

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10381 / June 29, 2017

SECURITIES EXCHANGE ACT OF 1934
Release No. 81050/ June 29, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-18054

In the Matter of

MARILYN STARK

Respondent.

ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS, PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTIONS 15(b) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Marilyn Stark (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over her and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds¹ that:

Summary

1. Respondent was the sole officer, director, and majority shareholder of First Social Networx Corp. ("First Social Networx"), a Florida corporation, until approximately February 27, 2013. Respondent, 76 years old, is a resident of Venice, Florida. Respondent participated in an offering of the stock of First Social Networx, which was a penny stock.

Other Relevant Entities and Persons

2. First Social Networx, incorporated in Florida on September 13, 2011, registered an offering of 3,000,000 shares of common stock pursuant to a registration statement effective as of March 6, 2012. First Social Networx's stated principal place of business was in Sarasota, Florida. On February 27, 2013, First Social Networx underwent a change of control pursuant to a stock purchase agreement. Prior to that change of control, First Social Networx had at least two undisclosed parents, promoters, and control persons ("undisclosed control persons").

Background

3. One of the undisclosed control persons approached Respondent to be the sole officer and director of a company whose sole purpose was to be sold as a public vehicle. This undisclosed control person told Respondent that Respondent would be the sole officer and director of the company in name only, and would be paid a flat fee upon the sale of the company. That company was soon incorporated as First Social Networx on September 13, 2011.

4. On November 7, 2011, First Social Networx filed a Form S-1 registration statement seeking to register the offer and sale of 3,000,000 common shares in a \$45,000 public offering, and amended its statement on December 19, 2011, January 25, 2012, and February 16, 2012 (together, the "Registration Statement"). The Registration Statement became effective as of March 6, 2012.

5. According to the Registration Statement and First Social Networx's other filings with the Commission, Respondent was the President, Secretary, Treasurer, Sole Director, Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer, majority shareholder, and sole member of management of First Social Networx.

¹ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

6. The Registration Statement and First Social Networkx's other filings with the Commission materially misrepresented that Respondent had capitalized First Social Networkx and controlled, and would continue to control, First Social Networkx. Respondent knew at all material times that, to the contrary, First Social Networkx was capitalized, operated and otherwise controlled by at least one of the undisclosed control persons, none of whom was disclosed in any of First Social Networkx's filings with the Commission.

7. The Registration Statement and First Social Networkx's other filings with the Commission materially misrepresented that First Social Networkx's business plan was to "develop an on-line social network community of new parents and caregivers." Respondent took no actions toward any such business plan for First Social Networkx. Respondent knew at all material times that First Social Networkx had no purpose other than to engage in a merger or acquisition with an unidentified entity. Therefore, First Social Networkx was an undisclosed "blank check company" as defined in Rule 419 under the Securities Act.

8. Respondent signed documents in furtherance of First Social Networkx's sole purpose as a public vehicle for merger or acquisition, including board resolutions, an affidavit, management representation letters to auditors, and a securities purchase agreement. These documents contained false statements related to the issuance and sale of First Social Networkx's shares, the accuracy of First Social Networkx's disclosures, the nature and pursuit of First Social Networkx's purported business plan, and the existence and nature of First Social Networkx's disclosure controls and procedures.

9. Respondent took these various actions at the direction of one of the undisclosed control persons. Respondent received \$10,000 upon the sale of First Social Networkx as the flat fee agreed upon with this undisclosed control person that had no correlation to Respondent's purported ownership of First Social Networkx shares or the terms of the securities purchase agreement effectuating the change of control.

10. As a result of the conduct described above, Respondent willfully violated Section 13(b)(5) of the Exchange Act, which prohibits a person from knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record or account described in Section 13(b)(2) of the Exchange Act.

11. As a result of the conduct described above, Respondent willfully violated Rule 13b2-1 under the Exchange Act, which prohibits a person from directly or indirectly falsifying or causing to be falsified any book, record, or account subject to Section 13(b)(2)(A) of the Exchange Act.

12. As a result of the conduct described above, Respondent willfully violated Rule 13b2-2 under the Exchange Act, which prohibits an officer or director of an issuer to make or cause to be made, or omit or cause another person to omit to state, a materially false or misleading statement to an accountant in connection with the preparation or filing of any document or report required to be filed with the Commission.

13. As a result of the conduct described above, Respondent willfully aided and abetted and caused violations by the undisclosed control persons of Section 17(a) of the Securities Act, which prohibits fraudulent conduct in the offer or sale of securities.

14. As a result of the conduct described above, Respondent willfully aided and abetted and caused violations by the undisclosed control persons of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, which prohibit fraudulent conduct in connection with the purchase or sale of securities.

15. As a result of the conduct described above, Respondent willfully aided and abetted and caused violations by First Social Networx of Section 13(b)(2)(A) of the Exchange Act, which requires that an issuer which is required to file reports pursuant to Section 15(d) of the Exchange Act make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer.

Undertaking

16. Respondent has undertaken not to act as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act. In determining whether to accept the Offer, the Commission has considered this undertaking.

IV.

In view of the foregoing, the Commission deems it appropriate, and in the public interest, to impose the sanctions agreed to in Respondent Stark's Offer.

Accordingly, pursuant to Section 8A of the Securities Act and Sections 15(b) and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent Stark cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act and Sections 10(b), 13(b)(2)(A), and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1 and 13b2-2 thereunder.

B. Respondent Stark be, and hereby is barred from participating in any 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 the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

C. Respondent shall, within 10 days of the entry of this Order, pay disgorgement of \$10,000.00, prejudgment interest of \$1,372.57, and a civil money penalty in the amount of \$10,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. If timely payment of the civil money penalty is not made, additional

interest shall accrue pursuant to 31 U.S.C. §3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Marilyn Stark as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Glenn S. Gordon, Division of Enforcement, Securities and Exchange Commission, Miami Regional Office, 801 Brickell Avenue, Suite 1800, Miami, Florida 33131.

D. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, she shall not argue that she is entitled to, nor shall she benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that she 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 Securities and Exchange Commission. 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 proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields
Secretary