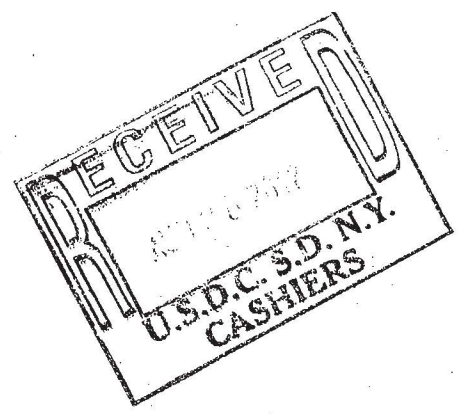


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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

- against -

WWEBNET, INC. and
ROBERT L. KELLY

Defendants.

:
:
:
: Civ. :
:
: ECF CASE
:
: COMPLAINT AND JURY DEMAND
:
:
: X

COMPLAINT

Plaintiff Securities and Exchange Commission ("Commission"), for its Complaint against defendants Wwebnet, Inc. ("Wwebnet," or the "Company") and Robert L. Kelly ("Kelly," and collectively with Wwebnet, "Defendants"), alleges:

SUMMARY

- 1. The Commission brings this action against Wwebnet, a software company, and its chief executive officer, Kelly, for violating the federal securities laws.
- 2. From 2004 through 2008, Kelly successfully solicited investments from a limited number of investors to purchase stock issued by Wwebnet and its predecessor companies through unregistered private placement offerings. During this time period, Kelly and Wwebnet

defrauded at least five investors by misrepresenting and omitting material information about the Company and how it would use investor funds.

3. First, from 2005 until at least September 2007, Defendants told investors that the money they invested in Wwebnet would be used to develop the Company's purportedly proprietary software system. Kelly misrepresented or failed to disclose to at least five investors during that time period, however, the existence of a purported software development contract between Wwebnet and Rymatics Software Ltd. ("Rymatics"), a separate company that was wholly-owned by Kelly. In fact, Kelly specifically assured at least two investors that Wwebnet owned the software and that Rymatics had no ownership or development role with respect to the software. Unbeknownst to these investors, Wwebnet paid approximately \$2.85 million of investor funds to Rymatics from March 2005 through September 2007. Rymatics, in turn, transferred at least approximately \$2.1 million of that amount to Kelly.

4. Second, from 2004 until at least late 2007, Defendants claimed in both oral and written communications to investors that Wwebnet had generated revenue from customer contracts. This was false. At the time these representations were made, Wwebnet had not (and still has not) generated any revenue from customers.

5. Third, from 2007 to 2008, Kelly misrepresented to investors that their money would be used for valid business purposes, including compensating him with a salary. Those representations were misleading because Kelly never disclosed that (i) Wwebnet was paying \$9,000 per month, or a total of \$180,000, in investor funds for his personal luxury apartment in New York, New York; or (ii) Kelly was receiving at least approximately \$2.1 million in effective compensation from the purported contract between Wwebnet and Rymatics.

VIOLATIONS

6. By virtue of the conduct alleged herein, Defendant Wwebnet, directly or indirectly, singly or in concert, has engaged in acts, practices, schemes and courses of business that violated Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §77q(a)] and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]; and Defendant Kelly, directly or indirectly, singly or in concert, has engaged in acts, practices, schemes and courses of business that violated Section 17(a) of the Securities Act and violated, or aided and abetted violations of, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. In the alternative, Kelly is also liable as a control person under Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)] for Wwebnet’s violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

7. Unless Defendants are permanently restrained and enjoined, they will again engage in the acts, practices, transactions, and courses of business set forth in this Complaint and in acts, practices, transactions, and courses of business of similar type and object.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

8. The Commission brings this action pursuant to the authority conferred upon it by Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], and Section 21(d)(1) of the Exchange Act [15 U.S.C. § 78u(d)(1)], seeking to restrain and enjoin permanently Defendants from engaging in the acts, practices and courses of business alleged herein.

9. In addition to the injunctive relief recited above, the Commission seeks a final judgment: (i) ordering Defendants to disgorge their ill-gotten gains with prejudgment interest thereon; (ii) ordering Defendants to pay civil penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]; (iii)

prohibiting Kelly 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)(6)]; (iv) prohibiting Kelly from serving as an officer or director of a public company 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)]; and (v) granting such other relief as the Court deems just and appropriate.

JURISDICTION AND VENUE

10. This Court has jurisdiction over this action pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)], and Sections 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(e) and 78aa].

11. Venue is proper in the Southern District of New York pursuant to 28 U.S.C. § 1391. The Defendants, directly or indirectly, have made use of the means and instrumentalities of interstate commerce, or of the mails and wires, in connection with the transactions, acts, practices and courses of business alleged herein. A substantial part of the events comprising Defendants' unlawful activities giving rise to the Commission's claims occurred in this District; Defendant Wwebnet's sole business office was located in this District; and Defendant Kelly committed some of the unlawful activities alleged herein while working out of such business office during the relevant period.

THE DEFENDANTS

12. **Robert L. Kelly**, age 56, resides in Raleigh, North Carolina. Kelly has been Wwebnet's chairman of the board of directors since its date of incorporation in July 2005, and the chief executive officer of Wwebnet and its predecessor companies since at least as early as

2003. From October 2004 through the present, Kelly has owned two foreign entities, Rymatics and Executive Consultants Services Ltd., that received payments from Wwebnet.

13. **Wwebnet** (formerly known as Valu Flik, Inc. (“Valu Flik”)), a Nevada entity incorporated in July 2005, was located and maintained a business office in New York, New York, but has no physical office today. In 2005, Wwebnet acquired Dolny, a British Virgin Islands company that played a role in the development of software technology to transfer and play video content, and Direct Choice TV Communications Ltd. (“Direct Choice”), a subsidiary of Dolny that was organized and maintained offices in the United Kingdom. Wwebnet had 49,835,402 shares of common stock outstanding as of September 15, 2008, of which Kelly beneficially owned approximately 15% (7,312,429 shares). Wwebnet’s common stock is a penny stock because such stock does not fit within any of the exceptions established by Section 3(a)(51) of the Exchange Act and Rule 3a51-1 thereunder.

RELEVANT ENTITIES

14. **Direct Choice TV Communications Ltd.** (“Direct Choice”), a United Kingdom entity, is a wholly-owned subsidiary of Wwebnet located in Chelsea, England.

15. **Rymatics Software Ltd.** (“Rymatics”), a British Virgin Islands entity formed in August 2004, is wholly-owned by Kelly. Around September 2005, Kelly executed a purported contract between Rymatics and Wwebnet pursuant to which Rymatics agreed to develop software and Wwebnet’s website for \$95,000 per month for five years.

16. **Executive Consultants Services Ltd.** (“ECS”), a British Virgin Islands entity formed in August 2004, is a consulting firm owned and operated solely by Kelly. Wwebnet compensated Kelly, in part, through payments to ECS.

FACTS

I. Background

17. Over a number of years, Kelly made efforts to develop software (the “Broadcast Software”) capable of transferring large audio and video files over the internet. Kelly also made efforts to commercialize the Broadcast Software by licensing it to third-party individuals and entities who were interested in utilizing the software’s capabilities.

18. Since at least as early as 2003, Kelly made such development and commercialization efforts through a number of entities he owned or in which he had a significant economic interest. Such entities include Wwebnet, Valu Flik, Direct Choice, Dolny (collectively, “Wwebnet and its Predecessors”), and Rymatics.

19. From 2005 through 2008, Kelly financed Wwebnet by soliciting investments from investors, including individual investors in the United States. Acting on behalf of Wwebnet, Kelly led the Company’s financing efforts by identifying potential investors, describing to them the Broadcast Software and related marketing opportunities, and persuading a small number of them ultimately to invest more than \$8 million, cumulatively, during that time period. In exchange for their investments, these investors received an equity interest in Wwebnet and its Predecessors in the form of common stock, preferred stock, and/or stock warrants.

20. Virtually all investors in Wwebnet and its Predecessors from 2005 through 2008 purchased Wwebnet common stock, preferred stock, and/or stock warrants by signing subscription agreements and wiring funds to Wwebnet’s bank account located in New York City.

21. From 2005 through 2008, Kelly represented to investors that he would use their investment dollars to pay a salary to himself and other employees, develop the Broadcast Software, negotiate contracts, purchase video content from entertainment companies, and

register and arrange for an initial public offering of the Company's stock. These representations were false and misleading because Kelly failed to disclose to most of these investors that Wwebnet would pay millions of dollars to his wholly-owned company, Rymatics, purportedly to develop the Broadcast Software. Kelly also failed to disclose that, between March 2005 and September 2007, most of the money that Wwebnet paid to Rymatics was then effectively transferred to Kelly himself.

22. From 2007 to 2008, Defendants' representations to investors concerning the use of investment dollars were further misleading because Defendants failed to disclose that, in addition to paying Kelly a substantial salary, (i) Wwebnet was paying \$9,000 per month, or a total of \$180,000, in rent for Kelly's personal residence; or (ii) Kelly was receiving at least approximately \$2.1 million in effective compensation from the purported contract between Wwebnet and Rymatics.

23. From 2004 until December 2007, Kelly misrepresented orally and in writing to certain investors that Wwebnet had revenue-generating contracts with customers. But those representations were false and misleading because the contracts at issue had not (and still have not) generated any revenues.

24. Kelly made these material misrepresentations to investors, both orally and through the drafting and dissemination of documents to investors, on behalf of Wwebnet and in his capacity as its chief executive officer. Kelly exercised total control over Wwebnet's representations to investors, including each of the material misstatements and omissions alleged herein.

II. The Defendants' Illegal Conduct

A. Material Misrepresentations Concerning the Use of Investor Funds to Develop the Broadcast Software

25. Prior to Wwebnet's incorporation, Rymatics, a company wholly-owned by Kelly, purportedly owned and developed the Broadcast Software. This fact was stated in Valu Flik's (as alleged above, Valu Flik was a predecessor to Wwebnet) February 2004 business plan, which Kelly gave to Investor 1.

R&D is performed and owned by Rymatics, Inc. (a Tulsa, Oklahoma based company which is majority owned by Robert Kelly, the CEO of [Direct Choice]). At the time of the next financing, the Company will merge the assets and personnel of Dolny, Rymatics and [Direct Choice] into one company

26. In or around 2005, at least two investors who had received this or a similar disclosure, and knew that Kelly owned Rymatics, raised concerns about Rymatics's ownership and development of the Broadcast Software.

27. Investor 1 specifically told Kelly in a 2005 conversation that he refused to invest in Wwebnet unless Wwebnet solely owned and developed the Broadcast Software. Investor 1 also stated to Kelly that he expected that other potential investors would also refuse to invest in Wwebnet for similar reasons. As Investor 1 conveyed to Kelly, it was important to investors that Wwebnet own and develop the Broadcast Software, rather than paying third-party licensing or development fees for use of the software.

28. In response to Investor 1's concerns, Kelly affirmatively and unambiguously assured Investor 1 that Wwebnet owned and developed the Broadcast Software, and that Rymatics no longer had, or would have, any role with respect to the software. This was a false statement because, on or about September 9, 2005, Kelly executed an agreement by which Rymatics purportedly developed the Broadcast Software for Wwebnet.

29. Consistent with Kelly’s false representations, Kelly gave Investor 1 an August 2007 document stating that \$8.5 million raised from investors from 2002 through 2007 was used “wisely in acquisition of content, the multi-year office presence in London, New York and Tulsa, the development of the broadcast software, as well as the hiring and placement of a very talented team.” This document does not mention or describe Rymatics in any way.

30. Based, in part, on Kelly’s representations alleged above, Investor 1 invested approximately \$5.5 million in Wwebnet stock from March 2005 through 2008. The approximate dates and amounts of Investor 1’s investments are as follows:

March 22, 2005	\$350,000
August 30, 2005	\$125,000
June 26, 2006	\$200,000
February 7, 2007	\$ 2,000,000
August 29, 2007	\$ 1,359,846
March 5, 2008	\$500,000
May 2, 2008	\$100,000
June 5, 2008	\$150,000
July 1, 2008	\$150,000
August 5, 2008	\$180,000
August 27, 2008	\$180,000
October 1, 2008	\$150,000
November 4, 2008	\$150,000

31. Kelly, on behalf of Wwebnet, made similar representations to Investor 2 regarding Wwebnet, Rymatics, and the ownership and development of the Broadcast Software.

32. Investor 2 received from Kelly a January 2006 business plan that stated “R&D is performed and owned by Rymatics,” and further disclosed that Rymatics was owned by Kelly. Based on his review of the business plan, Investor 2 became concerned about which entity

owned and developed the primary software product in which he was interested in investing, and specifically discussed Rymatics with Kelly before making his investment decision.

33. In response to Investor 2's inquiry, Kelly orally represented to Investor 2 that Rymatics had licensed the Broadcast Software to Wwebnet in the past, and that Wwebnet now solely owned and was developing the Broadcast Software.

34. Based, in part, on Kelly's representation alleged in the foregoing paragraph, Investor 2 invested approximately \$250,000 in Wwebnet stock in December 2006.

35. Kelly also orally represented to Investors 3, 4 and 5 (collectively with Investors 1 and 2, the "Victim Investors") that Wwebnet would use their investments to develop its own Broadcast Software, among other business expenses. Kelly made no mention of Rymatics to these investors. Based, in part, on these representations, these investors invested \$500,000, \$290,000, and \$95,000, respectively, between 2005 and 2007.

36. Kelly's representations alleged above were false and misleading. The truth is that, on September 9, 2005, unbeknownst to Victim Investors, Kelly executed a five-year contract between Rymatics and Wwebnet pursuant to which Rymatics purportedly agreed to develop the Broadcast Software and Wwebnet's website for \$95,000 per month. Kelly signed the purported contract on behalf of both Wwebnet and Rymatics. Before September 2005, Wwebnet had been paying Rymatics approximately \$55,000 per month under a prior agreement.

37. Pursuant to this 2005 agreement and a prior agreement between Direct Choice and Rymatics, Wwebnet (or its subsidiary Direct Choice) made payments to Rymatics totaling approximately \$2.85 million from March 2005 through September 2007. Kelly caused Rymatics to transfer approximately \$2.0 million (or 70%) of that amount to Kelly by transferring it to ECS, another company that was wholly-owned by Kelly. Kelly took personal possession of these

funds, and used them to trade stock options in a brokerage account located in the Cayman Islands and held in the name of ECS. He lost the entire amount through such trading activity.

38. Upon information and belief, Kelly also diverted an additional \$450,000 from Rymatics to himself between October 2005 and September 2007. In fact, in October 2005, Kelly transferred approximately \$110,000 from Direct Choice to Rymatics and then to his own personal checking account. Kelly used the entire \$110,000 to pay his personal federal taxes for 2004.

39. Kelly finally disclosed some facts to the Victim Investors concerning the ongoing relationships among Wwebnet, Rymatics, and Kelly on September 23, 2008, when Wwebnet filed a registration statement on Form 10 with the Commission in an attempt to make an initial public offering of Wwebnet's common stock. The Form 10 states that "[s]oftware expenses of US\$ 666,573 were paid to Rymatics Limited of which R Kelly is the beneficial owner." Although the Form 10 does not specify the time frame during which this amount was purportedly paid to Rymatics, on information and belief, the amount refers to Wwebnet's payments to Rymatics from July 1, 2007 through March 31, 2008.

40. Although Kelly and Investor 1 met frequently to discuss Wwebnet between January 2005 and September 2008, and Investor 1 continued to make substantial investments throughout this period, Kelly did not correct his 2005 misrepresentation that Wwebnet owned and was developing the Broadcast Software. During this time period, he failed to disclose to Investor 1 that Wwebnet had a purported contract with Rymatics to develop the software or that Kelly was personally benefitting from the purported contract.

41. Investor 1 did not learn of Wwebnet's continuing relationship with and payments to Rymatics until his attention was drawn to Wwebnet's September 23, 2008 Form 10 sometime in 2009.

42. Similarly, from the time of his misrepresentations and omissions until September 2008, Kelly did not disclose to Investors 2, 3, 4 or 5 that Wwebnet had contractually agreed to, and did, make payments to Rymatics to develop the Broadcast Software.

43. Nor did Kelly disclose to any of the Victim Investors that Wwebnet's payments to Rymatics totaled approximately \$2.85 million from March 2005 through September 2007, or that at least \$2.1 million of this amount was not used to develop the Broadcast Software but was instead diverted to ECS's Cayman Islands options trading account or Kelly personally.

44. Kelly's representations were misleading because Kelly knew, but did not disclose to the Victim Investors, that much of their money had been, and would continue to be, paid to Rymatics. Kelly also knew, but did not disclose to the Victim Investors, that these funds had enriched, and would continue enrich, Kelly personally, instead of being used to develop the Broadcast Software.

45. Kelly's misrepresentations were important to the Victim Investors, all of whom would have refrained from investing had Defendants disclosed that Wwebnet was paying millions of dollars to a company wholly-owned by Kelly, purportedly to develop the Broadcast Software that these investors believed Wwebnet owned and was developing, and that the vast majority of this money was ultimately going to Kelly.

B. Material Misrepresentations Concerning Wwebnet's Revenues

46. Beginning in 2004, Kelly orally represented to Investor 1 that Wwebnet was earning revenue from its customer contracts.

47. From 2004 through December 2007, Defendants continued to make this misrepresentation to Investor 1 orally and in writing. For example, Kelly gave Investor 1 February 2004 and 2005 Direct Choice business plans stating that Direct Choice had several customers (some of which were household names from the entertainment industry), and discussed the ways in which the company “earns its revenues.”

48. Defendants also gave Investor 1 an August 2007 document that specifically misrepresented that Wwebnet was generating revenues: “Revenues started with the commencement of the [major entertainment company] announcement” in October 2006; and this customer “use[s] the Company’s software platform to sell direct to consumer,” and has sold “over £100,000 of advertising per month.”

49. Kelly also orally represented to Investors 3, 4, and 5, before they invested between 2005 and 2007, that Wwebnet had revenue-generating contracts with several specific major entertainment companies. Defendants knew at the time that those representations were false – Wwebnet never, in fact, earned revenue from its customer contracts.

50. Kelly’s misrepresentations concerning Wwebnet’s generation of revenue from customer contracts was important information for investors. Specifically, it was important to investors to know whether Wwebnet’s Broadcast Software was operational, that it formed the foundation for revenue-generating contracts, and that actual customers were willing to pay to use the Broadcast Software. Because Defendants misled at least four investors with respect to each of these facts, and used those facts to convince such investors that Wwebnet’s multi-million

dollar revenue projections, as set forth in successive versions of its business plan, were reasonable and obtainable.

C. Misleading Statements Concerning Wwebnet's Payment of Rent for Kelly's Personal Manhattan Apartment

51. In February 2007, Kelly executed an employment agreement providing that he receive \$360,000 in base salary plus bonus, reimbursement of certain expenses (including travel and entertainment expenses), health insurance, and a \$3 million life insurance policy. The agreement did not provide that Wwebnet would also pay rent for Kelly's personal residence.

52. From May 2007 to December 2008 – while Kelly represented to Investors 1, 5, and 6 (among others) that he would use their investment dollars to develop the Broadcast Software, acquire video content, and pay ordinary business expenses (including his own salary) – Wwebnet paid approximately \$180,000, or \$9,000 per month, for the rental of Kelly's luxury residential apartment in Manhattan – an expenditure Kelly never disclosed. Kelly's disclosures to Investors 1, 5, and 6 about his compensation were misleading because he never disclosed these substantial rental payments on his personal residence to investors.

53. Kelly's disclosures to Investors 1, 5, and 6 about his compensation were also misleading because Kelly knew that his compensation from Wwebnet consisted of more than just his annual salary because it included at least \$2.1 million he received through Rymatics from March 2005 through September 2007.

54. Because of this omission, investors were left with an incomplete disclosure regarding the CEO's compensation, and were unable to reasonably understand the use of Wwebnet's corporate resources.

55. Kelly knew that information concerning rental payments was important and material information to investors. For example, the September 2008 Form 10 that Wwebnet filed

with the Commission and that Kelly signed discloses \$8,400 in monthly rent for Wwebnet's mid-town Manhattan office, as well as a \$2,300 in monthly rent for office space in Tulsa, Oklahoma. This Form 10, however, makes no disclosures with respect to Wwebnet's rental payments for Kelly's apartment.

III. Ill-Gotten Gains

56. From 2005 to 2008, Wwebnet received investments totaling approximately \$7 million from investors by and through materially misleading statements and omissions. These amounts represent fraudulent proceeds and ill-gotten gains.

57. Kelly, for his part, received at least \$3.6 million in ill-gotten gains as a result of Defendants' misrepresentations to investors, including approximately (i) \$1.4 million in salary from 2005 to 2008, (ii) at least \$2.1 million through the payments to Rymatics, and (iii) \$180,000 in rental payments on his personal apartment.

FIRST CLAIM FOR RELIEF

Violations of Section 17(a) of the Securities Act (Against all Defendants)

58. The Commission repeats and realleges Paragraph 1 through 57 of this Complaint as if fully set forth herein.

59. As alleged herein, Defendants Wwebnet and Kelly, directly or indirectly, singly or in concert with others, in the offer or sale of securities, by the use of the means and instruments of transportation and communication in interstate commerce and of the mails, knowingly or recklessly obtained money or property by means of untrue statements of material fact or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

60. By reason of the foregoing, Defendants Wwebnet and Kelly violated, and unless enjoined and restrained will continue to violate, Section 17(a)(2) of the Securities Act [15 U.S.C. § 77q(a)(2)].

SECOND CLAIM FOR RELIEF

Violations of, and Aiding and Abetting Violations of, Section 10(b) of the Exchange Act and Rule 10b-5 (Against all Defendants)

61. Paragraphs 1 through 57 are realleged and incorporated by reference as if set forth fully herein.

62. Defendants, in connection with the purchase or sale of securities, directly or indirectly, by the use of the means and instrumentalities of interstate commerce or of the mails and/or wires, made untrue statements of material fact and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

63. By reason of the activities described herein, Defendants violated, and unless restrained and enjoined will continue to violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. §§ 240.10b-5].

64. As further alleged herein, Defendant Kelly knowingly provided substantial assistance to Defendant Wwebnet's violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Pursuant to Section 20(e) of the Exchange Act [15 U.S.C. § 78t(e)], Defendant Kelly aided and abetted, and unless enjoined and restrained will continue to aid and abet, violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5].

THIRD CLAIM FOR RELIEF

Control Person Liability Under Section 20(a) of the Exchange Act (Against Defendant Kelly)

65. Paragraphs 1 through 57 are realleged and incorporated by reference as if set forth fully herein.

66. At all relevant times, Defendant Kelly possessed, directly or indirectly, the power to direct and control Wwebnet's management, policies, and operations and was a control person of Wwebnet pursuant to Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)]. Further, Defendant Kelly had actual knowledge of Wwebnet's violations of Section 10(b) of the Exchange Act [15 U.S.C. §§ 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5], and was a culpable participant in Wwebnet's violations of the Exchange Act as described above.

67. By reason of the foregoing, Defendant Kelly is jointly and severally liable as a control person of Wwebnet with, and to the same extent as, Wwebnet for Wwebnet's violations of Section 10(b) of the Exchange Act [15 U.S.C. §§ 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5], and unless enjoined and restrained, Kelly will continue to cause, or will fail to prevent, Wwebnet's violations of these provisions.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court enter a final judgment against the Defendants granting the following relief:

I.

Finding that the Defendants violated the securities laws and rules promulgated thereunder as alleged herein.

II.

Permanently enjoining the Defendants from future violations of the federal securities laws as alleged in this complaint.

III.

Directing the Defendants to disgorge their ill-gotten gains, plus prejudgment interest thereon, and all amounts by which Defendants have been unjustly enriched, as a result of the misconduct alleged in this Complaint, including, as to each Defendant, their own illicit profits, ill-gotten gain, or unjust enrichment, and such other and further amounts as the Court may find appropriate.

IV.

Directing the 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)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].

V.

Prohibiting Defendant Kelly under Section 20(g) of the Securities Act [15 U.S.C. § 77t(g)] and Section 21(d)(6) of the Exchange Act [15 U.S.C. § 78u(d)(6)] from participating in any offering of penny stock.

VI.

Prohibiting Defendant Kelly under Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and Section 21(d)(6) of the Exchange Act [15 U.S.C. § 78u(d)(6)] from acting as an officer or a director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

VII.

Granting such other and further relief as this Court seems just and proper, including such equitable relief as may be appropriate or necessary for the benefit of investors.

Dated: New York, New York
August 28, 2012

SECURITIES AND EXCHANGE COMMISSION

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