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

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)

CASE NO.
96-2206-CIV-23(e)

v.)

I-NET PROVIDERS, I-NET HOLDINGS, INC.,)
MICHAEL COYNE, TWENTY-FIRST CENTURY)
CONNECTION, INC., CAPITAL LINK)
HOLDING, INC., ROBERT H. SHIELDS,)
GARY MARIAROSS, and MARKETING CONCEPTS)
GROUP, INC.,)

Defendants,)

FINAL JUDGMENT OF
PERMANENT INJUNCTION
AND OTHER RELIEF
AGAINST DEFENDANT
ROBERT H. SHIELDS

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.)

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 Robert H. Shields ("Shields"), 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.

On consideration of the entire record in this matter, including the Court's Order entered March 29, 1999 granting the Receiver's Verified Amended Motion To Impose Constructive Trust And Avoid Transfers And For Other Relief (Doc. 424), and upon the Commission's motion for the entry of this Final Judgment, 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, Shields, 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, Shields, 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 Shields, 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 Shields shall pay disgorgement in the amount of \$782,416, 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. Such disgorgement and prejudgment interest shall be paid to the Receiver, for the benefit of investors. All such disgorgement and prejudgment interest shall be within thirty (30) days from the entry of this order.

V.

CIVIL PENALTY

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Shields shall pay \$ 50,000 as a civil money penalty 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. § 78(d)(3).

VI.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, this Court will retain jurisdiction over this matter and Shields 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 8:55 o'clock a.m. this 21st day of July, 1999 in chambers at Tampa, Florida.



UNITED STATES DISTRICT JUDGE

Copies provided to:

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