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

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SECURITIES AND EXCHANGE COMMISSION,) CASE NO. FLORID, 8:02-CV-120-T-30TGW
Plaintiff,) 6.02 -6 V-120-1-30 I G-W
v.)) JUDG MENT OF
TEL-ONE, INC., GEORGE CARAPELLA, ALAN) PERMANENT
S. LIPSTEIN, W. KRIS BROWN, MEDIA) INJUNCTION AND
BROADCAST SOLUTIONS, INC. and GEORGE) OTHER RELIEF AS TO
LAFAUCI,) DEFENDANTS
•) GEO RGE LAFAUCI
v. ITEL-ONE, INC., GEORGE CARAPELLA, ALAN S. LIPSTEIN, W. KRIS BROWN, MEDIA BROADCAST SOLUTIONS, INC. and GEORGE LAFAUCI, Defendants, CARAPELL CAPITAL CORP., ATLAS GLOBA VENTURES CORP., HANK VANDERKAM, LARRY EASTLAND, and LEONORA) AND MEDIA
) BROADCAST
CARAPELL CAPITAL CORP., ATLAS GLOBAL) SOLUTIONS, INC.
VENTURES CORP., HANK VANDERKAM,)
LARRY EASTLAND, and LEONORA)
CARAPELLA,)
Relief Defendants.)))

Plaintiff Securities and Exchange Commission ("SEC" or "Commission") commenced this action by filing its Complaint against, among others, Defendants George LaFauci ("LaFauci") and Media Broadcast Solutions, Inc. ("Media Broadcast") (collectively, "Defendants"). In its Complaint, the Commission sought a temporary restraining order, and preliminary and permanent injunctions to prohibit violations by Defendants 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 Defendants in the form of accountings, disgorgement, civil penalties, records preservation, expedited discovery, and an order temporarily freezing assets.

On January 22, 2002, this Court entered a temporary restraining order, which temporarily restrained and enjoined Defendants from further violations of the above-mentioned provisions of the federal securities laws; temporarily froze Defendants' assets; granted the Commission an accounting, expedited discovery, and prohibited the concealing or destruction of the Defendants

books, records and other documents. On February 14, 2002, **Defendants** consented to the entry of a preliminary injunction pending the outcome of this case.

Defendants, 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, and with the SEC having preserved its right to seek further relief in the form of disgorgement plus prejudgment interest thereon, and to seek civil penalties as prayed for in the Complaint, has agreed to the entry of this Judgment of Permanent Injunction. This Court having accepted such Consent and this Court having jurisdiction over the Defendants and the subject matter hereof, and the Court being fully advised in the premises,

I.

FRAUD IN VIOLATION OF SECTION 17(a) OF THE SECURITIES ACT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants, their officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, 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.

FRAUD IN VIOLATION OF SECTION 10(b) OF THE EXCHANGE ACT AND RULE 10b-5 THEREUNDER

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants, their officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, 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 LaFauci shall disgorge \$8635.00 of ill-gotten gains from the conduct alleged in the Complaint, plus prejudgment interest in the amount of \$93.80. LaFauci shall pay the disgorgement, plus

prejudgment interest thereon, into the Court registry or to any claims administrator appointed by the Court within thirty days of the date of this Order.

IV.

PENALTIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants shall be required to pay a joint civil penalty of \$30,000.00 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. 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 within thirty days of the date of this Order; and (4) submitted under cover letter that specifies the defendants 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.

INCORPORATION OF CONSENT

IT IS HEREBY FURTHER ORDERED that Defendants 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.

VI.

RETENTION OF JURISDICTION

IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that this Court will retain jurisdiction over this matter and LaFauci and Media Broadcast 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 8:42 o'clock A.m. this 12 day of 1

, 2002 at

When, Florida.

JAMES'S. MOODY, JR.

UNITED STATES DISTRICT JUDGE

Copies to: Kerry A. Zinn

Jack Fernandez, Jr., Esq.

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:

Kerry A. Zinn, Esq. Securities and Exchange Commission 1401 Brickell Ave., Suite 200 Miami, FL 33131 Harold E. Schimkat, Esq. Securities and Exchange Commission 1401 Brickell Ave., Suite 200 Miami, FL 33131 Ivan P. Harris, Esq. Securities & Exchange Commission Miami Branch Office 1401 Brickell Ave., Suite 200 Miami, FL 33131 Jack E. Fernandez Jr., Esq. Zuckerman Spaeder, L.L.P. 101 E. Kennedy Blvd., Suite 1200 Tampa, FL 33602 Glenn E. Goldberg, Esq. Goldberg Law Group, P.A. 100 S. Ashley Dr., Suite 2200, Penthouse Tampa, FL 33602 Burton Webb Wiand, Esq. Fowler White Boggs Banker, P.A. 501 E. Kennedy Blvd. P.O. Box 1438 Tampa, FL 33601-1438 William J. Schifino Jr., Esq. Williams, Schifino, Mangione & Steady, P.A. One Tampa City Ctr., Suite 2600 P.O. Box 380 Tampa, FL 33602 Kenneth George Turkel, Esq. Williams, Schifino, Mangione & Steady, P.A. One Tampa City Ctr., Suite 2600 P.O. Box 380 Tampa, FL 33602 John F. Lauro, Esq. John F. Lauro, P.A. 101 E. Kennedy Blvd. Suite 3950 Tampa, FL 33602 Hank Vanderkam 440 Louisiana, #475

John Michael Brennan, Esq. Gray, Harris & Robinson, P.A. 301 E. Pine St., Suite 1400 P.O. Box 3068 / Orlando, FL 32802-3068

Nicolette M. Corso, Esq. Gray, Harris & Robinson, P.A. 301 E. Pine St., Suite 1400 P.O. Box 3068 Orlando, FL 32802-3068

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