

Edgar Filing: KHAN AJMAL - Form SC 13D/A

KHAN AJMAL
Form SC 13D/A
October 25, 2004

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

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment No. 2)

IPARTY CORP.

(Name of Issuer)

Common Stock, par value \$0.001 per share

(Title of Class of Securities)

46261R107

(CUSIP Number)

Mr. Ajmal Khan
c/o Verus International Group Limited
20 West 55th Street
New York, New York 10019

(Name, Address, and Telephone Number of Person Authorized to
Receive Notices and Communications)

10/23/2002

(Date of Event which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. /_/_/

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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 CUSIP No. 46261R107

1	NAME OF REPORTING PERSONS I.R.S. IDENTIFICATION NO. OF ABOVE PERSON	Ajmal Khan
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
3	SEC USE ONLY	
4	SOURCE OF FUNDS	N/A
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)	<input type="checkbox"/>
6	CITIZENSHIP OR PLACE OF ORGANIZATION	Canada and United Kingdom
	NUMBER OF SHARES BENEFICIALLY OWNED BY THE REPORTING PERSON WITH	
	7	SOLE VOTING POWER 2,766,042*
	8	SHARES VOTING POWER
	9	SOLE DISPOSITIVE POWER 2,766,042*
	10	SHARED DISPOSITIVE POWER
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY THE REPORTING PERSON	2,766,042*
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	<input type="checkbox"/>
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	19.9%*
14	TYPE OF REPORTING PERSON	IN

* Through his position as the majority owner of Verus International Group Limited and Verus Investment Holdings, Inc., Mr. Khan has the power to dispose of or direct the disposition of the shares of Common Stock. As a result, Mr. Khan may under the rules of the Securities and Exchange Commission, be deemed to be the beneficial owner of the shares of Common Stock. Mr. Khan disclaims beneficial ownership of the shares of Common Stock reported as beneficially owned by him, except to the extent of his pecuniary interest therein. The shares of Common Stock reported as beneficially owned by the Reporting Person include shares of Common Stock which the Reporting Person has the right to acquire upon conversion of 170,000 shares of Series E Preferred Stock of the Issuer, upon exercise of 465,000 shares of Series A Preferred Stock of the Issuer and upon exercise of 75,000 Options to purchase shares of Common Stock.

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 CUSIP No. 46261R107

1	NAME OF REPORTING PERSONS I.R.S. IDENTIFICATION NO. OF ABOVE PERSON	Verus Investment Holdings, Inc.
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2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) <input type="checkbox"/>
		(b) <input checked="" type="checkbox"/>

3	SEC USE ONLY	
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4	SOURCE OF FUNDS	N/A
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5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e)	
	<input type="checkbox"/>	

6	CITIZENSHIP OR PLACE OF ORGANIZATION	
	British Virgin Islands	

NUMBER OF SHARES	7	SOLE VOTING POWER	2,766,042*
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BENEFICIALLY OWNED BY	8	SHARES VOTING POWER	
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THE REPORTING	9	SOLE DISPOSITIVE POWER	2,766,042*
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PERSON WITH	10	SHARED DISPOSITIVE POWER	
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11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY THE REPORTING PERSON	2,766,042*
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12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	<input type="checkbox"/>
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13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	19.9%
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14	TYPE OF REPORTING PERSON	CO
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* The shares of Common Stock reported as beneficially owned by the Reporting Person include shares of Common Stock which the Reporting Person has the right to acquire upon conversion of 170,000 shares of Series E Preferred Stock of the Issuer, upon exercise of 465,000 shares of Series A Preferred Stock of the Issuer and upon exercise of 75,000 Options to purchase shares of Common Stock.

ITEM 1. SECURITY AND ISSUER.

This Schedule 13D, dated October 25, 2004, of iParty Corp., a Delaware corporation (the "Issuer"), is filed to reflect the information required pursuant to Rule 13d-2 of the Securities and Exchange Act of 1934, as amended

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(the "Act"), relating to common shares, \$0.001 par value per share (the "Common Stock") of the Issuer. The Issuer's principal executive office is 270 Ridge Street, Suite 301, Dedham, Massachusetts 02026.

ITEM 2. IDENTITY AND BACKGROUND.

(I) VERUS INVESTMENT HOLDINGS INC.

This statement is being filed on behalf of Verus Investment Holdings, Inc. ("Verus Investment"), a British Virgin Islands corporation. Verus Investment is engaged in investment holdings. The address of Verus Investment's principal office is 20 West 55th Street, New York, New York 10019.

(d)-(e) During the last five years no executive officer, director, or control person of Verus Investment has (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction where as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to federal or state securities laws or finding any violation with respect to such laws.

(II) AJMAL KHAN

(a) This statement is being filed on behalf of Ajmal Khan, an individual and majority owner of Verus Investment.

(b) The business address of Mr. Khan is c/o Verus International Group Limited, 20 West 55th Street, New York, New York 10019.

(c) Mr. Khan's principal occupation is private investor.

(d)-(e) During the last five years Mr. Khan has not (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); or (ii) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction where as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to federal or state securities laws or finding any violation with respect to such laws.

(f) Mr. Khan holds both Canadian and United Kingdom citizenship.

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ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

Not Applicable.

ITEM 4. PURPOSE OF TRANSACTION

(I) VERUS INVESTMENT HOLDINGS, INC.

On October 23, 2002, Verus Investment sold 128,900 shares of Common Stock on the open market for an aggregate purchase price of \$22,815.

(II) AJMAL KHAN

On October 23, 2002, Mr. Khan sold 128,900 shares of Common Stock on the open market for an aggregate purchase price of \$22,815.

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ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(I) VERUS INVESTMENT HOLDINGS, INC.

(a) As of the date of this report, Verus Investment, beneficially owns an aggregate of 2,766,042* shares of Common Stock, which represents 19.9% of the Issuer's Common Stock.

(b) As of the date of this report, Verus Investment has the sole power to vote or direct the voting of, or dispose or direct the disposition of 2,766,042* shares of the Issuer's Common Stock.

(c) Since the most recent filing on Schedule 13D, Verus Investment Holdings, Inc. has sold shares of the Common Stock of the Issuer in open market transactions as follows:

Date	No. of Shares Sold	Price Per Share
10/22/2002	170,000	\$0.184
10/23/2002	128,900	\$0.177

(d) Not applicable.

* The shares of Common Stock reported as beneficially owned by the Reporting Person are shares of Common Stock which the Reporting Person has the right to acquire upon conversion of 170,000 shares of Series E Preferred Stock of the Issuer, upon exercise of 465,000 Series A Preferred Stock of Issuer and upon exercise of 75,000 Options to purchase shares of Common Stock.

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(e) Verus Investment remains the beneficial owner of more than 5% of the class of securities described herein.

(II) AJMAL KHAN

(a) As of the date of this report, Mr. Khan, through his majority ownership of Verus Investment, beneficially owns an aggregate of 2,766,042* shares of Common Stock, which represents 19.9% of the Issuer's Common Stock.

(b) As of the date of this report, Mr., Khan has the sole power to vote or direct the voting of, or dispose or direct the disposition of 2,766,042* shares of the Issuer's Common Stock.

(c) Since the most recent filing on Schedule 13D, Mr. Khan has sold shares of the Common Stock of the Issuer in open market transactions as follows:

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Date	No. of Shares Sold	Price Per Share
10/22/2002	170,000	\$0.184
10/23/2002	128,900	\$0.177

(d) Not applicable.

(e) Mr. Khan remains the beneficial owner of more than 5 % of the class of securities described herein.

ITEM 6. CONTRACTS, AGREEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

N/A

* The shares of Common Stock reported as beneficially owned by the Reporting Person are shares of Common Stock which the Reporting Person has the right to acquire upon conversion of 170,000 shares of Series E Preferred Stock of the Issuer, upon exercise of 465,000 Series A Preferred Stock of Issuer and upon exercise of 75,000 Options to purchase shares of Common Stock.

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S I G N A T U R E

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete, and correct.

Date: October 25, 2004

VERUS INVESTMENT HOLDINGS, INC.

By: /s/ Ajmal Khan

Name: Ajmal Khan
Title: Authorized Representative

/s/ Ajmal Khan

Ajmal Khan

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EXHIBIT A

JOINT FILING AGREEMENT PURSUANT TO RULE 13D-1(K) (1)

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as

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amended, the undersigned hereby agree to the joint filing on behalf of each of them of a statement on Schedule 13D Amendment No. 1 (including any additional amendments thereto) with respect to the Common Stock of Verus Holdings, Inc., and that this Agreement be included as an Exhibit to such joint filing.

IN WITNESS WHEREOF, the undersigned hereby execute this Agreement this 25th day of October, 2004.

VERUS INVESTMENT HOLDINGS, INC.

By: /s/ Ajmal Khan

Name: Ajmal Khan
Title: Authorized Representative

/s/ Ajmal Khan

Ajmal Khan