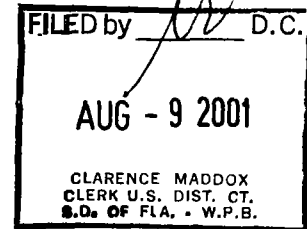


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
West Palm Beach Division



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

WEDGEWOOD FINANCIAL GROUP, INC.,
COLORADO PAGING GROUP PARTNERS,
JPI SITE MANAGEMENT, INC.,
PAUL IWANKOWSKI and WILLIAM SCRAK,

Defendants,

and

STONEPINE HOLDINGS, LTD., ROBERT
FABREGAS, PRIME TEL PAGING GROUP
PARTNERS, RANDY GILBERT, DARRELL
BAUGUESS and JOANNA IWANKOWSKI,

Relief
Defendants.

CASE NO. 97-6350-CIV-
RYSKAMP

ORDER
OF DISGORGEMENT
AND OTHER RELIEF
AS TO DEFENDANT
WILLIAM SCRAK

Plaintiff Securities and Exchange Commission ("SEC" or "Commission") commenced this action by filing its Complaint against, among others, Defendant William Scrak ("Defendant"). In its Complaint, the Commission sought, among other things, a temporary restraining order, and preliminary and permanent injunctions, to prohibit violations by Defendant of Section 17(a) of the Securities Act of 1933 ("Securities Act"), and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 10b-5, thereunder. On April 4, 1997, this Court entered a temporary restraining order, which, among other things, temporarily restrained and enjoined Defendant from further violations of the above-mentioned provisions of the federal securities laws. On August 28, 1997, this Court entered an Order of Permanent Injunction and Other Relief as to William Scrak (the "Permanent Injunction"), to which Defendant consented without admitting or denying the allegations of the SEC's complaint

129
[Signature]

(except as to jurisdiction, which he admitted).

The Permanent Injunction enjoins Defendant from violating Section 17 of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. In addition, the Permanent Injunction ordered that Defendant be jointly and severally liable with, among others, Defendant Paul Iwankowski ("Iwankowski"), for disgorgement and prejudgment interest as a result of the acts complained of by the SEC. The Permanent Injunction further ordered that the amount of disgorgement would be either determined (1) by the Receiver appointed by the Court over certain defendants in this matter or, if the Receiver did not make a determination, then (2) by the Court, on motion by the SEC. The Permanent Injunction also ordered that the amount of civil money penalties Defendant would be ordered to pay would be determined by the Court on the SEC's motion.

Subsequently, on January 22, 1999, this Court entered a Final Judgment of Permanent Injunction and Other Relief as to defendant Iwankowski and Relief Defendant Joanna Iwankowski (the "Iwankowski Order"). Among other things, in the Iwankowski Order the Court (1) held Defendant Iwankowski individually liable to disgorge \$18,150, plus prejudgment interest, and (2) held defendant Iwankowski jointly and severally liable with Relief Defendant Joanna Iwankowski to disgorge \$106,788, plus prejudgment interest.

Defendant, by his Consent affixed hereto, without admitting or denying any of the allegations in the Commission's Complaint or any other paper filed herein, except as to the jurisdiction of this Court, has agreed to the entry of this Order of Disgorgement and Other Relief as to Defendant William Scrak ("Order of Disgorgement"). This Court having accepted such Consent and having jurisdiction over Defendant and the subject matter hereof, and being fully advised in the premises,

I.

DISGORGEMENT

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant shall be jointly and severally liable with defendant Iwankowski to disgorge \$18,150, plus prejudgment interest thereon, and shall be jointly and severally liable with defendant Iwankowski and Relief Defendant

Joanna Iwankowski to disgorge \$106,788, plus prejudgment interest thereon. Based on Defendant's sworn representations in his Statement of Financial Condition dated April 15, 2001, and submitted to the Commission, payment of all of the disgorgement and prejudgment interest thereon is waived, contingent upon the accuracy and completeness of the Statement of Financial Condition. If at any time following the entry of this Order of Disgorgement the Commission obtains information indicating that Defendant's representations to the Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Defendant, petition this Court for an order requiring Defendant to pay the disgorgement, prejudgment and post-judgment interest thereon. In connection with any such petition, the only issue shall be whether the financial information provided by Defendant was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Order of Disgorgement, and the Commission may also request additional discovery. Defendant may not, by way of defense to such petition, challenge the validity of his Consent or the Order of Disgorgement, contest the allegations in the Complaint filed by the Commission, contest the amount of disgorgement and interest, or assert that disgorgement should not be ordered.

II.

PENALTIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that based on Defendant's sworn representations in his Statement of Financial Condition dated April 15, 2001, and submitted to the Commission, the Court is not ordering him to pay a civil penalty pursuant to the Securities Enforcement Remedies and Penny Stock Reform Act of 1990. The determination not to

impose a civil penalty is contingent upon the accuracy and completeness of Defendant's Statement of Financial Condition. If at any time following the entry of this Order of Disgorgement the Commission obtains information indicating that Defendant's representations to the Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Defendant, petition this Court for an order requiring Defendant to pay a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Defendant was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Order of Disgorgement, and the Commission may also request additional discovery. Defendant may not, by way of defense to such petition, challenge the validity of his Consent or the Order of Disgorgement, contest the allegations in the Complaint filed by the Commission, or assert that payment of a civil penalty should not be ordered.

III.

INCORPORATION OF CONSENT

IT IS HEREBY FURTHER ORDERED that Defendant shall comply with the provisions of the Consent attached hereto, and that such Consent is incorporated herein by reference as if fully set forth herein.

IV.

NOTICES

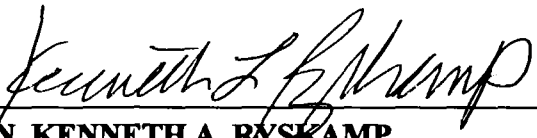
IT IS HEREBY FURTHER ORDERED that Defendant shall provide the Commission, at all times during the pendency of this action, with his current address for purposes of service of filings and other communications. Such notice shall be provided in writing to: Glenn S. Gordon, Assistant Regional Director, Securities and Exchange Commission, 1401 Brickell Avenue, Suite 200, Miami, Florida 33131. Should Defendant fail to provide such notice, service by mail at Defendant's last known address shall be deemed proper service.

V.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction over this matter and over Defendant in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED at 10:45 o'clock PM m. this 9th day of Aug. 2001 at West
Palm Bch., Florida.



HON. KENNETH A. RYSKAMP
UNITED STATES DISTRICT JUDGE

Copies provided to:

Glenn S. Gordon, Esq.
Acting Deputy Regional Director
Securities and Exchange Commission
1401 Brickell Avenue, Suite 200
Miami, Florida 33131

Jay Gayoso, Esq.

Homer & Bonner
Counsel for the Defendant Paul Iwankowski and Relief Defendant Joanna Iwankowski
100 S.E. 2nd Street, Suite 3400
Miami, FL 33131

William Scrak
317 Harding Street
Hollywood, FL 33019

Rudolph F. Aragon, Esq.
Kevin C. Kaplan, Esq.
Aragon, Burlington, Weil & Crockett, P.A.
Court-Appointed Receiver for Wedgewood Financial Group, Inc., Colorado Paging Group Partners,
JPI Site Management, Inc.
2699 S. Bayshore Drive
Penthouse
Miami, FL 33133

Mark S. Dodge, Esq.
Counsel for Stonepine Holdings, Ltd.,
and Robert Fabregas
The Law Offices of Mark S. Dodge
21039 Mendenhall Court
Topanga, CA 90290