



## U.S. Securities and Exchange Commission

### U.S. SECURITIES AND EXCHANGE COMMISSION

#### Litigation Release No. 21024 / May 5, 2009

#### ***Securities and Exchange Commission v. Albert J. Rasch, Jr., Kathleen R. Novinger, Sandra B. Masino, and 144 Opinions, Inc., Civil Action No.1:09-CV-1190 (N.D. Ga.) (N.D. Ga) (May 5, 2009)***

The Securities and Exchange Commission ("Commission") announced today that it has filed a complaint in the United States District Court for the Northern District of Georgia against Albert J. Rasch, Jr. ("Rasch") and Sandra B. Masino ("Masino") of Costa Mesa, California, Kathleen R. Novinger ("Novinger") of Cypress, California, and 144 Opinions, Inc. ("144 Opinions") a California corporation formerly headquartered in Newport Beach, California. The complaint alleges that Rasch was the sole partner and owner of the Law Firm of Albert J. Rasch and Associates. Novinger was the sole associate at Rasch and Associates. Masino was the sole owner and employee of 144 Opinions.

The complaint alleges that during 2007, the defendants collectively operated a legal "opinion mill," which issued fraudulent legal opinions used by promoters in a pump-and-dump scheme, and others, to sell securities in violation of the registration provisions of the federal securities laws. Masino and 144 Opinions drafted and Rasch or Novinger executed, at least 24 legal opinion letters concerning the removal of restrictive legends on certificates representing over 22 million shares of Mobile Ready Entertainment Corp. ("Mobile Ready"). The defendants cited to non-existent documents and misrepresented critical facts in executing the 24 legal opinions. The complaint alleges that the false and misleading statements drafted by Masino and 144 Opinions and thereafter executed by Rasch and Novinger fraudulently induced the transfer agent for Mobile Ready to remove the restrictive legends and permit the illegal sale of over 22 million shares of Mobile Ready in violation of the registration provision of the federal securities laws.

The Complaint alleges that the defendants have violated the registration and antifraud provisions of the federal securities laws, Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The Commission's complaint also seeks (i) permanent injunctions against future violations; (ii) disgorgement of ill-gotten gains plus prejudgment interest from Rasch and Masino; (iii) imposition of civil penalties as to Rasch, Novinger and Masino; and (iv) an order permanently prohibiting defendants from participating in any offering of penny stock.

See also: L. R. [20644](#) (July 14, 2008)

▶ [SEC Complaint](#)

*<http://www.sec.gov/litigation/litreleases/2009/lr21024.htm>*

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