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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

U.S. DISTRICT COURT NORTHERN DISTRICT OF TEXAS FILED OCT 2 2006 CLERK, U.S. DISTRICT COURT By _____ Deputy
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SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

Civil Action No.: 3:03-CV-1763-L

UNISTAR FINANCIAL SERVICE CORP.,

a Delaware corporation,

MARC A. SPARKS,

F. JEFFREY NELSON,

PHILLIP H. CLAYTON,

DINO A. ROMANO,

CYNTHIA JACKSON,

INTERMARK INVESTMENTS, INC.,

a Texas corporation,

TURNER HOLDINGS, INC.,

a Texas corporation, and

NICOLE CLAYTON CAVER,

Defendants.

**FINAL JUDGMENT BY DEFAULT
AGAINST DINO A. ROMANO**

This matter came before this Court on the motion of plaintiff, Securities and Exchange Commission, seeking entry of a final judgment by default, providing it with the relief requested in its Complaint against defendant Dino A. Romano ("Romano" or "Defendant") by reason of his failure to timely file an answer or other responsive pleading in accordance with the Federal Rules of Civil Procedure.

This Court, having considered the pleadings and evidence on file herein, makes the following findings of fact and conclusions of law:

1. The Commission's Complaint commencing this civil action against Romano was filed on August 7, 2003. Romano was served with the Commission's Complaint and this Court's Summons but failed to appear herein. The Court has jurisdiction over this cause and over Romano. Based on Romano's failure to deny the factual allegations in the Commission's Complaint, all factual allegations therein are deemed admitted against Romano. Accordingly, the Court finds that Romano violated Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act") and Sections 10(b), 15(a)(1), 15(b)(6) and 15(c) of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 10b-5 thereunder.

2. The Court further finds that Romano realized illicit proceeds from the conduct alleged in the Complaint in the amount of \$31,050,029 and that it is appropriate to require Romano to pay this amount to the Commission to deprive him of his ill gotten gain. The Court further finds that it is appropriate to order Romano to pay \$17,585,816 in prejudgment interest on the amount of his ill gotten gain.

3. Romano is not an infant, nor is he incompetent. He is not eligible for relief under the Soldiers' and Sailors' Civil Relief Act of 1940 [50 U.S.C. Appendix, § 501 et seq.].

4. The Commission seeks a final judgment and an order prohibiting Romano from committing future violations, directly or indirectly, of Sections 5(a), 5(c) and 17(a) of the Securities Act and Sections 10(b), 15(a)(1), 15(b)(6) and 15(c) of the Exchange Act, and Rule 10b-5 thereunder, as alleged in the Complaint.

On the basis of the foregoing findings of fact and conclusions of law,

I.

IT IS ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, 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 Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, 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 Section 17(a) of the Securities

Act [15 U.S.C. § 77q(a)] 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, 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.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, 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, directly or indirectly, Section 10(b) of 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, in connection with the purchase or sale of any security:

- (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.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, 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, directly or indirectly, Sections 15(a)(1), 15(b)(6) and 15(c) of the Exchange Act [15 U.S.C. §§ 78o(a)(1), (b)(6) and (c)] by:

- (a) making use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, banker's acceptances, or commercial bills) unless Defendant is registered or associated with a broker or dealer that is registered in accordance with Section 15(b) of the Exchange Act;
- (b) failing to comply with the Commission's April 14, 1993, order barring Defendant from association with any broker, dealer, investment company, investment adviser or municipal securities dealer, ordering him to repatriate all monies and property transferred offshore and awarding a civil money penalty;
- (c) making use of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, banker's acceptances, or commercial bills) otherwise than on a national securities exchange

of which Defendant is a member, or any security-based swap agreement (as defined in section 206B of the Gramm-Leach-Bliley Act), by means of any manipulative, deceptive, or other fraudulent device or contrivance; and

- (d) making use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, banker's acceptances, or commercial bills) otherwise than on a national securities exchange of which Defendant is a member in connection with which Defendant engages in any fraudulent, deceptive, or manipulative act or practice, or makes any fictitious quotation.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay disgorgement in the amount of \$31,050,029, representing benefits realized from the activities alleged in the complaint, plus \$17,585,816 in prejudgment interest thereon for a total of \$48,635,845, and a civil penalty in the amount of \$100,000 pursuant to Section 20 of the Securities Act and Section 21 of the Exchange Act. Defendant shall make this payment within ten (10) business days after entry of this Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Dino A. Romano as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

VI.

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 Final Judgment.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: October 2, 2006.


UNITED STATES DISTRICT JUDGE