

**UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
Tampa Division**

**CASE NO.: 8:09-CV-01046-JSM-TGW**

<b>SECURITIES AND EXCHANGE COMMISSION,</b>	)
	)
<b>Plaintiff,</b>	)
	)
<b>v.</b>	)
	)
<b>WALL STREET COMMUNICATIONS, INC.,</b>	)
<b>HOWARD A. SCALA, ROSS E. BARALL, and</b>	)
<b>DONALD R. McKELVEY,</b>	)
	)
<b>Defendants.</b>	)

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**FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF  
AS TO DEFENDANT ROSS E. BARALL**

Plaintiff Securities and Exchange Commission commenced this action by filing its Complaint against Defendant Ross E. Barall and others. In its Complaint, the Commission sought, among other relief, a permanent injunction to prohibit violations by Barall of Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §78j(b) and 17 C.F.R. §240.10b-5] and Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§77q(a)]; the imposition of a penny stock bar; the entry of an order of disgorgement and prejudgment interest; and the imposition of a civil money penalty.

Barall, by virtue of the attached Consent of Defendant Ross E. Barall to Entry of Final Judgment and Other Relief ("Consent"), has entered a general appearance; consented to the Court's jurisdiction over him and the subject matter of this action; consented to entry of this Final Judgment of Permanent Injunction and Other Relief as to Defendant Ross E. Barall ("Final Judgment") without admitting or denying the allegations of the Complaint (except as

to subject matter and personal jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment. This Court having accepted such Consent and this Court having jurisdiction over Barall and the subject matter of this action, and the Court being fully advised in the premises, orders as follows:

**I.**

**PERMANENT INJUNCTION**

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

**IT IS ORDERED AND ADJUDGED** that Barall and his agents, servants, employees, attorneys, and representatives, 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 Securities Exchange Act of 1934 (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.

**B. Section 17(a) of the Securities Act of 1933**

**IT IS FURTHER ORDERED AND ADJUDGED** that Barall and his agents, servants, employees, attorneys, and representatives, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 [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.

**II.**

**PENNY STOCK BAR**

**IT IS FURTHER ORDERED AND ADJUDGED** that, pursuant to Section 21(d)(6) of the Exchange Act, 15 U.S.C. §78u(d)(6), and Section 20(g) of the Securities Act, 15 U.S.C. §77t(g), Barall is barred from participating in an offering of penny stock, including engaging 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].

**III.**

**CIVIL PENALTY, DISGORGEMENT AND PREJUDGMENT INTEREST**

**IT IS FURTHER ORDERED AND ADJUDGED** that Barall is liable for disgorgement of \$9,580.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest in the amount of \$356.09, for a total of \$9,936.09. Barall shall also pay a civil penalty in the amount of \$60,000, 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).

**IV.**

**PAYMENT INSTRUCTIONS**

**IT IS FURTHER ORDERED AND ADJUDGED** that Barall shall pay disgorgement and prejudgment interest in the amount of \$9,936.09 that he has escrowed with his counsel within ten days of entry of this Final Judgment. Barall shall satisfy his obligation to pay the civil penalty by making four equal payments of \$15,000 each due 3 months from entry of Final Judgment, 6 months from entry of Final Judgment, 9 months from entry of Final Judgment, and 1 year from entry of Final Judgment. Payment shall be made by sending a U.S. postal money order, certified check, bank cashier's check or bank 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 Barall 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. Barall shall send a copy of the letter and payment form to: Christine Nestor, Senior Trial Counsel, U.S. Securities and Exchange Commission, Miami Regional Office, 801 Brickell Avenue, Suite 1800, Miami, Florida 33131. Barall shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC §1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

Barall shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any insurance policy, with regard to any civil penalty amount he pays pursuant to this Final Judgment, regardless of whether such penalty amounts or any party thereof are added to a distribution fund or otherwise used for the benefit of investors. Barall further shall not claim, assert, or apply for tax deduction or tax credit with regard to any federal, state, or local tax for any penalty amounts he pays pursuant to this Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

V.

**INCORPORATION OF CONSENT**

**IT IS FURTHER ORDERED AND ADJUDGED** that the Consent is incorporated into this Final Judgment with the same force and effect as if fully set forth herein, and that Barall shall comply with all of the undertakings and agreements set forth in the Consent.

VI.

**RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED AND ADJUDGED** that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.


VII.

**RULE 54(b) CERTIFICATION**

**IT IS FURTHER ORDERED AND ADJUDGED** that 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 Judgment forthwith and without further notice.

**DONE AND ORDERED** in Chambers in Tampa, Florida, this 23 day of

Aug., 2010.

  
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**JAMES S. MOODY, JR.**  
**UNITED STATES DISTRICT JUDGE**

Service on all parties and counsel of record