

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 8936 /June 26, 2008

SECURITIES EXCHANGE ACT OF 1934
Release No. 58032 / June 26, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-11293

In the Matter of

RUBIN INVESTMENT GROUP, INC.,
SCOTT HALPERIN,
DANIEL RUBIN,
ANDREW SAKSA, and
ROBERT LOMONACO,

Respondents.

ORDER MAKING FINDINGS
AND IMPOSING REMEDIAL
SANCTIONS AND A CEASE-
AND-DESIST ORDER
PURSUANT TO SECTION 8A
OF THE SECURITIES ACT OF
1933, AND SECTIONS 15(b)
AND 21C OF THE
SECURITIES EXCHANGE
ACT OF 1934 AS TO RUBIN
INVESTMENT GROUP, INC.
AND DANIEL RUBIN

I.

On October 2, 2003, the Securities and Exchange Commission (“Commission”) instituted public administrative and cease-and-desist proceedings 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 Rubin Investment Group, Inc. (“RIG”) and Daniel Rubin (“Rubin”) (collectively, the “Respondents”).

II.

The Respondents have 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 them and the subject matter of these proceedings, which are admitted, the Respondents consent to the entry of this Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933, and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Order”), as set forth below.

III.

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

Summary

1. These proceedings arise out of two fraudulent schemes to improperly acquire and promote the stock of two publicly-traded companies, Marx Toys & Entertainment Corp. ("MRXT") and The Classica Group, Inc. ("Classica"). In exchange for acquiring a large amount of purportedly unrestricted stock, illegally issued pursuant to Form S-8 registration statements filed by Classica and MRXT, RIG, Rubin and others improperly promoted and manipulated the share price of Classica and MRXT stock.

Respondents

2. **Rubin Investment Group ("RIG")** is a California corporation that had offices in New York, New York, Los Angeles, California and Lake Helen, Florida. RIG purports to be an investment bank, and is not registered with the Commission.

3. **Rubin**, 36, currently resides in Woodland, California. Ruben is the sole shareholder, president, and Chairman of the Board of Directors of RIG. Ruben is not registered with the Commission.

Other Relevant Person and Entities

4. **MRXT** is a Nevada corporation, with executive offices located in Sebring, Ohio, that purports to be in the business of selling collectible action figures and play sets through the Internet and via telemarketing. During the relevant time period, MRXT's common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act, and trades in MRXT's common stock shares were quoted on the OTC Bulletin Board. MRXT's stock traded for under \$5 per share and was a penny stock as defined by Rule 3a51-1 of the Exchange Act.

5. **Classica** is a New York corporation, headquartered in Sayreville, New Jersey, that purports to engage in two principal businesses. The first is designing, building, and selling of microwave heat processing equipment for pasteurization, sterilization, drying, and sanitizing in the food and pharmaceutical industries. The second is producing and importing specialty cheeses and Italian foods. During the relevant time period, Classica's common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act, and trades in Classica's common stock shares were quoted on the NASDAQ Small Cap Market. Classica's stock traded for

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

under \$5 per share and was a penny stock as defined by Rule 3a51-1 of the Exchange Act.

Background

6. In or around August 2003, MRXT filed a Form S-8 Registration Statement with the Commission, purporting to register shares issuable pursuant to a stock option plan. The stock option plan states that it “is intended to provide valuable incentive for our employees by providing an opportunity for investment in our Common Stock, as an inducement for such individuals to remain with us, thereby encouraging them to increase their efforts to make the our [sic] business more successful.”

7. In or around August 2003, MRXT and RIG entered into an agreement (“MRXT Agreement”), whereby RIG would provide “merger and acquisition advisory and consulting services” to MRXT in exchange for discounted shares of MRXT stock. MRXT issued to RIG approximately 6.8 million shares of stock and, to others, approximately 1.2 million shares. The shares were registered pursuant to MRXT’s Form S-8 Registration Statement.

8. In or around August 2003, Classica filed a Form S-8 Registration Statement with the Commission, purporting to register shares issuable pursuant to a stock option plan. The stock option plan states that it “is intended to provide valuable incentive for our employees by providing an opportunity for investment in our Common Stock, as an inducement for such individuals to remain with us, thereby encouraging them to increase their efforts to make the our [sic] business more successful.”

9. In or around August 2003, Classica entered into a purported “merger and acquisition advisor agreement” with RIG (“Classica Agreement”) for the stated purpose of “possibly effecting an acquisition of or other business combination with one or more companies” in exchange for discounted shares of Classica stock. At the same time, Classica issued RIG approximately 1.8 million shares of stock, registered pursuant to Classica’s Form S-8 Registration Statement.

10. In exchange for MRXT and Classica stock, RIG, Rubin and others manipulated upward the price of the companies’ stock. RIG and Rubin did this, in part, to pump Classica’s and MRXT’s stock price above a certain price limitation that existed at that time for issuers listed on the NASDAQ, to create profits from the inflated market, and to generate more business for RIG.

11. Despite the terms of the MRXT and Classica Agreements, the terms of MRXT’s and Classica’s Form S-8 registration statements filed with the Commission, and

the requirements of Commission Form S-8,² RIG and Rubin knew: that RIG was a corporate entity, not a natural person, and therefore RIG was barred from receiving Form S-8 shares; that RIG did not intend to provide *bona fide* services to MRXT or Classica; and that RIG and others engaged in efforts both to promote MRXT and Classica to potential investors and to raise capital for the issuers in exchange for the discounted Form S-8 shares RIG received. RIG and Rubin also knew that RIG and others engaged in efforts to artificially inflate the price of MRXT's and Classica's stock in exchange for the Form S-8 shares, and that the Form S-8 registration statements contained or incorporated by reference materially false or misleading statements and omissions which concealed the true nature of RIG's mission and the attendant compensation.

12. Through their conduct, the Respondents participated in the offering of common stock of MRXT and Classica, "penny stocks" as that term is used in Section 15(b)(6) and as defined by Section 3(a)(51) of the Exchange Act and Rule 3a51-1 thereunder.

13. As a result of the conduct described above, the Respondents willfully violated, and caused the violation of, Sections 5(a) and 5(c) of the Securities Act, which prohibit the offer and sale of securities through the mails or in interstate commerce, unless a registration statement is filed or in effect as to such securities or unless an exemption from registration is available. The Respondents also willfully violated, and caused the violation of, Section 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in the offer and sale of securities and in connection with the purchase, offer, or sale of securities.

IV.

In view of the foregoing, the Commission deems it appropriate, and in the public interest to impose the sanctions agreed to in the Respondents' 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. Respondents RIG and Rubin cease and desist from committing or causing any violations and any future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

² Form S-8 is available for the issuance of stock to consultants only if the following conditions are met: (i) the consultant is a natural person, (ii) the consultant provides *bona fide* services to the registrant; and (iii) the services are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for the registrant's securities. See General Instruction A.1(a) to Form S-8.

B. Respondents RIG and Rubin be, and hereby are, 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.

For the Commission, by its Secretary, pursuant to delegated authority.

Florence E. Harman
Acting Secretary