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UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
(Tampa Division)

SECURITIES AND EXCHANGE COMMISSION,)
)
 Plaintiff,)
)
 v.)
)
 I-NET PROVIDERS, I-NET HOLDINGS, INC.,)
 MICHAEL COYNE, TWENTY-FIRST CENTURY)
 CONNECTION, INC., CAPITAL LINK)
 HOLDING, INC., ROBERT H. SHIELDS,)
 GARY MARIAROSSO, and MARKETING CONCEPTS)
 GROUP, INC.,)
)
 Defendants,)
)
 APEX MARKETING, INC.,)
 CAPITAL LINK,)
 INC., FRONTLINE)
 CONSULTING, INC. d/b/a)
 MIDLAND & ASSOCIATES,)
 TWENTY-FIRST CENTURY CONNECTION, LP,)
 and PLAZA PARTNERS)
)
 Defendants Only for)
 Purposes of Relief.)

CLERK U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA, FLORIDA
CASE NO. 96-2206-CIV-23 (e)

FINAL JUDGMENT OF
PERMANENT INJUNCTION
AND OTHER RELIEF
AGAINST DEFENDANT
MICHAEL COYNE

Plaintiff, Securities and Exchange Commission ("Commission"), commenced this action by filing its Complaint against defendants. In its Complaint, as amended, the Commission sought a permanent injunction to prohibit violations by Coyne, among others, of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a), 77e(c), and 77q(a), and 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. The Commission also sought other relief, including disgorgement and civil penalties.

Without admitting or denying any of the allegations in the Commission's Complaint or any other paper filed herein, except as

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to the jurisdiction of this Court, Coyne has agreed to the entry of this Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"). This Court having accepted such Consent and this Court having jurisdiction over Coyne and the subject matter hereof, and the Court being fully advised of the premises,

I.

**SALE OF UNREGISTERED SECURITIES IN VIOLATION OF
SECTIONS 5(a) AND 5(c) OF THE SECURITIES ACT**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, Coyne, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, be and they hereby are, permanently restrained and enjoined from, directly or indirectly:

a. making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell any securities, in the form of common stock 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 or causing to be carried through the mails or in interstate commerce, by means or instruments of transportation, any securities, in the form of common stock or any other securities, for the purpose of sale or 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 any securities, in the form of common stock or any other securities, through the use or medium of any prospectus or otherwise, unless and until a registration statement is filed with the Commission as to such securities, or while a registration statement filed with the Commission as to such securities 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 Final Judgment 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.

**FRAUD IN VIOLATION OF
SECTION 17 OF THE SECURITIES ACT**

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, Coyne, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, in the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails:

- (a) knowingly or recklessly employing any device, scheme or artifice to defraud;

(b) obtaining money or property by means of any untrue statement of a material fact or omission 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) engaging in any practice, transaction, or course of business which operates or would operate as a fraud or deceit upon the purchaser of any such security,

in violation of Sections 17(a)(1), 17(a)(2), and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(1), 77q(a)(2), and 77q(a)(3).

III.

FRAUD IN VIOLATION OF SECTION 10(b) OF THE EXCHANGE ACT AND RULE 10b-5, THEREUNDER

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Coyne, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, who receive notice of this Final Judgment, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined from, knowingly or recklessly, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (a) employing any device, scheme or artifice to defraud;
- (b) making any untrue statement of a material fact or omitting 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) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person,

in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, promulgated thereunder.

IV.

DISGORGEMENT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Coyne shall pay disgorgement in the amount of \$70,002, representing his ill-gotten profits or proceeds that he received as a result of the acts and/or courses of conduct alleged in the Commission's Complaint, plus prejudgment interest thereon. Based upon Coyne's sworn representations in his Statement of Financial Condition dated April 7, 1999, and submitted to the Commission, payment of the disgorgement and prejudgment interest thereon is waived, contingent upon the accuracy and completeness of his Statement of Financial Condition.

v.

CIVIL PENALTY

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that based upon Coyne's sworn representations in his Statement of Financial Condition dated April 7, 1999, and submitted to the Commission, the Court is not ordering him to pay a civil penalty pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The determination not to impose a civil penalty and to waive payment of the disgorgement and pre-judgment interest thereon is contingent upon the accuracy and completeness of his Statement of Financial Condition. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Coyne's representations to the Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Coyne, petition this Court for an order requiring Coyne to pay disgorgement, pre-judgment and post-judgment interest thereon, and a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Coyne was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Coyne to pay funds or assets, directing the forfeiture of

any assets, or sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Coyne may not, by way of defense to such petition, challenge the validity of his Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, contest the amount of disgorgement and interest, or assert that disgorgement or the payment of a civil penalty should not be ordered.

VI.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, this Court will retain jurisdiction over this matter and Coyne 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 AND ORDERED at 11:00 o'clock a.m. this 30th day of June, 1999 in chambers at Tampa, Florida.

Steve Munday
UNITED STATES DISTRICT JUDGE

Copies provided to:

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