

BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
SOFNET, INC.,
RAYMOND TALARICO, and
GLENN JACKSON,

PETITION FOR ORDER

Respondents.

File No. S-02188(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities, Bureau of Registration & Enforcement, has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Sofnet, Inc. (hereinafter "Sofnet") is a Florida corporation with a last known business address of 1830 West Broward Boulevard, Fort Lauderdale, Florida 33312;
2. Raymond Talarico (hereinafter "Talarico") is an individual who at all times material hereto has been the president and a director of Sofnet, with a last known business address at that of Sofnet;
3. Glenn Jackson (hereinafter "Jackson") is an individual who at all times material hereto has been the vice president, secretary, treasurer and a director of Sofnet, with a last known business address at that of Sofnet;
4. Upon information and belief, during the period of January 2001, Sofnet, Talarico and Jackson offered and sold to at least one person in Wisconsin a promissory note of Sofnet as evidence of the loan of \$100,000 of the person in Wisconsin to Sofnet;
5. Pursuant to the "Convertible Promissory Note" received by the person in Wisconsin, referred to in Paragraphs 4 and 5 above, Sofnet promised to repay the \$100,000 loaned by the person within 12 months, plus interest at the annual rate of 12%, plus 10,000 shares of stock of Sofnet 30 days prior to the effective date of Sofnet's initial public offering;
6. The investment in the promissory note of Sofnet as described in Paragraphs 4 and 5 above is a security as that term is defined by sec. 551.02(13)(a), Wis. Stats.;
7. The Sofnet security has never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.;
8. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering and selling an unregistered security to a person in Wisconsin;
9. Upon information and belief, Sofnet did not repay the promissory note referred to in Paragraphs 4 and 5 above;
10. During the period of January 2002, Sofnet, Talarico and Jackson offered and sold to the person in Wisconsin a renewal of the promissory note of Sofnet, as referred to in Paragraphs 4 and 5 above;

