

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.:

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PRIME TIME GROUP, INC., n/k/a
HUNT GOLD CORPORATION, JOHNNY RAY
ARNOLD, DALLAS L. ROBINSON,
TROY K. METZ, AND JOHN A. MATTERA,

Defendants.

09 - 80952

CIV - COHN

MAGISTRATE JUDGE
SELTZER

FILED by _____ D.C.

JUN 25 2009

STEVEN M. LARIMORE
CLERK U. S. DIST. CT.
S. D. of FLA. - MIAMI

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff Securities and Exchange Commission alleges as follows:

INTRODUCTION

1. This action arises from the Defendants' fraudulent conduct involving the stock of Prime Time Group, Inc., n/k/a Hunt Gold Corporation ("Prime Time"), a company that purported to maintain interests in wireless products and services, retail oil and gas, convenience stores, and automotive equipment.

2. From approximately February 2006 through November 2007, Prime Time, its former Chief Executive Officers, Johnny Ray Arnold and Dallas Robinson, and its former Chief Operating Officer and President, Troy K. Metz, participated in the dissemination of materially false and misleading press releases to the public concerning, among other things, Prime Time's acquisition and ownership interest in a convenience store franchise in Puerto Rico, agreements the Company claimed to have with other wireless businesses, and purported acquisitions.

3. During this time period, Prime Time, Arnold and one of Prime Time's largest shareholders, John A. Mattera, also engaged in a fraudulent scheme involving the issuance of bogus promissory notes. This scheme resulted in Mattera's obtaining millions of unlegended shares of Prime Time stock that he later sold on the open market in November 2007.

4. From approximately April 2006 to September 2007, Prime Time, through Arnold, also directed the Company's transfer agent to lift the restricted legend on millions of shares of Prime Time stock distributed to Mattera in transactions in which there was no effective registration statement. They also engaged in an improper transaction in which Mattera agreed to transfer his unlegended shares to various stock promoters on behalf of Prime Time. In return, Mattera received restricted stock from the Company.

5. Through this conduct Prime Time, Arnold, Robinson, Metz, and Mattera violated Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5 [17 C.F.R. § 240.10b-5], and Prime Time, Arnold and Mattera violated Sections 5(a) and 5(c) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §§ 77e(a) and 77e(c)]. Unless enjoined, they are reasonably likely to continue to violate the federal securities laws.

6. The Commission seeks various forms of equitable relief, including permanent injunctions against future violations of the federal securities laws and civil penalties as to all Defendants, disgorgement plus prejudgment interest against Mattera, and penny stock bars against Arnold, Robinson, Metz, and Mattera.

DEFENDANTS

7. Prime Time is a Florida-based corporation that purported to maintain interests in wireless products and services, retail oil and gas, convenience stores, and automotive equipment.

Prime Time's common stock was not registered with the Commission and was quoted on the Pink Sheets under the symbol "PRTH." In November 2007, Prime Time changed its name to Hunt Gold Corporation, and now purportedly focuses its business on gold exploration.

8. Arnold is a resident of Fort Lauderdale, Florida. Arnold was the Chief Executive Officer and Chairman of Prime Time from approximately July 2004 to November 2006, and served as Chairman again from approximately January 2007 to December 2007. From at least February 2006 to November 2007, Arnold participated in drafting and reviewing Prime Time's press releases. During this time period, Arnold also participated in a fraudulent scheme to backdate promissory notes and participated in the unregistered distribution of Prime Time stock to Mattera.

9. Robinson is a Canadian citizen who resides in British Columbia. Robinson was the Chief Executive Officer of Prime Time from approximately November 2006 to April 2007 and served as Chairman from approximately November 2006 to January 2007. Robinson participated in drafting and reviewing Prime Time's press releases concerning the company's wireless division.

10. Metz is a Canadian citizen who resides in Regina, Saskatchewan. Metz was the President and Chief Operating Officer of Prime Time from approximately November 2006 to April 2007. Metz participated in drafting and reviewing Prime Time's press releases concerning the company's wireless division.

11. Mattera is a resident of Boca Raton, Florida. Mattera was the President of The Mattera Reserve, Inc. and owned several other companies that acquired Prime Time stock during the relevant time period. He was one of Prime Time's largest shareholders. Along with Arnold, Mattera participated in a fraudulent scheme to backdate promissory notes, resulting in his

obtaining millions of improperly unrestricted shares of Prime Time stock that he later sold on the open market. Mattera also participated in the unregistered distribution of Prime Time stock.

JURISDICTION AND VENUE

12. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d), and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d), and 77v(a)], and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78(u)(e), and 78aa].

13. This Court has personal jurisdiction over the Defendants, and venue is proper in the Southern District of Florida because, among other things:

a. Prime Time is a Florida corporation that was located in Boca Raton during the events alleged in this Complaint, and the acts and transactions constituting violations of the Securities Act and Exchange Act occurred in the Southern District;

b. Arnold resides in the Southern District, participated in the dissemination of Prime Time's false and misleading press releases, and participated in the backdating of promissory notes as part of a scheme to distribute improperly unrestricted shares of Prime Time stock to Mattera;

c. Robinson was Chief Executive Officer and Chairman of Prime Time, and used e-mail and other means of electronic communication to correspond with individuals located in the Southern District in connection with his participation in the dissemination of Prime Time's false and misleading press releases;

d. Metz was Chief Operating Officer and President of Prime Time, and used e-mail and other means of electronic communication to correspond with individuals located in the Southern District in connection with his participation in the dissemination of Prime Time's false and misleading press releases; and

e. Mattera resides in the Southern District and participated in the backdating of promissory notes as part of a scheme to distribute improperly unrestricted shares of Prime Time stock that he later sold on the open market. He also participated in other unregistered distributions of Prime Time stock.

14. In connection with the conduct alleged in this Complaint, the Defendants made use of the means or instruments of interstate commerce, the means or instruments of transportation and communication in interstate commerce, and the mails.

FACTUAL ALLEGATIONS

A. False Statements About Prime Time's Purported Convenience Store Acquisition

15. In the summer of 2005, Prime Time began negotiations to acquire Puerto Rico-7 ("PR-7"), a company that owned and operated fourteen 7-Eleven convenience stores in Puerto Rico.

16. Around August 2005, Prime Time reached an agreement with 7-Eleven, Inc. (the major shareholder of PR-7) to purchase the assets of PR-7 and become the exclusive area licensee for the PR-7 stores. However, Prime Time needed to obtain financing to close the deal, which it was subsequently unable to arrange.

17. As a result, in January 2006, Prime Time executed promissory notes with 7-Eleven and four other PR-7 shareholders. Prime Time agreed to pay the purchase price in installments for the remainder of the year.

18. To help make the installment payments and pay for PR-7's expenses, Prime Time obtained a short-term loan from Mattera in April 2006, using as collateral 92% of PR-7's assets and shares of Prime Time stock that Arnold owned.

19. However, a month later, Prime Time defaulted on the loan and Mattera acquired

the 92% of PR-7's assets Prime Time had used as collateral. In September 2006, Mattera signed an agreement with 7-Eleven to acquire control over the area license for the PR-7 stores.

20. From approximately February 2006 through November 2007, Prime Time, Arnold, Robinson, and Metz participated in the dissemination of materially false and misleading press releases to the public about the aborted PR-7 acquisition. Even though Prime Time's shares did not trade on an efficient market, many of these false and misleading press releases had the effect of increasing the volume in Prime Time's shares.

21. For example, on February 22, 2006, Prime Time, through Arnold, issued a press release announcing it had "acquired all of the outstanding shares" of PR-7. Prime Time, however, failed to disclose that the only way in which it was able to acquire PR-7 was to enter into promissory notes with PR-7's shareholders, requiring monthly payments for the remainder of the year. This release also failed to disclose that if the Company defaulted on the notes, it could be forced to sell its interest in PR-7.

22. Prime Time, through Arnold, also issued two misleading press releases that reported positive financial figures for PR-7, while omitting loss and deficit figures that would have given a true picture of PR-7's financial position.

23. Specifically, on February 28, 2006, Prime Time announced that PR-7's sales topped \$18 million in 2005. The Company, however, failed to put the revenue figure in context by disclosing that PR-7 actually suffered a net loss of about \$557,000 and had an accumulated deficit of more than \$1.4 million during that same year. Prime Time issued a similar press release on March 23, 2006, stating PR-7 had generated gross revenues of \$18 million in 2005.

24. At the time he and Prime Time issued these press releases, Arnold had reviewed PR-7's financial statements, and therefore knew about PR-7's losses.

25. Furthermore, on September 22, 2006, Prime Time, through Arnold, issued a press release stating it operated fourteen 7-Eleven stores in Puerto Rico. In fact, Prime Time no longer held the area license to operate the PR-7 stores, because it had transferred the license to Mattera on or about September 8, 2006.

26. In addition, between December 2006 and November 2007, Prime Time, through Arnold, Robinson, and Metz, issued numerous press releases discussing PR-7's business activities, many of which stated that Prime Time "maintains its interest in PR7 Inc." These press releases omitted the fact that Prime Time had lost 92% of its ownership interest in PR-7 in May 2006. They also omitted stating the Company had lost the area license to operate PR-7.

B. False Statements About Prime Time's Wireless Division

27. After losing the majority of its interest in PR-7, Prime Time sought out a new business. In October 2006, the Company acquired Robinson Wireless, Inc., a Canadian-based company that purportedly specialized in selling mobile products and accessories, for a combination of stock and cash. Prime Time formed a "wireless division" through the acquisition.

28. As part of the acquisition, Arnold agreed to step down as Prime Time's Chief Executive Officer and Chairman and Robinson took over those positions. Metz assumed the positions of President and Chief Operating Officer of Prime Time.

29. Following the merger, Arnold maintained a role at Prime Time as a consultant. In January 2007, however, Arnold was reinstated as Chairman, though Robinson remained as Chief Executive Officer through at least April 2007.

30. Prime Time issued false and misleading press releases concerning the Robinson Wireless acquisition and its subsequent operations. On September 22, 2006, Prime Time,

through Arnold, issued a press release touting its plans to acquire Robinson Wireless. In this press release, Prime Time claimed Robinson Wireless had “exclusive marketing agreements in place with Virgin Mobile, ... FIDO and T-Mobile.”

31. In fact, no marketing agreements with FIDO or T-Mobile existed. In addition, the only agreement Robinson Wireless had with Virgin Mobile was an “agreement in principle,” which merely contemplated negotiations between the two companies to reach an agreement in the future. The two companies never reached a definite agreement.

32. Furthermore, between November 2006 and January 2007, Prime Time, through Robinson and Metz, issued a series of misleading press releases touting the revenue and sales figures for its wireless division, while failing to disclose that the division was experiencing significant losses.

33. For example, a December 19, 2006 press release announced the wireless division generated sales growth averaging 15% per week in November 2006. However, the wireless division’s internal financial records show that, although sales increased during November, expenses doubled and the division had a net monthly loss of nearly \$56,000.

34. In addition, in a January 23, 2007 press release, Prime Time boasted that the wireless division had generated more than \$900,000 in revenue in its first six months of operations. This press release, however, omitted to disclose that the division had a net loss of nearly \$500,000 in the same period.

35. At the time Prime Time issued these press releases, Robinson had reviewed the financial statements of the wireless division, and therefore knew its true financial condition.

C. False Statements About Other Acquisitions

36. During this same time period, Prime Time issued several other false and

misleading statements about purported acquisitions.

37. On December 18, 2006, Prime Time, through Robinson and Metz, issued a press release announcing it had completed a licensing agreement with a manufacturer of cell phone accessories purportedly allowing Prime Time to distribute the accessories throughout North America. The press release was misleading because, although the parties had negotiated the terms of a licensing agreement, Prime Time had not executed it and a deal was never completed.

38. Next, on January 16, 2007, Prime Time, through Robinson and Metz, issued a press release announcing it had acquired Xpress Your Cell USA LLC.

39. In truth, at the time of this press release, Prime Time had not entered into a final agreement to purchase the company. Rather, the agreement the two companies had signed merely provided for further negotiations. The acquisition was never completed.

40. Finally, on May 2, 2007, Prime Time issued a press release that Arnold drafted announcing it had completed the acquisition of Southern Wheel Workz, Inc., an automotive rent-to-own franchise. The press release said Prime Time now had a "controlling interest" in this company. Arnold claimed in this press release that the acquisition "could easily be a \$100 million venture within a relatively short period of time."

41. These statements were false because Prime Time's acquisition of Southern Wheel was not finalized, but rather was contingent on Prime Time opening a Southern Wheel store. Prime Time did not have enough money to open a store, nor did it even have a location in mind for one. In fact, Prime Time was never able to open a store for Southern Wheel.

D. The Scheme To Issue Unrestricted Shares To Mattera

42. During the same period Prime Time issued the false and misleading press releases, Arnold and Mattera also engaged in a scheme that allowed Mattera to obtain millions of

unlegended shares of Prime Time stock through several bogus promissory notes.

43. This fraudulent scheme began when Arnold and Mattera executed three nearly identical promissory notes, dated May 2005, August 2005, and September 2005. The promissory notes supposedly memorialized loans of \$110,000, \$200,000 and \$250,000, respectively, that Mattera or his company, Mattera Reserve, made to Prime Time. Prime Time's collateral for the loans was more than 44 million shares of restricted stock in the company. The notes each provided that full repayment was due within 60 days of their execution.

44. The three promissory notes were fraudulently backdated. Indeed, the notes were not executed in 2005, because Arnold and Mattera did not meet each other until sometime in 2006. In addition, Mattera Reserve, which is listed as the lender in the May 2005 and September 2005 notes, was not formed until 2006. Moreover, Mattera never actually loaned this money to Prime Time.

45. In November 2006, January 2007, and April 2007, Mattera ostensibly called the three notes in default.

46. After receiving the default notices, Arnold authorized Prime Time's transfer agent to issue more than 44 million restricted shares to Mattera. Mattera ultimately received these shares in February 2007 and August 2007.

47. Following issuance of the restricted shares, Arnold and Mattera sought to have the restrictive legends on them lifted. In October 2007, Arnold fraudulently submitted three legal opinion letters from an attorney to Prime Time's transfer agent stating the agent should lift the restricted legends on the shares pursuant to the safe harbor from registration provided by Rule 144 of the Securities Act.

48. Each opinion letter described the shares as a pledge from an affiliate of Prime

Time in connection with a promissory note. The opinion letters, relying on the fraudulent original issue dates of the promissory notes, claimed the notes satisfied the minimum two-year holding period under Rule 144.

49. However, because the promissory notes were fraudulent and not issued in 2005, the safe harbor provided by Rule 144 was unavailable.

50. Arnold also provided the transfer agent with copies of the fraudulent promissory notes, and with three Rule 144(k) representation certificates (certificates in which the signer states the stock meets the conditions under Rule 144 to be unrestricted) that Mattera had signed. In the certificates, Mattera falsely stated to the transfer agent that the promissory notes had been executed in 2005 and were in default.

51. Based on the fraudulent information Arnold and Mattera provided, the transfer agent lifted the restricted legends on the shares and Mattera received more than 44 million unlegended Prime Time shares to sell on the open market.

52. Throughout the month of November 2007, Mattera sold more than 41 million of these shares.

E. Other Unregistered Distributions Of Shares To Mattera

53. On at least two other occasions, Prime Time and Arnold improperly issued millions of unlegended Prime Time shares to Mattera.

54. In the first instance, on April 6, 2006, Prime Time's board approved issuing more than 32 million restricted shares to Mattera, supposedly because the Company had defaulted on another loan from him.

55. In February 2007, less than a year later, Arnold sent a letter to Prime Time's transfer agent, along with a resolution from its board, instructing the transfer agent to remove the

restricted legend on the shares. Arnold did not provide the transfer agent with a legal opinion letter. Based on Arnold's request, the transfer agent lifted the restricted legend on the shares.

56. Because Mattera held these shares for less than one year, they did not qualify for the safe harbor provisions of Rule 144, and the transfer agent should not have lifted the restricted legend.

57. In the second instance, in September 2006, Arnold transferred more than 36 million shares of his personal Prime Time stock to Mattera after Prime Time defaulted on the PR-7 loan agreement. Arnold had pledged his stock as security for that loan.

58. Arnold had acquired at least 32 million of the more than 36 million shares in October 2005, less than two years earlier.

59. About a month after transferring the restricted shares to Mattera, Arnold provided the transfer agent with another board resolution and instructions to lift the restricted legends on them.

60. In November 2006, the transfer agent lifted the legends. Arnold did not submit a legal opinion letter to the transfer agent for this transaction.

61. Because Arnold and Mattera had held these shares for less than two years, the agent should not have lifted the restricted legend.

62. No registration statement was in effect at the time any of these shares were distributed to Mattera.

F. Prime Time Conducted An Improper "Gypsy Swap" Transaction

63. Between November 2006 and September 2007, Prime Time, through Arnold, impermissibly tried to evade registering a distribution of millions of Prime Time shares to pay for a promotional campaign for Prime Time's stock by conducting a type of transaction known

as a “gypsy swap.” This is a transaction in which the participants illicitly funnel unrestricted shares to third parties in exchange for restricted stock.

64. In this instance, Prime Time and Arnold arranged for Mattera to transfer some of the improperly issued, unrestricted shares discussed above to various stock promoters on behalf of the company. In return, Prime Time agreed to issue restricted stock back to Mattera.

65. Mattera transferred at least 24 million shares to Prime Time’s stock promoters during this period in connection with Prime Time’s promotional campaign.

66. This scheme was designed to circumvent the securities registration requirements because Prime Time could not legally issue unrestricted shares to the stock promoters without filing a registration statement.

COUNT I

Fraud in Violation of Exchange Act Section 10(b) and Exchange Act Rule 10b-5 (Against All Defendants)

67. The Commission repeats and realleges Paragraphs 1 through 66 of this Complaint.

68. From at least February 2006 to November 2007, the Defendants, directly or indirectly, by use of the means or instruments of interstate commerce or of the mails, or of the facility of a national securities exchange, in connection with the purchase or sale of securities, as described in this Complaint, knowingly, willfully or recklessly: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material fact or omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchasers of such securities.

69. By reason of the foregoing, the Defendants violated and, unless enjoined, are reasonably likely to continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Exchange Act Rule 10b-5 [17 C.F.R. § 240.10b-5].

COUNT II

Unregistered Distribution of Securities in Violation of Securities Act Sections 5(a) and 5(c) (Against Prime Time, Arnold, and Mattera)

70. The Commission repeats and realleges Paragraphs 1 through 66 of this Complaint.

71. No registration statement was filed or in effect with the Commission pursuant to the Securities Act and no exemption from registration exists with respect to the securities and transactions described in this Complaint.

72. From at least April 2006 to November 2007, Defendants Prime Time, Arnold, and Mattera, directly and indirectly: (a) made use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell securities as described herein, through the use or medium of a prospectus or otherwise; (b) carried securities or causing such securities, as described in this Complaint, to be carried through the mails or in interstate commerce, by 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, as described in this Complaint, without a registration statement having been filed or being in effect with the Commission as to such securities.

73. By reason of the foregoing, Defendants Prime Time, Arnold, and Mattera violated, and, unless enjoined, are reasonably likely to continue to violate, Sections 5(a) and 5(c) of the Securities Act, [15 U.S.C. §§ 77e(a) and 77e(c)].

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court:

I.

Declaratory Relief

Declare, determine and find that the Defendants committed the violations of the federal securities laws alleged herein.

II.

Permanent Injunction

Issue a Permanent Injunction, restraining and enjoining Prime Time, Arnold, Robinson, Metz, and Mattera from violating Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder, and restraining and enjoining Prime Time, Arnold, and Mattera from violating Sections 5(a) and 5(c) of the Securities Act.

III.

Disgorgement

Issue an Order directing Mattera to disgorge all profits or proceeds that he received as a result of the acts and/or courses of conduct complained of herein, with prejudgment interest.

IV.

Penalties

Issue an Order directing all Defendants to pay civil money penalties 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).

V.

Penny Stock Bars

Issue an Order pursuant to Section 21(d)(6) of the Exchange Act, 15 U.S.C. § 78u(d)(6), and Section 20(g)(1) of the Securities Act, 15 U.S.C. § 77t(g)(1), permanently barring Arnold, Robinson, Metz, and Mattera from participating in any offering of any penny stock.

VI.

Further Relief

Grant such other and further relief as may be necessary and appropriate.

Respectfully submitted,

June 25, 2009

By: *for* Robert N. Levenson, F.L. Bar # 0089771
Christopher Martin, Esq.
Senior Trial Counsel
SD Fla. Bar. No. A5500747
Direct Dial: (305) 982-6386
E-mail: martinc@sec.gov

Laura R. Smith, Esq.
Senior Counsel
California Bar No. 205159
Direct Dial: (305) 982-6387
E-mail: smithla@sec.gov

Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Telephone: (305) 982-6300
Facsimile: (305) 536-4154