5,913	Shares		Sole		X		
Aquila Biopharmaceuticals	Common	03839F107	\$706	168,600	Shares		Sole		X		
Arrow Magnolia Int'l. Inc.	Common	042768101	\$109	27,200	Shares		Sole		X		
AXA	Common	054536107	\$323	5,000	Shares		Sole		X		
AXA Financial, Inc.	Common	002451102	\$11,153	219,000	Shares		Sole		X		
Axent Technologies, Inc.	Common	05459C108	\$1,195	55,432	Shares		Sole		X		
Bankfirst Corporation	Common	066442104	\$143	10,400	Shares		Sole		X		
Bank United Corporation	Class A	065412108	\$7,898	155,820	Shares		Sole		X		
Brenton Banks, Inc.	Common	107211104	\$302	25,000	Shares		Sole		X		
BSP Bancorp, Inc.	Common	055652101	\$5,795	259,000	Shares		Sole		X		
Biomatrix, Inc.	Common	09060P102	\$417	23,800	Shares		Sole		X		
Citigroup, Inc.	Option	172967901	\$5,406	1,000		Call	Sole		X		
Chase Manhattan Corp.	Option	16161A908	\$6,909	1,500		Call	Sole		X		
CNBT Bancshares, Inc.	Common	125972109	\$178	10,000	Shares		Sole		X		
Cobalt Networks, Inc.	Common	19074R101	\$2,384	41,200	Shares		Sole		X		
Digex, Inc.	Common	253756100	\$1,833	39,100	Shares		Sole		X		
Delia's, Inc.	Common	246885107	\$48	25,000	Shares		Sole		X		
Donaldson, Lufkin & Jenrette	Common	257661108	\$30,883	345,300	Shares		Sole		X		
Dain Rauscher Corporation	Common	233856103	\$2,372	25,500	Shares		Sole		X		
Duramed Pharmaceuticals, Inc.	Common	266354109	\$552	94,432	Shares		Sole		X		
Dynex Capital, Inc.	Common	26817Q506	\$177	135,200	Shares		Sole		X		
Elan PLC	Warrant	284131703	\$5,584	77,600	Shares		Sole		X		
FNCB Corporation	Common	302920103	\$2,174	102,600	Shares		Sole		X		
Fort James Corporation	Common	347471104	\$6,265	205,000	Shares		Sole		X		
Flowers Industries, Inc.	Common	343496105	\$1,862	95,500	Shares		Sole		X		
First Washington Realty Trust	Common	337489504	\$688	27,100	Shares		Sole		X		
First Security Corp/Del	Common	336294103	\$10,417	638,600	Shares		Sole		X		
Geltex Pharmaceuticals, Inc.	Common	368538104	\$5,444	116,300	Shares		Sole		X		
Genzyme Corporation	Option	372917904	\$2,898	425		Call	Sole		X		
Georgia-PAC	Option	373298908	\$4,700	2,000		Call	Sole		X		

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STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:		Column 6: Investment Discretion	Column 7: Other Managers	Column 8:	
				Shares or Principal Amount	Shares/ Pm. Amt.	Put/ Call		Sole	Shared
Genzyme Corp. Tissue Repair	Common	372917401	\$122	29,700	Shares			X	
Haven Bancorp, Inc.	Common	419352109	\$6,410	218,210	Shares			X	
Highland Bancorp, Inc.	Common	429879109	\$2,735	108,300	Shares			X	
Home Port Bancorp, Inc.	Common	437304108	\$2,120	59,000	Shares			X	
JDS Uniphase Corporation	Option	46612J901	\$4,734	500		Call		X	
JLK Direct Distribution, Inc.	Class A	46621C105	\$1,658	192,200	Shares			X	
Johns Manville Corporation	Common	478129109	\$1,692	149,530	Shares			X	
J P Morgan & Company	Common	616880100	\$17,841	109,200	Shares			X	
Lycos, Inc.	Common	550818108	\$29,271	426,250	Shares			X	
Lycos, Inc.	Option	550818908	\$5,639	820		Call		X	
Lilly Industries, Inc.	Class A	532491107	\$9,617	326,000	Shares			X	
MCN Corp.	Common	55267J100	\$1,997	77,947	Shares			X	
Mikasa Inc.	Common	59862T109	\$883	53,900	Shares			X	
Mascotech Inc.	Common	574670105	\$2,312	140,100	Shares			X	
Mascotech Inc.	Debt	574670AB1	\$11,577	16,963	Principal			X	
Nabisco Holdings Corp.	Class A	629526104	\$9,393	174,500	Shares			X	
Newgen Results Corp.	Common	651359101	\$1,811	120,700	Shares			X	
Ottawa Financial Corp.	Common	689389104	\$1,157	40,500	Shares			X	
PFSWEB Inc.	Common	717098107	\$131	33,644	Shares			X	
Paine Webber Group Inc.	Common	695629105	\$8,175	120,000	Shares			X	
Phoenix Investment Partners	Common	719085102	\$9,212	594,340	Shares			X	
Resource America, Inc.	Class A	761195205	\$1,063	125,000	Shares			X	
Republic Group, Inc.	Common	760473108	\$1,641	89,300	Shares			X	
Radiologix, Inc.	Common	75040K109	\$905	149,200	Shares			X	
Transocean Sedco Forex, Inc.	Common	G90078109	\$1,466	25,000	Shares			X	
Smithline Beecham PLC	Class A	832378301	\$2,993	43,610	Shares			X	
SDL, Inc.	Common	784076101	\$2,475	8,000	Shares			X	
Seagate Technology	Common	811804103	\$1,967	28,500	Shares			X	
Seagate Technology	Option	811804903	\$7,245	1,050		Call		X	
Shandong Huaneng Power	Common	819419102	\$572	75,000	Shares			X	
Shaw Industries, Inc.	Common	820286102	\$12,029	650,200	Shares			X	

Form 13F
STARO ASSET MANAGEMENT

Column 1: Name of Issuer	Column 2: Title of Class	Column 3: CUSIP Number	Column 4: Fair Market Value (X\$1000)	Column 5:			Column 6: Investment Discretion	Column 7: Other Managers	Column 8: Voting Authority	
				Shares or Principal Amount	Shares/ Pm. Amt.	Put/ Call			Sole	Shared
Star Telecommunications, Inc.	Common	854923109	\$4,394	2,196,900	Shares		Sole		X	
Software.com, Inc.	Common	83402P104	\$1,669	9,200	Shares		Sole		X	
Georgia Pacific Corporation	Common	373298702	\$5,876	218,650	Shares		Sole		X	
Telxon Corporation	Common	879700102	\$1,087	62,100	Shares		Sole		X	
Terra Networks	Common	88100W103	\$15,611	425,242	Shares		Sole		X	
Time Warner	Option	887315909	\$5,869	750		Call	Sole		X	
Tyco International Ltd.	Option	902124906	\$11,931	2,300		Call	Sole		X	
Union Carbide Corporation	Common	905581104	\$10,038	265,900	Shares		Sole		X	
U.S.Franchise Systems, Inc.	Class A	902956309	\$97	20,000	Shares		Sole		X	
Seagram Ltd.	Common	811850106	\$14,072	245,000	Shares		Sole		X	
Voicestream Wireless Corp.	Common	928615103	\$8,194	70,600	Shares		Sole		X	
Webb Del Corporation	Common	947423109	\$2,922	85,300	Shares		Sole		X	
MCI Worldcom, Inc.	Common	98157D106	\$826	27,200	Shares		Sole		X	
WLR Foods, Inc.	Common	929286102	\$461	33,800	Shares		Sole		X	
Sheet B Risk Arb Totals:			\$364,875							
AGGREGATE TOTALS:			\$1,530,552							