

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934
Release No. 51798 / June 8, 2005

ADMINISTRATIVE PROCEEDING
File No. 3-11856

In the Matter of	:	
	:	ORDER MAKING FINDINGS
CHARLES CINI	:	AND IMPOSING REMEDIAL
and GORDON NOVAK	:	SANCTION BY DEFAULT
	:	AGAINST CHARLES CINI
	:	

The Securities and Exchange Commission (Commission) initiated this proceeding on March 15, 2005, with an Order Instituting Proceedings (OIP), pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). Respondent Charles Cini (Cini) was personally served with the OIP on March 30, 2005, and on April 19, 2005, his Answer was due. See 17 C.F.R. §§ 201.141(a), .220(b); OIP at 3. On May 9, 2005, a prehearing conference was held that Cini failed to attend. As of today's date, Cini has not filed an Answer to the OIP.

On May 12, 2005, the Division of Enforcement (Division) filed a motion for default against Cini for failure to file an Answer. On May 17, 2005, I ordered Cini to show cause by May 31, 2005, 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, Cini has failed to show such cause.

Cini is in default for failing to file an Answer and failing to appear at a scheduled prehearing conference. 17 C.F.R. §§ 201.155(a), .220(f), .221(f). Accordingly, pursuant to 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 Cini.

Cini, a resident of Toronto, Ontario, Canada, was an undisclosed control person of Rhino Ecosystems, Inc. (Rhino), since at least August 2000 and its president starting in September 2001. Cini participated in an offering of Rhino's stock, which was a penny stock.

On January 13, 2005, a default judgment of permanent injunction was entered against Cini, which enjoined him from violating Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder, and from aiding and abetting any violation of Section 13(a) of the Exchange Act and Rules 13a-1 and 12b-20 thereunder, by the United States District Court for the Southern District

of Florida, in SEC v. Rhino Ecosystems, Inc., Case No. 02-80768-Civ-Hurley. On October 3, 2003, in a related criminal proceeding, Cini pleaded guilty to one count of conspiracy to commit wire fraud and securities fraud before the United States District Court for the Southern District of Florida, in United States v. Wiertzema, Case No. 02-20636-CR-Martinez. On December 16, 2003, Cini was sentenced to a term of thirty months' imprisonment.

The Commission's complaint in the civil action alleged that the underlying scheme that gave rise to both the criminal indictment and the civil action against Cini arose from a two-year, undercover investigation code-named Bermuda Short, which was designed to expose and prosecute those who attempt to engage in the fraudulent purchase and sale of public companies' stock. Specifically, the Commission's complaint alleged that Cini, among others, was to receive kickbacks based on a proposed transaction with a fictitious offshore mutual fund manager. In fact, the mutual fund manager was an undercover agent of the Federal Bureau of Investigation, who was capturing the illegal conspiracy on tape.

Based on the foregoing, I find it appropriate in the public interest to bar Cini 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 Charles Cini is hereby BARRED from participating in an offering of penny stock.

Lillian A. McEwen
Administrative Law Judge