

The complaint alleges that Bradt, between October 1990 and March 1992, offered and sold securities to the public in the form of interests in limited partnerships formed and managed by Omni Capital Group, Ltd. ("Omni"), a closely-held Delaware corporation, in unregistered, non-exempt transactions. Omni, the complaint alleges, was engaged in the business of offering, selling and repurchasing such securities without being registered with the Commission as a broker or dealer.

The complaint alleges that Bradt raised approximately \$9 million from his sales of interests in Omni limited partnerships and that he received over \$500,000 in commissions from Omni for such sales.

The complaint further alleges that, in connection with the offer and sale of securities on behalf of Omni, Bradt and others made material misrepresentations and omissions of material facts to offerees and investors concerning, among other things: (a) the commissions Bradt earned for selling interests in Omni limited partnerships; (b) the business operations of Omni and its limited partnerships; (c) the return on an investment in Omni limited partnerships; and (d) the risk factors associated with an investment in Omni limited partnerships. For further information, see Litigation Release Nos. 13295, 13296, 13297, 13436 and 13736.

Litigation Release No. 13844 / October 21, 1993
Accounting and Auditing Enforcement 502 / October 21, 1993

SECURITIES AND EXCHANGE COMMISSION v. John J. Mohalley, United States District Court for the Northern District of California, Civil Action No. 93-3540 (VRW).

The Securities and Exchange Commission announced today that on September 29, 1993, the U.S. District Court for the Northern District of California entered a Final Judgment of Permanent Injunction against defendant John J. Mohalley ("Mohalley"), the former chief financial officer of Vintage Group, Inc. ("Vintage"). Mohalley, without admitting or denying the allegations in the complaint, consented to the issuance of a Final Judgment that permanently restrains and enjoins him from future violations of Sections 5(a) and 17(a) of the Securities Act of 1933 and Sections 10(b) and 13(a) of the Securities Act of 1934 ("Exchange Act") and Rules 10b-5, 12b-20, 13a-1 and 13a-13 promulgated thereunder and bars him from acting as an officer or director of any issuer having a class of securities registered pursuant to Section 12 of the Exchange Act or required to file reports pursuant to Section 15(d) of the Exchange Act.

The Commission's complaint alleged that Mohalley assisted Vintage in implementing a fraudulent scheme to materially overstate the value of its assets, revenues and income in its press releases and quarterly and annual filings with the Commission.