

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
September 30, 2004

ADMINISTRATIVE PROCEEDING
File No. 3-11693

In the Matter of

**JOSEPH L. LENTS,
BRIAN E. BAGINSKI**

and

ANTHONY V. YONADI,

Respondents.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Joseph L. Lents (“Lents”), Brian E. Baginski (“Baginski”), and Anthony V. Yonadi (“Yonadi”) (collectively “Respondents”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENTS

1. Lents, age 59, is a resident of Boca Raton, Florida. During the relevant period, Lents was the CEO of Investco, Inc. (“Investco”), a Nevada corporation headquartered in Boca Raton, Florida. Lents participated in an offering of Investco stock, which is a penny stock.

2. Baginski, age 36, is a resident of Boynton Beach, Florida. Baginski was a registered representative at various brokerage firms from 1991 until 1996. In 1998, the National Association of Securities Dealers barred Baginski from association with any member firm. Baginski participated in an offering of Investco stock, which is a penny stock.

3. Yonadi, age 50, is a resident of Boca Raton, Florida. He is a former registered representative with various brokerage firms. Yonadi participated in an offering of Investco stock, which is a penny stock.

B. THE DISTRICT COURT PROCEEDINGS

1. On May 20, 2002, the Commission filed a Complaint in the United States District Court for the Southern District of Florida (“Court”), captioned U.S. Securities and Exchange Commission v. Investco, Inc., et al., Case No. 02-80466-Civ. Lents, Baginski, and Yonadi were named as defendants in the Complaint.

2. The Complaint alleged that from at least November 2001 to April 29, 2002, Lents devised and Lents, Baginski and Yonadi, among others, carried out a “pump and dump” scheme to manipulate the price of Investco’s common stock. According to the Complaint, Lents caused Investco to issue a series of false and misleading press releases to create the illusion that Investco owned millions of dollars in assets and was the subject of a lucrative tender offer. In addition, the Complaint alleged that Lents distributed shares of Investco’s stock to Baginski and others, and that Baginski and Yonadi contributed to the manipulation by coordinating buy and sell orders to liquidate Baginski’s position and to simulate increased demand for Investco’s stock. The Complaint further alleged that Lents, Baginski and Yonadi sold shares of Investco’s stock that were not properly registered and for which no exemption applied. Based on these allegations, the Complaint alleged that Lents violated Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and that Baginski and Yonadi violated Section 5 of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

3. On March 12, 2003, the Court entered an order permanently enjoining Yonadi from violating Section 5 of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. In a written consent, Yonadi agreed to the entry of the permanent injunction without admitting or denying the allegations of the Complaint.

4. On August 14, 2004, the Court entered an order permanently enjoining Baginski from violations of Section 5 of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Baginski consented to the entry of the permanent injunction without admitting or denying the allegations of the Complaint.

5. On March 12, 2004, on the basis of the Commission’s motion for summary judgment, the Court entered an order permanently enjoining Lents from violations of Sections 5 and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

6. In granting summary judgment against Lents, the Court adopted the following findings:

a. Lents, together with Investco, violated Section 5 of the Securities Act by making an offering of 500,000 shares of Investco stock without complying with the registration

provisions of the Securities Act. Lents and Investco purported to register Investco's offering of shares under Form S-8. Their use of Form S-8 was improper because the shares were distributed to Lents for services that were not bona fide, and because certain of Lents's services directly and indirectly promoted or maintained a market for Investco common stock.

b. Lents violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder by devising and conducting a manipulative scheme in which he (1) caused Investco to undergo a reverse stock split, (2) obtained 500,000 shares of Investco stock under the false pretense that he had provided and would provide Investco with bona fide services, (3) caused Investco to issue materially false and misleading press releases about Investco's assets and business transactions, and (4) personally profited from the manipulation in the amount of \$101,265.00.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

1. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondents an opportunity to establish any defenses to such allegations; and

2. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to bar Respondents from participating in any offering of penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed and before an Administrative Law Judge to be designated by further order as provided by Rule 200 of the Commission's Rules of Practice, 17 C.F.R. § 201.200.

IT IS FURTHER ORDERED that Respondents shall file Answers to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondents fail to file the directed answers, or fail to appear at a hearing after being duly notified, the Respondents may be deemed in default and the proceedings may be determined against them upon consideration of this Order, the allegations of which may be deemed to be true

as provided by Rules 155(a), 220(f), 221(f), and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f), and 201.310.

This Order shall be served forthwith upon Respondents personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission Rules of Practice, 17 C.F.R. § 201.360(a)(2).

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority,

Jonathan G. Katz
Secretary