

**United States of America**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Filed on**  
**February 15, 2005**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-11832**

<b>In the Matter of</b>	)	
	)	
<b>EAGLETECH</b>	)	<b>ORDER INSTITUTING PROCEEDINGS</b>
<b>COMMUNICATIONS, INC.</b>	)	<b>PURSUANT TO SECTION 12(J) OF THE</b>
	)	<b>SECURITIES EXCHANGE ACT OF 1934</b>
<b>Respondent</b>	)	

**Respondent Eagletech Communications, Inc.,**  
**Representing Itself Pro Se,**  
**files It's Answer and Affirmative Defenses**  
**to the Order Instituting Proceedings**

I.

The Securities and Exchange Commission ("Commission") deems it necessary and appropriate for the protection of investors that proceedings be, and hereby are, instituted pursuant to Section 12(j) of the Securities Exchange Act of 1934 ("Exchange Act"), against Eagletech Communications, Inc. ("Eagletech" or "Respondent").

**Answer and Affirmative Defense:**

**A word search of the Securities Exchange Act of 1934, the act which gave birth to the Securities and Exchange Commission (SEC), and the act which remains U.S. Congress' mandate to the agency, reveals 199 appearances of the phrase "in the public interest or for the protection of investors." From its home page "The primary mission of the U.S. Securities and Exchange Commission (SEC) is to protect investors and maintain the integrity of the securities markets." The 1934 act also states that the SEC shall ..."purge the markets of short selling abuses..."**

**In practice, the SEC has willfully disregarded the public interest and the protection of investors by first denying for years that the practice of Naked Short Selling even existed, Secondly, the SEC has failed to investigate by their own admission 2,700 written complaints by companies and shareholders alike as they watched for years their investments being attacked by criminal short selling cartels which were aided and**

supported by the SEC as de-facto regulators. Finally the SEC is seeking to de-register the stock of abused companies using Section 12(j) of the 1934 Act, in a way Congress never intended. The SEC's actions further damage existing investors who have been decimated by fraudulent manipulation of a company's stock. SEC spokesperson John Nestor stated on June 10, 2004 "the actions are pre-emptive against shell companies, and is intended to wipe the market clean of stocks that are ripe for manipulation."

Hogwash! The de-registration actions are intended to wipe the market clean of any evidence of the SEC's culpability in, to use their own words "...delivery failures greater than a company's total public float."

Senator Robert Bennett stated on March 9<sup>th</sup> to Chairman William Donaldson "Regulation SHO is not working." Use the following link to hear the Senator tell Chairman Donaldson the story of the Michigan man who purchased 100% of the stock of Global Link Corp. and then watched 50 Million shares trade over the next three days. Senator Bennett accepted the offer of a private briefing from SEC staff to address the Senator's complaints. That briefing is an on the record event and I am hereby making that record a part of the official record of this proceeding.

After installing Real Player navigate to 1:19:30 for video of Senators admonishment.

<http://banking.senate.gov/index.cfm?Fuseaction=Hearings.Detail&HearingID=140>

The only thing about Regulation SHO that could be considered a success is the benchmark from which all pre-SHO delivery failures have been grandfathered. The SEC has no intention of forced delivery of Trillions of Dollars worth of fraudulent counterfeit shares sold to unsuspecting investors by the Wall Street firms whom they would rather protect than the investors they are sworn to protect.

To date, 61 companies put in the position of not being able to file financial reports because they were attacked by "Death Spiral/Naked Short Selling" schemes have either failed to answer or agreed to de-registration of their shares. **NOT THIS COMPANY!**

Attached is an August 24, 2004, criminal referral to the U.S. Secret Service entitled,

## **Financial Terrorism and Counterfeit Securities**

*A Culture of Fraud – Perpetrated by Wall Street, its Self Regulatory Organizations, The SEC, and a Cornucopia of Offshore Criminals.*

The foregoing document is to hereby be made a part of the official record of this proceeding.

By willfully failing to take action, and supporting criminals in the commission of

**crimes that have decimated the value of shareholders' property, the SEC has violated the Constitutional 5<sup>th</sup> amendment rights of Eagletech shareholders by an inverse taking of their property without due process and without compensation.**

## **II.**

After an investigation, the Division of Enforcement alleges that:

A. Eagletech is a Nevada corporation with its principal place of business in Fort Lauderdale, Florida. Eagletech is a telecommunications company that purportedly provides its customers with an Internet-based telephone call transferring service. Eagletech's common stock is registered with the Commission pursuant to Section 12(g) of the Exchange Act. From August\_ 1999 to December 2000, Eagletech's common stock traded publicly on the OTC Bulletin Board. Presently, Eagletech's stock trades on the "Pink Sheets" disseminated by Pink Sheets, LLC.

### **Answer and Affirmative Defense:**

**Please dial 954-584-9665 Extension 3 to receive shareholder information about Eagletech Communications, Inc. Extension 3 of Eagletech's purported technology will reach its President and CEO whether in Fort Lauderdale, Washington, New York or anywhere else in the U.S.**

**Eagletech began development and deployment of its technology platforms upon receipt of its initial funding in July of 1999. By November of 2000 the Company had perfected and deployed its product platforms in the three largest telecommunications markets in the Southeast U.S. making its purported products available to 9.5 million telephone users.**

**Dateline NBC has filmed an interview with Eagletech President and CEO Rodney Young, the respondent in this matter on behalf of Eagletech Communications in August 2004 which included a tour of Eagletech's purported Fort Lauderdale telecommunications equipment facility. I intend to introduce Dateline NBC's 18 month long investigative report, scheduled for airing on or about April 15, 2005, as a part of the official record in this proceeding. When broadcast, the public will finally get to see the duplicity with which U.S. financial markets are regulated.**

B. Eagletech has failed to comply with Section 13(a) of the Exchange Act and Rules 13a-1 and 13a-13 thereunder, while its common stock was registered with the Commission in that it has not filed an Annual Report on Form 10-K since August 14, 2001 (for its fiscal year ending March 31, 2001) or quarterly reports on Form 10-Q for any fiscal period subsequent to its fiscal quarter ending December 31, 2001.

### **Answer and Affirmative Defense:**

**Eagletech did not file its 2001 annual report on the ultimate due date August 15, 2002. While the SEC failed to act on complaints of stock manipulation, a successful campaign of stock price manipulation architected by five of the managing directors of the Company's second investment banking firm, Salomon Smith Barney continued and continues to this day. Its alliance with a cornucopia of convicted criminals, crooked market makers, chat room bashers, and offshore hedge funds, to relentlessly short the company's stock to pennies left the company unable to finance operations and led to its ultimate delisting from the OTCBB to the Pink Sheets.**

**Eight months before being de-listed in January of 2002 Mr. Young was contacted by SEC Attorney Phil Gross. Mr. Gross was informed about Eagletech's Death Spiral financing lawsuit and was sent a copy of an Eagletech shareholder's complaint dated June 21, 2000 regarding naked shorting of the Company's stock which appeared on the SEC's own website.**

**Three months later, in April 2002 Mr. Young was contacted by SEC Enforcement Attorney Justin Arnold. Mr. Young took the opportunity to complain to Mr. Arnold about Eagletech being the victim of a Death Spiral financing scheme and referenced the lawsuit filed by the company the previous November. He agreed to meet with Eagletech attorneys Wes Christian, Arthur Tifford, and Mr. Young at the SEC's Miami office. Mr. Arnold and his assistant were presented with a three inch binder of evidence that cited a pattern of death spiral financing and criminal naked short selling activity in 200 companies.**

**A month before being de-listed on July 15, 2002, Mr. Young wrote to U.S. Congressman Peter Deutsch and presented evidence of the scheme that was forwarded to the SEC.**

**Every complaint was met with the same failure to act and deafening silence.**

**In November of 2001 Eagletech filed a lawsuit against 40 defendants including its first investment banking firm Bryn Mawr Investment alleging the manipulation of its securities, both Pump and Dump manipulation against Bryn Mawr as well as Naked Short Selling allegations against Salomon Smith Barney. While conducting discovery the Company was able to obtain records of Bryn Mawr's manipulation from the Bahamas not obtainable by the SEC or the FBI which it shared freely with both agencies. Those records enabled the SEC to file a civil complaint against 17 Bryn Mawr associates and a Federal Grand Jury to Indict 4 of those individuals for criminal acts.**

**Both the SEC actions, as well as the DOJ's investigation have ignored the Naked Short Selling timeline in their respective complaints. Both timelines stop on the date the manipulation turned from Pump and Dump to Naked Short Selling and Counterfeiting of Securities. The two groups of criminal manipulators overlapped and co-operated with each other for about a three months time period.**

**On February 15, 2005, the same day the SEC filed civil actions and obtained from the DOJ Grand Jury Criminal Indictments against targets for manipulating Eagletech stock, the SEC filed this de-registration order against Eagletech, showing their gratitude for helping to make their case. This proves that either Justin Arnold is compromised or he is following the SEC's mandate to ignore criminal Naked Short Selling and Counterfeiting of commercial securities. In either case, he and probably others should be investigated for possible co-conspiracy to commit or for acting as accessories to counterfeiting of commercial securities under 18-USC-514. If evidence is developed proving such conduct additionally he should be stripped of his license to practice law for failing to refer criminal activity to the proper investigative authorities.**

**On March 4, 2005 the company released news that Supreme Court of the State of New York has ruled that the DTCC must produce trading records for Eagletech Shares. This is the first ever ruling of its kind against the DTCC where its request for a protective order has been denied. I intend to make those records which will once and for all prove that several times the number of shares than the float have been issued by the perpetrators of this crime a part of the record in this proceeding. In addition the records will point to who the perpetrators are. Wall Street criminals and your Hedge Fund Clients beware! Maybe then the SEC will be forced to do its job! In the alternative if the SEC continues to deny that any wrongdoing has taken place and continues to punish the victims of this crime, the Company and its existing shareholders, instead of the perpetrators, I will use every means available to me to see to it that those responsible within the SEC are investigated and charged as accessories to those crimes!**

C. On July 30, 2004, the Division of Corporation Finance sent a delinquency letter to Eagletech informing Eagletech, among other things: (1) that it appeared that Eagletech was not in compliance with the reporting requirements under Section 13(a) of the Exchange Act; and (2) that Eagletech may be subject, without further notice, to an administrative proceeding brought by the Division of Enforcement pursuant to Section 12(j) of the Exchange Act.

**Answer:**

**The company did receive the letter.**

### III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate for the protection of investors that proceedings be instituted pursuant to Section 12(j) of the Exchange Act to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. Whether it is necessary and appropriate for the protection of investors to suspend for a period not exceeding 12 months or revoke the registration of each class of securities of Eagletech registered pursuant to Section 12 of the Exchange Act.

#### IV.

IT IS HEREBY ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules -155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 1-7 C.F.-R. §§ 201.155(a), 201.220(f), 221(f) and 201.310.

This Order shall be served upon Respondent in accordance with Rule 141 of the Commission's Rules of Practice [17 C.F.R. § 201.141].

D. IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 120 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commissions Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision on this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Jonathan G. Katz  
Secretary

**This answer is submitted by:  
Eagletech Communications, Inc.  
7241 NW 6 ST  
Plantation, Florida 33317**

**Dated: March 16, 2005**

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**By: Rodney E. Young,  
President and CEO**

### Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934 ("Order"), on the Respondent and its legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
450 Fifth Street, N.W. \_  
Washington, DC 20549-1106

Justin W. Arnold, Esq.  
Northeast Regional Office  
Securities and Exchange Commission  
233 Broadway, 13<sup>th</sup> Floor  
New York, NY 10279

Eagletech Communications, Inc.  
Mr. Rodney Young  
President  
305 S. Andrews Avenue  
Ft. Lauderdale, FL 33301

EagleTech Communications  
Service List

The attached Answer and Affirmative Defenses have been sent to the following parties entitled to notice, criminal referral agencies, Members of Congress, Congressional Oversight Committee Members, and respected media outlets:

Office of the Secretary  
Jonathan G. Katz, Secretary  
Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, DC 20549-1106

Honorable James T. Kelley  
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