



SECURITIES AND EXCHANGE COMMISSION

LITIGATION RELEASE NO. 17179 / OCTOBER 11, 2001

SECURITIES EXCHANGE COMMISSION V. RAMOIL MANAGEMENT LTD., ET AL., United States District Court for the Southern District of New York Civil Action No. 01 CV 9057 (October 11, 2001).

SEC CHARGES FOURTEEN ENTITIES AND INDIVIDUALS, INCLUDING A LAWYER AND AN ACCOUNTANT, IN \$3.3 MILLION MARKET MANIPULATION SCHEME

The Securities and Exchange Commission announced today that it filed a complaint in the federal District Court for the Southern District of New York against: Ramoil Management Ltd. ("RAMO"), a Las Vegas, Nevada based company; Rodoljub "Misha" Radulovic, RAMO's former CEO; Alexander Taflevich, RAMO's former president; Edward A. Durante, a stock promoter residing in Gardiner, New York; Trevor Koenig, a former broker residing in British Columbia, Canada; Thomas Hauke, a Certified Public Accountant ("CPA") and partner at New York accounting firm Van Buren & Hauke; Moneesh K. Bakshi, an attorney residing in Middletown, New York; and certain foreign entities controlled by Durante.

The Commission's Complaint alleges that from December 1999 through July 2000, Defendants engaged in a market manipulation scheme which drove RAMO's stock price from \$7.0625 per share to an all-time high of \$20.00 per share. The complaint alleges that Durante dumped 1.8 million RAMO shares into the market for profits of approximately \$3.3 million during the course of the scheme. The complaint also alleges as follows:



In December 1999, RAMO entered into a purported stock promotion agreement with Carib Securities, an entity controlled by Durante. Pursuant to this agreement, RAMO delivered over one million shares to Durante-controlled nominee accounts at Union Securities, Ltd., a Canadian broker-dealer. Durante then instructed Koenig, his broker for these accounts, to execute a series of manipulative public trades to create artificial price increases in RAMO stock.



Radulovic and Taflevich made false public statements through press releases, SEC filings, and the Internet concerning, among other things: RAMO's purported attempts to become listed on the NASDAQ; the claim that

RAMO would obtain revenues of \$1.6 billion and profits of \$331 million by the year 2004; and a Letter of Intent RAMO supposedly entered into to purchase 45% of a Swiss Finance Company valued at \$150 million. In fact: RAMO had been told by the NASD that its NASDAQ Small Cap listing application was inadequate; RAMO's profit and revenue predictions were completely baseless; and the so-called Letter of Intent was nothing more than a one paragraph letter from Radulovic expressing a vague interest in the possibility of merging with the Swiss company.



In April 2000, RAMO filed a Form 10-K for its fiscal year ending December 31, 2000. The Form 10-K also contained an audit opinion that was purportedly signed by "Charles R. Eisenstein, C.P.A." This audit opinion was a forgery prepared by Hauke, who had been paid \$50,000 by Durante. No audit was ever actually done and Eisenstein never did any work for RAMO. Bakshi prepared the Form 10-K and several of RAMO's other fraudulent SEC filings.

The Commission's complaint charges all of the defendants with violations of the antifraud provisions of the federal securities laws, specifically Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 10b-5 thereunder. In addition, the complaint charges several of the defendants with other violations, including Sections 5(a) and 5(c) of the Securities Act, Section 15(d) of the Exchange Act, and Rules 15d-1 and 15d-13 thereunder. The Commission seeks injunctions prohibiting future violations of the securities laws, disgorgement, and civil penalties. The Commission is also seeking an order barring Radulovic and Taflevich from serving as officers or directors of any public company.

The Commission acknowledges the valuable assistance of the United States Attorney's Office for the Southern District of New York, the FBI, NASD

Regulation, Inc., and the British Columbia Securities Commission in connection with this matter.

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Modified: 10/12/2001