

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
(Orlando Division)

FILED
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA
MAY 13 2003
[Signature]

UNITED STATES SECURITIES AND)
EXCHANGE COMMISSION,)
)
Plaintiff,)
)
v.)
)
CORPORATE RELATIONS GROUP, INC.,)
et al.)
)
Defendants.)

6:99-cv-1222-Orl-28A
Hon. John Antoon II, Judge
Hon. Karla Spaulding,
Magistrate

**FINAL JUDGMENT AS TO DEFENDANTS ROBERTO E. VEITIA,
CORPORATE RELATIONS GROUP, INC., STRATCOMM MEDIA LTD.,
AND GULF/ATLANTIC PUBLISHING INC.**

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants Roberto E. Veitia (“Veitia”), Corporate Relations Group, Inc. (“CRG”), Stratcomm Media Ltd. (“Stratcomm”) and Gulf/Atlantic Publishing Inc. (“Gulf/Atlantic”), their agents, servants, employees, attorneys, assigns, 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 Section 17(a) of the Securities Act of 1933 (“Securities Act”) [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:

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- (a) to employ any device, scheme or artifice to defraud; or
- (b) to obtain money or property by means of any untrue statement of a material fact or any 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) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic, their agents, servants, employees, attorneys, assigns, 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 and indirectly, 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] promulgated thereunder 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 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.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants Veitia, CRG and Stratcomm, their agents, servants, employees, attorneys, assigns, 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 Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; 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 security, unless a registration statement has been filed with the Commission as to such security, or while the

registration statement is the subject of a refusal order or stop order (prior to the effective date of the registration statement) in any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic, their agents, servants, employees, attorneys, assigns, 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 and indirectly, Section 17(b) of the Securities Act [15 U.S.C. §77q(b)] by, directly or indirectly, using any means or instruments of transportation or communication in interstate commerce, or the mails to publish, give publicity to, or circulate any notice, circular, advertisement, newspaper, articles, letter, investment service, or communication which, though not purporting to offer a security sale, describes such security for a consideration received or to be received, directly or indirectly, from an issuer, underwriter, or dealer, without fully disclosing the receipt, whether past or prospective, of such consideration and the amount thereof.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants CRG and Stratcomm, their agents, servants, employees, attorneys, assigns, 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 and indirectly, violating Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)] by acting as a broker or dealer by making use of the mails or an instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security unless such person is registered as a broker or dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, as a controlling person of Defendant CRG, pursuant to Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)], Defendant Veitia, his agents, servants, employees, attorneys, assigns, 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 violating, directly and indirectly, Sections 5, 17(a) and 17(b) of the Securities Act [15 U.S.C. §§ 77e, 77q(a) and 77q(b)], and Sections 10(b) and 15(a) of the Exchange Act [15 U.S.C. §§ 78j(b), 78o(a)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder.

VII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic are liable, jointly and severally, for disgorgement of \$25,571,443, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$19,280,551, for a total of \$44,851,994. Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic shall satisfy this

obligation by paying \$44,851,994 by certified check, bank cashier's check, or United States postal money order within ten (10) business days after the entry of this Final Judgment to the Clerk of this Court, together with a cover letter identifying Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic as defendants 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. Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic shall simultaneously transmit photocopies of such payment and letter to Jeffrey P. Weiss, Deputy Assistant Director, Division of Enforcement, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 7-7, Washington, DC 20549-0707. By making this payment, Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic relinquish all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic. The Clerk 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 (collectively, the "Fund"), shall be held by the CRIS until further order of the Court. In accordance with 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 money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute the Fund subject to the Court's approval.

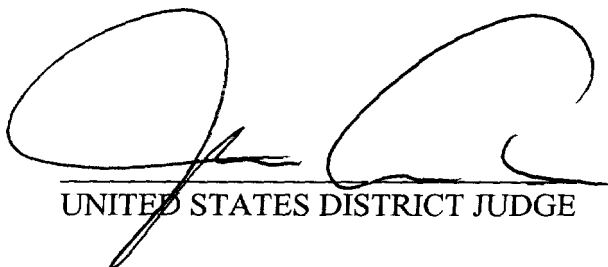
VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic shall pay civil penalties, 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)], in the following amounts: \$1,400,000 as to Defendant Veitia; \$100,000 as to Defendant CRG; \$100,000 as to Defendant Stratcomm; and \$100,000 as to Defendant Gulf/Atlantic. Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic shall make their respective payments within ten (10) business days after entry of this Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payments 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 Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic as defendants 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. Defendants Veitia, CRG, Stratcomm and Gulf/Atlantic shall simultaneously transmit photocopies of such payment and letter to Jeffrey P. Weiss, Deputy Assistant Director, Division of Enforcement, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 7-7, Washington, DC 20549-0707.

IX.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this action for all purposes, including implementation and enforcement of the terms and conditions of this Final Judgment.

SO ORDERED, this 13th day of MAY, 2003.



UNITED STATES DISTRICT JUDGE

Date Printed: 05/13/2003

Notice sent to:

— Thomas C. Newkirk, Esq.
U.S. Securities and Exchange Commission
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450 5th St. N.W.
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— James A. Kidney, Esq.
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— Jerry A. Isenberg, Esq.
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— William F. McGovern, Esq.
Securities and Exchange Commission
450 Fifth St., N.W.
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— Mark L. Horwitz, Esq.
Law Offices of Horwitz & Fussell, P.A.
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Q