UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA

CASE NO. 02-80768-CIV-HURLEY/LYNCH

UNITED STATES SECURITIES AND EXCHANGE COMMISSION, Plaintiff,

v.

RHINO ECOSYSTEMS, INC. CHARLES CINI, GORDON NOVAK, MARK WIERTZEMA, and MELVIN LEVINE, Defendants. D.C.

OCT 1 1 2005

CLARENCE MADDOX CLERK U.S. DIST CT.
S.D. OF FLA. - W.P.B.

ORDER ADOPTING MAGISTRATE'S REPORT AND RECOMMENDATION & ENTERING FINAL JUDGMENT ON CIVIL PENALTIES AGAINST DEFENDANTS CHARLES CINI AND GORDON NOVAK

THIS CAUSE is before the court upon Plaintiffs' motion to set civil penalties against defendants Charles Cini and Gordon Novak [DE# 78]. This matter was previously referred to United States Magistrate Judge Frank J. Lynch, Jr., pursuant to 28 U.S.C. §§ 636-39 and Rule 72 of the Federal Rules of Civil Procedure, for a recommended disposition. On July 21, 2005, Magistrate Judge Lynch filed a Report and Recommendation upon the motion. [DE# 178].

The Court has carefully reviewed the Magistrate's Report, together with Defendant Novak's objections to the Report [DE# 85] and the plaintiff SEC's reply [DE # 86].

Pursuant to 28 U.S.C. § 636(b)(1)(C), the court has made a *de novo* determination with respect to those portions of the report with respect to which an objection has been lodged. Having done so, the court deems the resolution of the issues as recommended by Magistrate Judge Lynch to be sound and well-reasoned, and shall accordingly adopt those recommendations here.

Case No.: 02-80768-CIV-HURLEY

Order Adopting Magistrate's Report and Recommendation

It is therefore **ORDERED** and **ADJUDGED**:

- 1. Magistrate Judge Lynch's Report and Recommendation on plaintiff's motion to set civil penalties against defendants Novak and Cini [DE #85] is hereby **ADOPTED** and **INCORPORATED** in full.
- 2. Plaintiff's motion to set civil penalties against defendants Gordon Novak and Charles Cini [DE # 78] is **GRANTED**.
- 3. A one time, third tier civil penalty in the amount of \$110,000.00 is hereby assessed against the defendant **CHARLES CINI.**
- 4. A one time, third tier civil penalty in the amount of \$110,000.00 is hereby assessed against the defendant **GORDON NOVAK**.
- 5. The court shall retain jurisdiction for purposes of enforcing this final order imposing civil penalties as well as all prior orders of permanent injunction entered in this case.

DONE and **SIGNED** in Chambers at West Palm Beach, Florida this **#** day of October,

2005.

United States District/Judge

Copies to:

United States Magistrate Judge Frank J. Lynch, Jr.

Christopher Martin, Esq. (SEC)

Charles Cini, pro se 800 Royal York Road Toronto, Ontario M8Y 2T7 Canada Case No.: 02-80768-CIV-HURLEY

Order Adopting Magistrate's Report and Recommendation

Charles Cini, pro se 7!-320 Main Street North, Suite 201 Brampton, Ontario L6V 4A3 Canada

Gordon Novak, pro se 188 Ottawa Street North Hamilton, Ontario L8H 3Z5 Canada