

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
WEST PALM BEACH DIVISION

CASE NO. 04-80354-CIV-MIDDLEBROOKS/JOHNSON

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

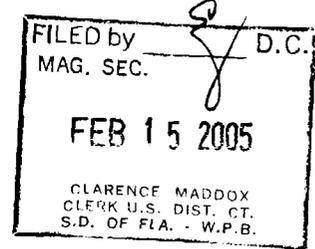
v.

DENNIS CROWLEY, SPEAR & JACKSON, INC.,  
INTERNATIONAL MEDIA SOLUTIONS, LLC.,  
YOLANDA VELAZQUEZ, and KERMIT SILVA,

Defendants,

HOUNDSTOOTH, LTD., PITTSFIELD RESOURCES LTD.,  
NORTHBASE LTD., BELLOW CAPITAL MANAGEMENT, LTD.,  
RIVER GROUP HOLDINGS, CORP.,  
ROLLING HILLS ENTERPRISES, LTD. a/k/a  
ROLLINS HILLS ENTERPRISES LTD.,  
ARDEN ENTERPRISES, INC., KIDZ, INC.,  
PNC INVESTMENTS, INC., and TRITON ENTERPRISES,

Relief Defendants.



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**FINAL JUDGMENT OF PERMANENT INJUNCTION  
AND OTHER RELIEF AGAINST DENNIS CROWLEY**

Defendant Dennis Crowley (“Crowley”) by the Consent annexed hereto, without admitting or denying any of the allegations in the Complaint filed by the Securities and Exchange Commission (“Commission”), except that he acknowledges service of the Complaint against him and admits the jurisdiction of this Court over him and over the subject matter of this action, has agreed to the entry of this Final Judgment of Permanent Injunction and Other Relief against Dennis Crowley (“Final Judgment”). Crowley has furthermore waived findings of fact and conclusions of law and has waived any right to appeal from this Final Judgment. This Court, having accepted

A handwritten signature in black ink, appearing to be "Dennis Crowley", located in the bottom right corner of the page.

Crowley's Consent and having jurisdiction over Crowley and the subject matter of this action, and being fully advised in the premises, orders as follows:

I.

**PERMANENT INJUNCTION AS TO CROWLEY**

**IT IS ORDERED AND ADJUDGED** that Crowley, his directors, officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him, and each of them, are restrained and enjoined from:

**Section 17(a)(1) of the Securities Act of 1933**

A. 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 or recklessly employing devices, schemes or artifices to defraud, in violation of Section 17(a)(1) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a)(1);

**Section 17(a)(2) & (3) of the Securities Act of 1933**

B. 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. §§ 77q(a)(2) & (3);

**Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5**

C. Directly or indirectly, by use of 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 securities, knowingly or recklessly: (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 light of the circumstances under which they were made, not misleading; or (iii) engaging in acts, practices and courses of business which have operated, are now operating or will operate as a fraud upon the purchasers of such securities 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;

**Section 13(a) of the Securities Exchange Act of 1934 and Rules 12b-20, 13a-1 and 13a-14 thereunder**

D. Directly or indirectly, and as a control person under Section 20(a) of the Exchange Act, violating Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1 and 13a-14 [17 C.F.R. §§ 240.12b-20, 240.13a-1 and 240.13a-14] thereunder, by failing to file reports with the Commission that accurately and fairly reflect financial information, include the information expressly required to be included in a statement or report, and such further material information as may be necessary to make the required statements, in the light of the circumstances under which they were made, not misleading, or by directly or indirectly, or by aiding and abetting, filing or causing to be filed with the Commission any annual or quarterly report on behalf of any issuer required to be filed with the Commission pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the rules and regulations promulgated thereunder, which contains a certification required by Rule 13a-14 under the

Exchange Act [17 C.F.R. § 240.13a-14] which contains any untrue statement of material fact, which omits to state any material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or which omits to disclose any information required to be disclosed.

**Section 13(d) of the Securities Exchange Act of 1934 and Rule 13d-1 thereunder**

E. Directly or indirectly, violating Section 13(d) of the Exchange Act [15 U.S.C. § 78m(d)] and Rule 13d-1 [17 C.F.R. § 240.13d-1] thereunder, by failing to file reports with the Commission that accurately and fairly reflect his beneficial ownership of any equity security of a class which is registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l].

**Section 16(a) of the Securities Exchange Act of 1934 and Rule 16a-3 thereunder**

F. Directly or indirectly, violating Section 16(a) of the Exchange Act [15 U.S.C. § 78p(a)] and Rule 16a-3 [17 C.F.R. § 240.16a-3] thereunder, by failing to file reports with the Commission that accurately and fairly reflect his beneficial ownership of any equity security of a class which is registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] and any changes in such beneficial ownership.

**Section 5 of the Securities Act of 1933**

G. 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 (including, but not limited to, the investment contracts, promissory notes or limited liability companies), 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 (including, but not limited to, the investment contracts,

promissory notes or limited liability companies), 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 (including, but not limited to, the investment contracts, promissory notes or limited liability companies), 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, 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.**

**OFFICER AND DIRECTOR BAR**

**IT IS FURTHER ORDERED AND ADJUDGED** that pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Crowley is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

**III.**

**PENNY STOCK BAR**

**IT IS FURTHER ORDERED AND ADJUDGED** that pursuant to Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), Crowley is barred from participating in an offering of a penny stock, including acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of issuing, trading or inducing or attempting to induce the purchase or sale of any penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. § 240.3a51-1].

**IV.**

**BAR ON RECEIPT OF S-8 STOCK**

**IT IS FURTHER ORDERED AND ADJUDGED** that Crowley, his officers, agents, servants, employees, attorneys and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from, directly or indirectly, receiving or purchasing from an issuer (as the term issuer is defined by Section 3(a)(8) of the Exchange Act) any security registered with the Commission on Form S-8 under the Securities Act.

**V.**

**DISGORGEMENT AND CIVIL PENALTY**

**IT IS FURTHER ORDERED AND ADJUDGED** that Crowley is liable for disgorgement of \$3,765,776, representing his ill-gotten gains as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$304,014, and a civil penalty in the amount of \$2 million pursuant to Section 20(d) of the Securities Act [15 U.S.C. §

77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Pursuant to the Court's Orders of May 19, 2004 and July 7, 2004, Crowley has already deposited \$6,069,790 ("the Funds") into the Registry of the Court in satisfaction of the obligation to pay disgorgement, prejudgment interest, and a civil penalty. By making these deposits, Crowley relinquishes all legal and equitable right, title, and interest in the Funds, and no part of the Funds shall be returned to him.

To the extent it has not already been done, the Clerk of the Court shall deposit the Funds into an interest bearing account with the Court Registry Investment System ("CRIS"). These Funds, together with any interest and income earned thereon, shall be held by the CRIS until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the Funds a fee equal to ten percent of the income earned on the Funds. Such fee shall not exceed that authorized by the Judicial Conference of the United States.

The Commission may by motion propose a plan to distribute the Funds subject to the Court's approval. Such a plan may provide that the Funds shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, the \$2 million ordered to be paid as a civil penalty pursuant to this Final Judgment shall be treated as a penalty paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Crowley shall not, after offset or reduction in any Related Investor Action based on Crowley's payment of disgorgement in this action, further benefit by offset or reduction of any part of his payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor

Action grants such a Penalty Offset, Crowley shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Final Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Crowley by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

**VI.**

**INCORPORATION OF CONSENT**

**IT IS FURTHER ORDERED AND ADJUDGED** that Crowley shall comply with the provisions of the Consent, and that the Consent is incorporated by reference into this Final Judgment as if fully set forth herein.

**VII.**

**RETENTION OF JURISDICTION**

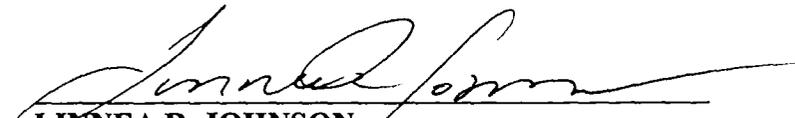
**IT IS FURTHER ORDERED AND ADJUDGED** that this Court shall retain jurisdiction over this matter and Crowley in order to implement and carry out the terms of this Final Judgment and all Orders and Decrees that may be entered, and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

VIII.

**RULE 54(b) CERTIFICATION**

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.

DONE AND ORDERED this 15 day of Feb, 2005 at West Palm Beach, Florida.

  
**LINNEA R. JOHNSON**  
**UNITED STATES MAGISTRATE JUDGE**

Copies: Counsel of Record