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UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
(Tampa Division)

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SECURITIES AND EXCHANGE COMMISSION,)	CASE NO.	FLORIDA
)	8:02-CV-120-T-30TGW	FLORIDA
Plaintiff,)		
)		
v.)		
)		
TEL-ONE, INC., GEORGE CARAPELLA, ALAN)		
S. LIPSTEIN, W. KRIS BROWN, MEDIA)		
BROADCAST SOLUTIONS, INC. and GEORGE)		
LAFAUCI,)		
)		
Defendants,)		
)		
CARAPELL CAPITAL CORP., ATLAS GLOBAL)		
VENTURES CORP., HANK VANDERKAM,)		
LARRY EASTLAND, and LEONORA)		
CARAPELLA,)		
)		
Relief Defendants.)		
)		

**FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER
RELIEF AS TO DEFENDANT GEORGE CARAPELLA
AND JUDGMENT OF DISGORGEMENT AS TO
RELIEF DEFENDANTS CARAPELL CAPITAL CORP.
AND LEONORA CARAPELLA**

Plaintiff Securities and Exchange Commission ("SEC" or "Commission") commenced this action by filing its Complaint against, among others, Defendant George Carapella ("Carapella"). In its Complaint, the Commission sought a temporary restraining order, and preliminary and permanent injunctions to prohibit violations by Carapella of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 10b-5, thereunder. The Commission also sought other relief against Carapella in the form of an accounting, disgorgement, civil penalties, records preservation, expedited discovery, and an order temporarily freezing assets. Carapell Capital Corp., a company wholly owned and controlled

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by Carapella, and Carapella's wife, Leonora Carapella, were named, among others, as Relief Defendants.

On January 22, 2002, this Court entered a temporary restraining order, which temporarily restrained and enjoined Carapella from further violations of the above-mentioned provisions of the federal securities laws; temporarily froze his assets; granted the Commission an accounting, expedited discovery, and prohibited the concealing or destruction of Carapella's books, records and other documents. In that same order, the Court froze the assets of Carapell and, shortly thereafter by way of separate order, the assets of Leonora Carapella. On February 15, 2002, Carapella consented to the entry of a preliminary injunction and other relief pending the outcome of this case on its merits.

Carapella, individually and on behalf of Carapell, and Leonora Carapella by the 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, have agreed to the entry of this Final Judgment of Permanent Injunction and Other Relief as to Defendant George Carapella and Final Judgment of Disgorgement as to Relief Defendants Carapell Capital Corp. and Leonora Carapella to resolve the matters raised in the Commission's Complaint. This Court having accepted such Consent and having jurisdiction over Carapella, Carapell and Leonora Carapella and the subject matter hereof, and the Court being fully advised in the premises,

I.

VIOLATIONS OF SECTION 17(a) OF THE SECURITIES ACT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Carapella, his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with him, and each of them, directly or indirectly, who receive actual notice of this Judgment of Permanent Injunction, by personal service or otherwise, be and they hereby are,

permanently restrained and enjoined from, directly or indirectly, singly or in concert, as aiders and abettors or otherwise, in the offer or sale of any security, by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails:

- (a) knowingly employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of material fact or omission to state any material fact necessary in order to make the statement made, in light of the circumstances under which it was made, not misleading; or
- (c) engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon purchasers or prospective purchasers of any such security,

in violation of Sections 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(1), 77q(a)(2) and 77q(a)(3).

II.

VIOLATIONS OF SECTION 10(b) OF THE EXCHANGE ACT AND RULE 10b-5 THEREUNDER

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Carapella, his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with him, and each of them, directly or indirectly, who receive actual notice of this Judgment of Permanent Injunction, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined from, knowingly and willfully, directly or indirectly, singly or in concert, as aiders and abettors or otherwise, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange:

- (a) employing any device, scheme or artifice to defraud;

- (b) making any untrue statements of material fact or omitting 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) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person,

in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

III.

DISGORGEMENT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Carapella, Carapell and Leonora Carapella shall disgorge approximately \$909,670.00 representing Carapella's gains from the conduct alleged in the Complaint, plus prejudgment interest thereon in the amount of \$5,330.00. Carapella shall have ten days to pay \$400,000 out of the foregoing \$915,000 into the Court registry or to any Claims Administrator appointed in this matter by the Court. Carapella shall pay the remaining \$515,000 into the Court registry or to any Claims Administrator appointed in this matter by the Court, with postjudgment interest, within seven months of the date of this Order. Carapella shall serve a notice of the foregoing payments upon Kerry A. Zinn, Esq., Senior Trial Counsel, U.S. Securities and Exchange Commission, 1401 Brickell Avenue, Miami, Fl 33132.

IV.

PENALTIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Carapella shall pay civil penalties to the U.S. Treasury in the amount of \$75,000.00, pursuant to

Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), in connection with the activities described in the Commission's Complaint, within seven months of the date of this Order plus any postjudgment interest. The payment of the civil penalty ordered by this Final Judgment shall be: (1) made by United States postal money order, certified check, bank cashier's check, or bank money order; (2) made payable to the Securities and Exchange Commission; (3) transmitted to the Comptroller, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549; and (4) submitted under cover letter that specifies the defendant in this proceeding, and the Commission's case number (FL-02831), a copy of which cover letter and money order or check shall be sent to Kerry A. Zinn, Senior Trial Counsel, Securities and Exchange Commission, Southeast Regional Office, 1401 Brickell Avenue, Suite 200, Miami, Florida 33131.

V.

LIFTING OF ASSET FREEZE

IT IS HEREBY FURTHER ORDERED that Carapella's, Carapell's and Leonora Carapella's assets are unfrozen subject to the payment of \$909,670.00 in disgorgement, plus pre-judgment interest thereon in the amount of \$5,330.00, a civil penalty of \$75,000.00 and postjudgment interest on any amounts not paid within ten days of the date of this Order.

VI.

INCORPORATION OF CONSENT

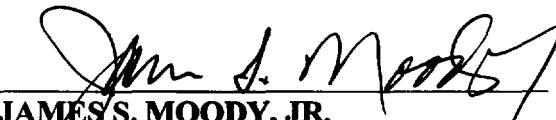
IT IS HEREBY FURTHER ORDERED that Carapella, Carapell and Leonora Carapella shall comply with the provisions of the Consent attached hereto, and that such Consent is incorporated herein by reference as if fully set forth herein.

VII.

RETENTION OF JURISDICTION

IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that this Court will retain jurisdiction over this matter and Carapella, Carapell and Leonora Carapella 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 8:45 o'clock A.m. this 12 day of July, 2002 at Tampa, Florida.


JAMES S. MOODY, JR.
UNITED STATES DISTRICT JUDGE

Copies to:

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Glenn Goldberg, Esq.
Burton Wiand, Esq.
John F. Lauro, Esq.
William J. Schifino, Jr., Esq.
Mark D. Stubbs, Esq.
Hank Vanderkam

Date Printed: 07/12/2002

Notice sent to:

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