

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, DC

SECURITIES EXCHANGE ACT OF 1934
Release No. 53683/April 20, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12153

In the Matter of	:	
	:	ORDER MAKING FINDINGS
PAUL D. LEMMON,	:	AND IMPOSING REMEDIAL
MARK VALENTINE , and	:	SANCTION BY DEFAULT AS TO
MICHAEL VLAHOVIC	:	MARK VALENTINE

The Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings (OIP) on January 20, 2006. Respondent Mark Valentine (Valentine) was served with the OIP on March 2, 2006, and his Answer was due twenty days thereafter. See OIP at 3; 17 C.F.R. § 201.220. To date, Valentine has not filed an Answer. Valentine also failed to appear at the prehearing conference held on March 23, 2006.

On March 31, 2006, the Division of Enforcement filed a motion for default against Valentine, based on his failure to file an Answer or otherwise appear. On April 6, 2006, I issued an order requiring Valentine to show cause by April 14, 2006, why he should not be held in default and why he should not be barred from participating in an offering of penny stock. To date, Valentine has failed to respond to the Division of Enforcement's motion for default and to my order to show cause.

Valentine is in default for failing to file an Answer to the OIP, failing to appear at a prehearing conference, and failing to otherwise defend the proceeding. See 17 C.F.R. §§ 201.155, .220, .221. As authorized by Rule 155(a) of the Commission's Rules of Practice, 17 C.F.R. § 201.155(a), I find the following allegations in the OIP to be true as to Valentine.

Valentine, age thirty-five, is a resident of Toronto, Ontario, Canada. Valentine was the chairman of Thomson Kernaghan & Co., a securities broker-dealer located in Ontario, Canada. Valentine controlled a significant amount of C-Me-Run, Inc. (C-Me-Run), SoftQuad, Ltd. (SoftQuad), and JagNotes.com, Inc. (JagNotes), stocks. Valentine participated in an offering of C-Me-Run, SoftQuad, and JagNotes stocks, which are penny stocks.

On March 10, 2004, Valentine pleaded guilty to one count of securities fraud in violation of Title 15 of the United States Code, Section 78j(b) and 78ff, before the United States District Court for the Southern District of Florida, in United States v. Valentine, Criminal Indictment No.

02-80088-CR-Cohn. On May 21, 2004, a judgment in the criminal case was entered against Valentine. Valentine was sentenced to four years of probation with nine months of home detention and other special conditions of supervision and ordered to pay a \$100 assessment to the court.

The count of the criminal indictment to which Valentine pleaded guilty alleged, among other things, that Valentine and another defendant conspired to unjustly enrich themselves by defrauding a fictitious foreign mutual fund (Fund) through paying undisclosed payoffs and kickbacks to brokers in exchange for causing the Fund to purchase large amounts of overpriced C-Me-Run, SoftQuad, and JagNotes stocks. The count of the criminal indictment further alleged that it was also the object of the conspiracy for the defendants to unjustly enrich themselves by defrauding the shareholders of C-Me-Run, SoftQuad, and JagNotes by artificially inflating the market price of these stocks through illegal means.

Based on the foregoing, I find it appropriate in the public interest to bar Valentine from participating in an offering of penny stock.

ORDER

IT IS ORDERED, pursuant to Section 15(b) of the Securities Exchange Act of 1934, that Respondent Mark Valentine is hereby BARRED from participating in an offering of penny stock.

Lillian A. McEwen
Administrative Law Judge