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FEB 13 2003

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

LUTHER D. THOMAS, Clerk  
By: *(Signature)*  
Deputy Clerk

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

Leonard L. Zanello, Sr.,  
Ihor A. "Gary" Humesky,  
Steven B. Rodd,  
Robert F. Broege, Jr.,

Defendants.

Civil Action No.

1:02-CV-3308-WBH

*(Stamp: RECEIVED FEB 13 2003)*

FILED IN CLERK'S OFFICE  
Atlanta

*(Signature)*  
FEB 27 2003

LUTHER D. THOMAS, Clerk  
By: *(Signature)*

ORDER OF PERMANENT INJUNCTION AND OTHER RELIEF  
AGAINST LEONARD L. ZANELLO, SR.

The Securities and Exchange Commission having filed a

entered a general appearance; consented to the Court's jurisdiction  
over Defendant and the subject matter of this action; consented to  
entry of this Final Judgment without admitting or denying the

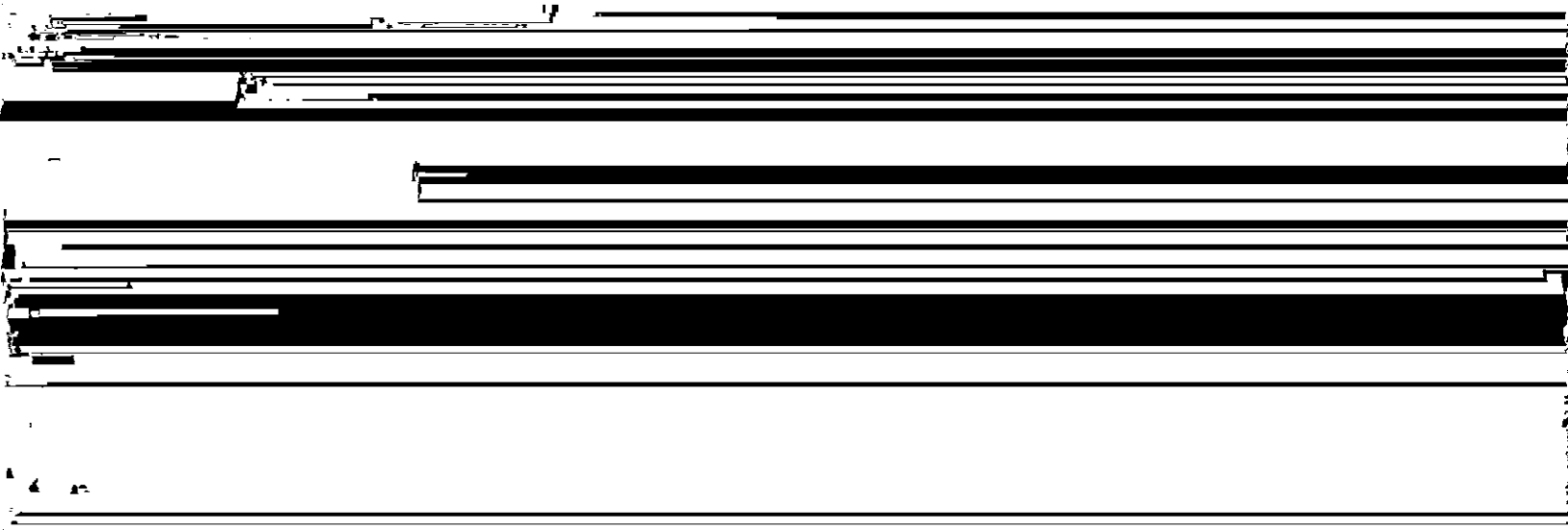
all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

in connection with the purchase or sale of any security.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that



Exchange Act by, directly or indirectly, through the use of any means or instrumentalities of interstate commerce, or of the mails, engaging in the business of a broker or dealer without registering with the Commission as a broker or dealer or a registered representative thereof.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Zanello, his agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser

in the offer or sale of any security.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Zanello, his agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)] by:

- a. making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, through the use or medium of any prospectus or otherwise;
- b. carrying securities or cause securities to be carried through the mails or in interstate commerce, by means or instruments of transportation, for the purpose of sale or for delivery after sale; or
- c. making use of the means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell securities through the use or medium of any prospectus or otherwise,

without a registration statement having been filed or being in effect with the Commission or an applicable exemption from the securities registration requirements of the federal securities

laws.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Zanello shall pay disgorgement and prejudgment interest in amounts to be resolved upon motion(s) of the Commission at a later date. For purposes of disgorgement and prejudgment interest, the allegations of the Commission's complaint shall be deemed to be true, and Zanello may not, by way of defense, contend that disgorgement and prejudgment interest should not be imposed. In the event Zanello, pursuant to sworn financial statements, shows that he is incapable of payment, disgorgement and prejudgment interest may be waived or partially waived by the Commission in its discretion.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Zanello shall pay a civil penalty in an amount to be resolved upon motion of the Commission at a later date. For purposes of disgorgement and prejudgment interest, the allegations of the Commission's complaint shall be deemed to be true, and Zanello may not, by way of defense, contend that civil penalties should not be imposed. In the event Zanello, pursuant to sworn financial statements, shows that he is incapable of payment, the Commission, in its discretion, may not seek to impose a civil penalty.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Order.

Dated: 2/26/03, 2003

  
UNITED STATES DISTRICT JUDGE