

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**

CASE NO.

SECURITIES AND EXCHANGE COMMISSION,)

Plaintiff,)

v.)

ANTHONY MELLONE,)
ALEX PARSINIA,)
LARRY WILCOX,)
MACADA HOLDING, INC. f/k/a TRI-STAR HOLDINGS, INC.,)
ZCOM NETWORKS, INC., and)
THE UC HUB GROUP,)

Defendants.)

COMPLAINT

Plaintiff Securities and Exchange Commission alleges as follows:

I. INTRODUCTION

1. From no later than May 2008 through March 2009, Defendants Anthony Mellone, Tri-Star Holdings, Inc., Alex Parsinia, Zcom Networks, Inc., Larry Wilcox, and The UC Hub Group engaged in three related fraudulent kickback schemes for their respective companies' stock in violation of the federal securities laws.

2. Mellone, then the CEO of Tri-Star (the predecessor in interest to Macada Holding, Inc.), paid an illegal kickback to a purported employee pension fund trustee so the trustee would purchase 40 million restricted shares of Tri-Star stock. Days later, Mellone paid another kickback for a purchase of 50 million restricted shares of stock. Unbeknownst to Mellone, the corrupt trustee was actually an undercover FBI agent. The trustee's business associate, who

helped arrange the deal, was also an undercover agent, and another middleman was actually a witness cooperating with the FBI.

3. Mellone, satisfied how the deal worked for his own company, sought to implement the same fraud with others. He informed Parsinia and Wilcox of the purportedly corrupt trustee, and both agreed to replicate the scheme for their own companies. Mellone demanded and received a \$1,000 kickback from the witness for each completed restricted stock transaction he initiated.

4. With Mellone acting as the middleman, Parsinia paid an illegal kickback to the trustee so he would purchase approximately 1.65 million restricted shares of Zcom stock. Days later, Parsinia paid another kickback for an additional purchase of 1.67 million shares of restricted stock. Mellone received a \$1,000 kickback for each of the transactions.

5. Likewise, Wilcox entered into a similar scheme. Wilcox paid a kickback to the trustee for the purchase of 800,000 restricted shares of UC Hub. Later, Wilcox agreed to pay another kickback for a second purchase of 800,000 restricted shares. Again, Mellone received \$1,000 in cash for each transaction.

6. In each instance, the Defendants attempted to conceal the kickback by entering into a consulting agreement with a phony company the trustee purportedly created to receive the kickback. Unbeknownst to the Defendants, the company was a fiction the FBI created for this sting.

7. Mellone, Parsinia, and Wilcox created these schemes in an effort to generate the appearance of market interest in their respective companies, induce public purchases of their stock, and rapidly increase the stock's trading price.

8. As a result of the conduct described in this Complaint, the Defendants violated Section 17(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a); and Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b) and 17 C.F.R. §240.10b-5. Unless restrained and enjoined, they are reasonably likely to continue to violate the securities laws.

9. The Commission respectfully requests that the Court enter: (1) a permanent injunction restraining and enjoining the Defendants from violating the federal securities laws; (2) an order directing the Defendants to disgorge all profits or proceeds they received as a result of the acts and/or courses of conduct complained of, with prejudgment interest; (3) an order directing the Defendants to pay civil money penalties; (4) an order barring Mellone and Wilcox from acting as an officer or director of a public company; and (5) an order barring Mellone, Parsinia, and Wilcox from participating in any offering of penny stock.

II. DEFENDANTS AND RELEVANT ENTITY

A. Individual Defendants

10. Mellone resides in Fort Lauderdale, Florida. During the relevant time period and until June 2010, he was the CEO of Tri-Star and subsequently Macada. Mellone has an extensive criminal history including violent crimes.

11. Parsinia resides in Calabasas, California. At all times relevant to the Complaint, Parsinia was the CEO of Zcom.

12. Wilcox resides in West Hills, California. At all times relevant to the Complaint, Wilcox was the President and CEO of UC Hub. He played Officer Jonathan “Jon” Baker on the hit 1970s television show “CHiPs.”

B. Corporate Defendants

13. Tri-Star was a Nevada corporation with its principal place of business in Fort Lauderdale. In August 2009, Macada became Tri-Star's successor in interest. It is a Florida corporation with its principal place of business in Fort Lauderdale. During the relevant time period, Tri-Star purported to be a holding company focused on gold mining and building emergency response hospital units. Its common stock was quoted on the Pink Sheets under the symbol "TSHL." Currently, Macada trades on the Pink Sheets under the symbol "MCDA." Tri-Star was registered with the Commission pursuant to Section 12(g) of the Exchange Act. Neither Tri-Star nor Macada has ever filed a Form 15 deregistering its stock.

14. Tri-Star's stock is a "penny stock" as defined by the Exchange Act. At all times relevant to this Complaint, the stock's shares traded at less than \$5.00 per share. In fact, at all times relevant, the stock traded at under one cent a share.

15. During the same time period, Tri-Star's stock did not meet any of the exceptions to penny stock classification pursuant to Section 3(a)(51) and Rule 3a51-1 of the Exchange Act. For example, the company's stock: (1) did not trade on a national securities exchange; (2) was not an "NMS stock," as defined in 17 C.F.R. § 242.242.600(b)(47); (3) did not have net tangible assets (i.e., total assets less intangible assets and liabilities) in excess of \$5,000,000; and (4) did not have average revenue of at least \$6,000,000 for the last three years. *See* Exchange Act, Rule3a51-1(g).

16. Zcom is a Nevada corporation with its principal place of business in Calabasas, California. It purports to be involved in broadcasting, mineral rights, the home shopping business, and telecommunications. During the relevant time period, its common stock was

traded on the Pink Sheets under the symbol “ZCNW,” but it is no longer quoted there. It has never been registered with the Commission in any capacity.

17. Zcom’s stock is a “penny stock” as defined by the Exchange Act. At all times relevant to this Complaint, the stock’s shares traded at less than \$5.00 per share. In fact, at all times relevant, the stock traded at under eighteen cents a share.

18. During the same time period, Zcom’s stock did not meet any of the exceptions to penny stock classification pursuant to Section 3(a)(51) and Rule 3a51-1 of the Exchange Act. For example, the company’s stock: (1) did not trade on a national securities exchange; (2) was not an “NMS stock,” as defined in 17 C.F.R. § 242.242.600(b)(47); (3) did not have net tangible assets (i.e., total assets less intangible assets and liabilities) in excess of \$5,000,000; and (4) did not have average revenue of at least \$6,000,000 for the last three years. *See* Exchange Act, Rule3a51-1(g).

19. UC Hub is a Nevada corporation with its principal place of business in West Hills, California. It purports to be in the mining, energy, and global Web television businesses. Its common stock is traded on the Pink Sheets under the symbol “UCHB,” and is registered with the Commission pursuant to Section 12(g) of the Exchange Act.

20. UC Hub’s stock is a “penny stock” as defined by the Exchange Act. At all times relevant to this Complaint, the stock’s shares traded at less than \$5.00 per share. In fact, at all times relevant, the stock traded at under four cents a share.

21. During the same time period, UC Hub’s stock did not meet any of the exceptions to penny stock classification pursuant to Section 3(a)(51) and Rule 3a51-1 of the Exchange Act. For example, the company’s stock: (1) did not trade on a national securities exchange; (2) was not an “NMS stock,” as defined in 17 C.F.R. § 242.242.600(b)(47); (3) did not have net tangible

assets (i.e., total assets less intangible assets and liabilities) in excess of \$5,000,000; and (4) did not have average revenue of at least \$6,000,000 for the last three years. *See* Exchange Act, Rule3a51-1(g).

III. JURISDICTION AND VENUE

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

23. This Court has personal jurisdiction over the Defendants, and venue is proper in the Southern District of Florida, because Mellone has a residence in the District, Tri-Star (as well as Macada) is a Florida based company, and many of the Defendants' acts and transactions constituting violations of the Securities Act and the Exchange Act occurred in the District. For example, Parsinia and Wilcox met with the cooperating witness in Fort Lauderdale and sent kickbacks via express mail into the District.

24. The Defendants, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce, or of a means or instrumentality of interstate commerce, or of the mails, in connection with the conduct alleged in this Complaint.

IV. THE FRAUDULENT SCHEME

25. Starting no later than May 2008, Mellone actively sought partners for a market manipulation scheme whereby he could falsely generate the appearance of market interest in his company's stock. That month, Mellone entered into discussions with the cooperating witness and undercover agent looking for investment entities willing to accept kickbacks in exchange for buying large amounts of stock. The agent posed as a contact for the corrupt trustee of a bogus

employee pension fund called Benefits and Pension Group. None of the Defendants knew the FBI created the fund for this sting.

26. On November 6, 2008, Mellone met with the cooperating witness in Fort Lauderdale to plan the market manipulation scheme. During this meeting, Mellone indicated he wanted to drive up the price and trading volume of Tri-Star stock. He also stated he was willing to pay a kickback to the trustee in exchange for large purchases of the stock.

27. On November 25, 2008, during a telephone call with the cooperating witness, Mellone agreed to move forward and encouraged the witness to contact the trustee to begin the scheme.

28. The cooperating witness informed Mellone the trustee owed a fiduciary duty to the pension fund, and there would be a problem if the Commission discovered the kickback. Mellone agreed the kickback should remain undisclosed and to disguise it by paying it to a fake consulting company, Great Lakes Advisors, LLC. To hide the kickback, Mellone, through Tri-Star, agreed to enter into a phony consulting agreement with Great Lakes. Mellone understood Great Lakes would not be performing any actual consulting services.

A. The First Tri-Star Restricted Stock Purchase and Kickback

29. On December 2, 2008, pursuant to a subscription agreement, Tri-Star sold 40 million restricted shares of its common stock to the purported pension fund. On the same day, to mask the kickback, Tri-Star entered into a consulting agreement with Great Lakes.

30. On December 5, 2008, the FBI wired \$20,000 to a bank account held in the name of Tri-Star's predecessor. Mellone told the witness he controlled the bank account and had not bothered to change the company name on the account. That same day, Tri-Star issued the stock certificate for the shares to the fund.

31. Three days later, Mellone paid the kickback by directing a deposit of \$8,000 to Great Lakes' bank account.

B. The Second Tri-Star Restricted Stock Purchase and Kickback

32. Thrilled the first Tri-Star deal worked, Mellone was willing and ready to repeat the scheme. On January 5, 2009, pursuant to a second subscription agreement, Tri-Star sold 50 million restricted shares of its stock to the bogus pension fund.

33. Three days later, the FBI wired \$20,000 to the bank account Tri-Star's predecessor held.

34. On January 12, 2009, pursuant to the bogus consulting agreement, Mellone paid the kickback by issuing an \$8,000 company check from Tri-Star's predecessor to Great Lakes.

35. On January 20, 2009, Tri-Star issued the corresponding stock certificate to the fund.

C. The First Zcom Restricted Stock Purchase and Kickback

36. As early as December 2008, Mellone told the cooperating witness he knew of other individuals who might be interested in the kickback scheme. Mellone arranged for the cooperating witness to pay him \$1,000 for each such transaction he arranged.

37. On January 6, 2009, Parsinia met with Mellone and the cooperating witness in Fort Lauderdale to discuss the kickback scheme for Zcom. Similar to the Tri-Star scheme, Parsinia sought investment entities willing to accept kickbacks in exchange for buying large amounts of Zcom's stock. He agreed to pay the same trustee from the Tri-Star scheme a kickback if the pension fund purchased more than three million restricted shares of Zcom stock.

38. The cooperating witness informed Parsinia the trustee owed a fiduciary duty to the pension fund, and there would be a problem if the Commission discovered the kickback. Parsinia agreed to mask the kickback by entering into a consulting agreement with Great Lakes.

39. On January 6, 2009, pursuant to a subscription agreement, the fund purchased approximately 1.67 million restricted shares of Zcom common stock. That same day, Zcom entered into a consulting agreement with Great Lakes.

40. Two days later, the FBI wired \$20,000 to a bank account held in the name of one of Zcom's wholly-owned subsidiaries.

41. On January 12, 2009, Zcom issued a stock certificate for the shares to the fund, and two days later, a Zcom subsidiary paid a kickback of \$8,000 to the fund by sending a company check to Great Lakes.

42. Mellone accepted a \$1,000 kickback from the cooperating witness for arranging this deal.

D. The Second Zcom Restricted Stock Purchase and Kickback

43. Pleased with the results, on January 20, 2009, Parsinia e-mailed the cooperating witness and indicated he was ready for "another round" of the fraud.

44. On January 28, 2009, Zcom, pursuant to a second subscription agreement, sold approximately 1.67 million restricted shares of its common stock to the pension fund.

45. Three days later, Zcom's subsidiary paid another kickback of \$8,000 by issuing a company check to Great Lakes.

46. On February 3, 2009, the FBI wired \$20,000 to the same account held by Zcom's subsidiary. The following day, Zcom issued the stock certificate to the fund.

47. Again, Mellone accepted a \$1,000 kickback from the cooperating witness for arranging this deal.

E. The First UC Hub Restricted Stock Purchase and Kickback

48. As early as August 2008, Mellone introduced Wilcox to the cooperating witness as another individual who might be interested in the kickback scheme. Like Mellone and Parsinia, Wilcox sought investment entities willing to accept kickbacks in exchange for buying large amounts of his company's stock.

49. Through a series of telephone calls with the cooperating witness in December 2008, Wilcox agreed to pay the trustee a kickback if the pension fund purchased more than 1.5 million restricted shares of UC Hub stock.

50. As before, the cooperating witness informed Wilcox the trustee owed a fiduciary duty to the pension fund, and there would be a problem if the Commission discovered the kickback. Wilcox agreed to mask the kickback by entering into a consulting agreement with Great Lakes. On December 7, 2008 UC Hub entered into the agreement.

51. On January 7, 2009, Wilcox met with Mellone and the cooperating witness in Fort Lauderdale to finalize the kickback scheme for UC Hub. Later that same day, pursuant to a subscription agreement, the fund purchased approximately 800,000 restricted shares of UC Hub common stock.

52. Five days later, the FBI wired \$20,000 to UC Hub's bank account. On January 22, 2009, UC Hub issued a stock certificate for the shares to the fund.

53. On January 30, 2009, Wilcox paid a kickback of \$8,000 via direct deposit to Great Lakes' bank account.

54. Mellone accepted a \$1,000 kickback from the cooperating witness for arranging this deal.

F. The Second UC Hub Restricted Stock Purchase and Kickback

55. Happy with the results from the first UC Hub scheme, Wilcox asked Mellone, the cooperating witness, and the agent to arrange another fraudulent deal.

56. On February 10, 2009, pursuant to a subscription agreement, UC Hub sold an additional 800,000 restricted shares of stock to the fund. On February 17, 2009, the FBI wired \$20,000 to UC Hub's bank account.

57. The next day, Wilcox paid a kickback of \$8,000 via direct deposit to Great Lakes, and on February 19, 2009, UC Hub issued the stock certificate to the fund.

58. Mellone accepted a \$1,000 kickback from the cooperating witness for arranging this deal.

COUNT I

Fraud In Violation of Section 17(a)(1) of the Securities Act

59. The Commission realleges and incorporates paragraphs 1 through 58 of its Complaint.

60. From May 2008 through March 2009, the Defendants directly and indirectly, by use of the, means or instruments of transportation or communication in interstate commerce and by use of the mails, in the offer or sale of securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

61. By reason of the foregoing, the Defendants, directly and indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. §77q(a).

COUNT II

Fraud in Violation of Section 10(b) and Rule 10b-5 of the Exchange Act

62. The Commission realleges and incorporates paragraphs 1 through 58 of its Complaint.

63. From May 2008 through March 2009, the Defendants, directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails in connection with the purchase or sale of securities, knowingly, willfully or recklessly:

- (a) employed devices, schemes or artifices to defraud;
- (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) engaged in acts, practices and courses of business which have operated, are now operating and will operate as a fraud upon the purchasers of such securities.

64. By reason of the foregoing, the Defendants directly or indirectly 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 Rule 10b-5, 17 C.F.R. § 240.

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court:

I.

Declaratory Relief

Declare, determine, and find that the Defendants have committed the violations of the federal securities laws alleged in this Complaint.

II.

Permanent Injunctive Relief

Issue a Permanent Injunction restraining and enjoining the Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating Section 17(a) of the Securities Act and Section 10(b) and Rule 10b-5 of the Exchange Act, as indicated above.

III.

Disgorgement

Issue an Order directing the Defendants to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

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. § 78(d)(3).

V.

Penny Stock Bar

Issue an Order barring Mellone, Parsinia, and Wilcox from participating in any offering of penny stock, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), for the violations alleged in this Complaint.

VI.

Officer & Director Bar

Issue an Order pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), barring Mellone and Wilcox from serving as an officer or director of a public company.

VII.

Further Relief

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

VIII.

Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Respectfully submitted,

October 7, 2010

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