

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

CASE NO.

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
v.)
)
RICHARD P. GREENE and PETER SANTAMARIA,)
)
Defendants.)

COMPLAINT

Plaintiff Securities and Exchange Commission alleges as follows:

I. INTRODUCTION

1. From February through March 2012, Defendants Richard P. Greene and Peter Santamaria engaged in a fraudulent market manipulation scheme involving VDO-Ph International, Inc. (“VDPH”) stock.

2. As part of the scheme, the Defendants paid a corrupt promoter so he and his purported buying group would purchase shares of VDPH stock in the open market.

3. Unbeknownst to the Defendants, the corrupt promoter was a witness cooperating with the FBI.

4. The Defendants engaged in this scheme in an effort to generate the appearance of market interest in VDPH, induce public purchases of VDPH stock, and artificially increase the stock’s trading price and volume.

5. As a result of the conduct described in this Complaint, the Defendants violated Section 17(a)(1) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a)(1); and

Section 10(b) and Rule 10b-5(a) and (c) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b) and 17 C.F.R. §§ 240.10b-5(a) and (c). Unless restrained and enjoined, they are reasonably likely to continue to violate the federal securities laws.

6. The Commission respectfully requests that the Court enter: (a) a permanent injunction restraining and enjoining the Defendants from violating the federal securities laws; (b) an order directing the Defendants to pay disgorgement with prejudgment interest; (c) an order directing the Defendants to pay civil money penalties; and (d) an order barring the Defendants from participating in any offering of a penny stock.

II. DEFENDANTS AND RELEVANT ENTITY

A. Defendants

7. Greene resides in Davie, Florida. During the relevant time period, Greene acted as a stock promoter for VDPH. Greene is a disbarred attorney previously licensed to practice law in the State of Florida. On September 9, 2003, Greene pled guilty to one count of securities fraud in the matter United States v. Greene, Case No. 02-cr-60165-WPD (S.D. Fla.). Greene owned approximately 641,000 shares in VDPH.

8. Santamaria resides in Coconut Creek, Florida. Santamaria acted as a stock promoter for VDPH during the relevant time period. Santamaria owned approximately 280,000 shares in VDPH.

B. Relevant Entity

9. During the relevant time period, VDPH was a Nevada corporation with offices in Las Vegas, Nevada. VDPH purported to be a proprietary software development company. Its common stock was quoted on the OTC Link operated by OTC Markets Group, Inc. under the symbol “VDPH.” VDPH filed a Form S-1 with the Commission that became effective on

January 13, 2011, thereby subjecting VDPH to the reporting obligations of Section 15(d) of the Exchange Act.

10. VDPH'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 20 cents per share. During the same time period, VDPH'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, VDPH's stock did not trade on a national securities exchange and was not an "NMS stock," as defined in 17 C.F.R. § 242.600(b)(47). Furthermore, VDPH did not have net tangible assets (i.e., total assets less intangible assets and liabilities) in excess of \$5,000,000; and did not have average revenue of at least \$6,000,000 for the last three years. *See* Exchange Act, Rule 3a51-1(g).

III. JURISDICTION AND VENUE

11. 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.

12. This Court has personal jurisdiction over the Defendants, and venue is proper in the Southern District of Florida because Greene and Santamaria reside in the District. Also, many of the Defendants' acts and transactions constituting violations of the Securities Act and the Exchange Act occurred in the District. For example, Greene and Santamaria met with the cooperating witness in Broward County on February 8, 2012, February 17, 2012, and March 12, 2012.

13. 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

14. In early February 2012, Santamaria began discussing with the cooperating witness a possible market manipulation scheme involving VDPH stock.

15. On February 8, 2012, Santamaria introduced the cooperating witness to Greene. Santamaria told the cooperating witness that Greene was engaged in “business development.” At this meeting, the three discussed manipulating VDPH’s stock. At this time, VDPH’s stock had been dormant, with little to no trading volume.

16. The scheme Greene, Santamaria, and the cooperating witness discussed during the meeting was to work as follows: (a) the cooperating witness and his group would buy publicly-traded shares of VDPH stock in the open market; (b) the stock purchases would be coordinated with press releases that Greene and Santamaria arranged to be issued on VDPH’s behalf; and (c) Greene and Santamaria would provide the cooperating witness with drafts of these press releases in advance of their public dissemination.

17. During a February 17, 2012 meeting, Greene and Santamaria provided the cooperating witness with a list of “friendly” VDPH shareholders who were willing to sell their VDPH stock.

18. Greene and Santamaria told the cooperating witness they wanted to move the price of VDPH stock from 19 cents per share to at least 26 cents per share so they could sell their shares of VDPH stock at a higher price.

19. In exchange for the cooperating witness’s agreement that he and his purported buying group would purchase two million shares of VDPH stock in the open market, Greene and Santamaria agreed to provide the cooperating witness with an inducement payment of 25% of the

amount of VDPH shares the broker would be purchasing, or 500,000 shares of VDPH free trading stock.

20. On March 9, 2012, at the direction of Greene and Santamaria, VDPH's transfer agent mailed to the cooperating witness a stock certificate for 500,000 VDPH free trading shares.

21. On March 12, 2012, Greene and Santamaria provided the cooperating witness with several press releases VDPH would be issuing.

22. On March 14, 2012, Santamaria told the cooperating witness news would be coming out the next day.

23. The cooperating witness asked whether Santamaria wanted any buying done that day and Santamaria replied, "I don't want to do much, just tighten it up a bit." That same day, the FBI purchased 10,500 shares of VDPH in the open market at prices per share ranging from 13 to 17 cents, for a total cost of \$1,665. The FBI's purchase constituted all of the volume in the stock for that day.

24. On March 15, 2012, VDPH issued a press release that was nearly identical to one Greene and Santamaria had provided to the cooperating witness.

25. On March 15, 2012, Greene and the cooperating witness agreed to engage in a matched trade of VDPH stock.

26. That same day, the FBI purchased 19,500 shares of VDPH in the open market at prices per share ranging from 19.5 to 20 cents, for a total cost of \$3,845. Of these shares, 10,000 shares were executed in the matched sell order with an account controlled by Greene.

27. On March 18, 2012, the parties were scheduled to meet again to discuss other transactions. However, the meeting did not take place and there was no further trading.

COUNT I

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

28. The Commission realleges and incorporates paragraphs 1 through 27 of its Complaint.

29. From February through March 2012, 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.

30. 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)(1).

COUNT II

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

31. The Commission realleges and incorporates paragraphs 1 through 27 of its Complaint.

32. From February through March 2012, the Defendants, directly and indirectly, by use of the means and instrumentalities 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; or
- (b) engaged in acts, practices, or courses of business which operated or would have operated as a fraud or deceit upon any person.

33. 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(a) and (c), 17 C.F.R. §§ 240.10b-5(a) and (c).

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)(1) of the Securities Act and Section 10(b) and Rule 10b-5(a) and (c) of the Exchange Act, as indicated above.

III.

Disgorgement

Issue an Order directing all 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 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.

Penny Stock Bar

Issue an Order barring Greene and Santamaria 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)(6) of the Exchange Act, 15 U.S.C. § 78u(d)(6), for the violations alleged in this Complaint.

VI.

Further Relief

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

VII.

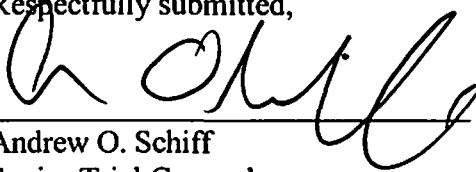
Retention of Jurisdiction

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.

August 14, 2013

Respectfully submitted,

By:



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