CLOSED CIVIL CASE

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA

)

CASE NO.

CLARENCE HUNDOX
CLERK U.S. DIST. CT.
S.D. OF T.A. HUAMI

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PUBLIC COMMUNICATION SERVICES, INC. n/k/a SPRAWLNET.COM, INC., ALFREDO SUSI, and RICHARD BALBER,

Defendants.

03-20557 CIV-LENARD MAGISTRATE JUDGE SIMONTON

JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AS TO DEFENDANT ALFREDO SUSI

Defendant Alfredo Susi ("Susi"), by the Consent annexed hereto, without admitting or denying any of the allegations in the Commission's Complaint, except that he is admitting the allegation as to the jurisdiction of this Court over him and over the subject matter of this action, has agreed to the entry of this Judgment of Permanent Injunction And Other Relief ("Permanent Injunction"). This Court having accepted such Consent and having jurisdiction over Defendant Susi and the subject matter hereof, and the Court being fully advised in the premises:

I.

PERMANENT INJUNCTIVE RELIEF --SECTION 5 OF THE SECURITIES ACT

IT IS HEREBY ORDERED that Susi, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from directly or indirectly, (a) making use



of any means or instruments of transportation or communication in interstate commerce or of the mails to sell securities in the form of units, common stock, warrants or any other securities, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such securities; (b) carrying securities, in the form of units, common stock, warrants or any other securities, or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or for delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities; 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 securities, in the form of units, common stock, warrants or any other securities, unless a registration statement is filed with the Commission as to such securities, or while a registration statement filed with the Commission as to such security 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 of 1933 ("Securities Act"), 15 U.S.C. § 77h, in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c), provided, however, that nothing in the foregoing portion of this injunction shall apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act, 15 U.S.C. § 77e.

II.

PERMANENT INJUNCTIVE RELIEF --SECTION 17(A)(1) OF THE SECURITIES ACT

IT IS HEREBY FURTHER ORDERED that Susi, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce, or by the use of the mails, in the offer or sale of securities, knowingly, willfully or recklessly employing devices, schemes or artifices to defraud, in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

III.

PERMANENT INJUNCTIVE RELIEF --SECTIONS 17(A)(2) & (3) OF THE SECURITIES ACT

IT IS HEREBY FURTHER ORDERED that Susi, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, in the offer or sale of securities, (i) obtaining money or property by means of untrue statements of material facts or omissions to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or (ii) engaging in acts, practices and courses of business which have operated and will operate as a fraud or deceit upon purchasers and prospective purchasers of such securities, in violation of Sections 17(a)(2) & (3) of the Securities Act, 15 U.S.C. §§ 77(q)(a)(2) & (3).

IV.

PERMANENT INJUNCTIVE RELIEF --SECTION 10(B) OF THE EXCHANGE ACT AND RULE 10B-5

IT IS HEREBY ORDERED AND ADJUDGED that Susi, his officers, agents, servants, employees, attorneys in fact, and those persons in active concert or participation with him, and each of them, directly or indirectly, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, singly or in concert, or otherwise, by use of the means and instrumentalities of interstate commerce, and of the mails, and of any facility of any national securities exchange, in connection with the purchase or sale of the securities, as described herein, (i) employing devices, schemes or artifices to defraud; (ii) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (iii) engaging in acts, practices and courses of business which have operated as a fraud upon the purchasers of such securities, including, but not limited to, the dissemination of false and misleading press releases, in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

V.

PERMANENT INJUNCTIVE RELIEF -OFFICER AND DIRECTOR BAR

IT IS HEREBY ORDERED AND ADJUDGED that Susi, his agents, employees, servants, attorneys-in-fact, and those persons in active concert or participation with them, and each of them, be and they hereby are permanently enjoined and restrained from acting as a director or officer of any issuer having a class of securities registered with the

Commission pursuant to Section 12 of the Exchange Act, 15 U.S.C. §781 or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. §780(d).

VI.

DISGORGEMENT AND PENALTIES

IT IS HEREBY FURTHER ORDERED AND ADJUDGED that Susi is liable to disgorge \$852,197 with prejudgment interest, which represents ill-gotten proceeds received in connection with the securities offering made by Public Communications Services, Inc., n/k/a Sprawlnet.com, Inc., as alleged in the Commission's Complaint. Based upon Susi's sworn representations in his Statement of Financial Condition dated July 1, 2002 and other documents submitted to the Commission, payment of such amount is waived. However, if it shall appear that such financial statement was false or incomplete in any material respect when made, Susi shall, on application by the Commission, be ordered to pay the full disgorgement amount plus pre-judgment and post-judgment interest. Further, Susi is liable to disgorge any and all assets that he receives from FTC v. Associated Record Distributors, Inc., et al., Case No. 02-21754-CIV-Graham (U.S. Dist. Ct. S. Dist. FL).

IT IS HEREBY FURTHER ORDERED that, based upon Susi's sworn representations in his Statement of Financial Condition dated July 1, 2002 and other documents submitted to the Commission, the Court is not directing Susi to pay a civil monetary penalty 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). However, if it shall appear that such financial statement or such testimony was false or incomplete in any material

respect when made, Susi shall, on application by the Commission, be ordered to pay a penalty in an amount to be determined by the Court.

VII.

INCORPORATION OF CONSENT

IT IS HEREBY FURTHER ORDERED that Susi 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.

VIII.

NOTICES

IT IS HEREBY FURTHER ORDERED that Susi shall provide the Commission, at all times during the pendency of this action, with his current address for purposes of service of filings and other communications. Such notice shall be provided in writing to the Regional Director, Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, Florida 33131. Should Defendant Susi fail to provide such notice, service by mail at Defendant Susi's last known address shall be deemed proper service.

IX.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction over this matter and Susi 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 AN	O ORDERED	at <u>12:55</u> o'cl	ock, <u>p</u> m.	this _	7 day	of
36			•			
April	2003, at Miami	i, Florida.				

UNITED STATES DISTRICT JUDGE

cc: Attached Service List

SERVICE LIST

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