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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

GARY PIERCE, Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

Arizona Corporation Commission

DOCKETED

AUG 17 2011

DOCKETED BY	nr
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In the matter of:)
 JOSEPH COSENZA, an unmarried man;)
 U.S. MEDIA TEAM, LLC, an Arizona)
 limited liability company;)
 THOMAS BRANDON and DIANE M.)
 BRANDON, husband and wife;)
 CELL WIRELESS CORPORATION, a)
 Nevada corporation, formerly known as U.S.)
 Social Scene, a Nevada corporation;)
 DAVID SHOREY and MARY JANE)
 SHOREY, husband and wife;)
 Respondents.)

DOCKET NO. S-20763A-10-0430

DECISION NO. 72525

ORDER TO CEASE AND DESIST, ORDER FOR RESTITUTION, ORDER FOR ADMINISTRATIVE PENALTIES AND CONSENT TO SAME

BY: JOSEPH COSENZA AND U.S. MEDIA TEAM, LLC

Respondents JOSEPH COSENZA, an unmarried man, and U.S. MEDIA TEAM, LLC, an Arizona limited liability company, ("Respondents") elect to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act") with respect to this Order To Cease And Desist ("Order"). Respondents admit the jurisdiction of the Arizona Corporation Commission ("Commission"); neither admit nor deny the Findings of Fact and Conclusions of Law contained in this Order; and consent to the entry of this Order by the Commission.

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I.

FINDINGS OF FACT

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3 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
4 Arizona Constitution and the Securities Act.

5 2. JOSEPH COSENZA ("COSENZA") is an unmarried individual who, at all times
6 relevant, resided in Arizona.

7 3. U.S. MEDIA TEAM, LLC ("MEDIA") is an Arizona limited liability company
8 organized on September 15, 2005. At all times relevant, MEDIA had its principal place of business in
9 Scottsdale, Arizona.

10 4. MEDIA is a manager-managed limited liability company. COSENZA has been a
11 member and manager of MEDIA since September 15, 2005. At all times relevant, COSENZA acted
12 on behalf of MEDIA.

13 5. Cell Wireless Corporation ("Cell Wireless") is a Nevada corporation. Cell Wireless
14 was incorporated in Nevada in December 2000.

15 6. At all times relevant, COSENZA was the chief executive officer, president and
16 member of the board of directors for Cell Wireless. At all times relevant, COSENZA acted on behalf
17 of Cell Wireless.

18 7. In January 2008, Cell Wireless purchased the assets of U.S. Social Scene from
19 COSENZA. Thereafter, COSENZA used the names U.S. Social Scene and Cell Wireless
20 interchangeably.

21 8. Cell Wireless changed its name to U.S. Social Scene on March 13, 2008. In February
22 2010, the company changed its name back to Cell Wireless. Unless the context suggests otherwise,
23 references to "U.S. Social Scene (formerly known as Cell Wireless)," "U.S. Social Scene," or "Cell
24 Wireless/U.S. Social Scene" all are intended to refer to Cell Wireless.

25 9. COSENZA and MEDIA may be referred to collectively as "Respondents."
26

A. MEDIA PROMISSORY NOTE INVESTMENT

10. In or around June 2007, an investor learned MEDIA was looking for investors. The investor received, via email, a memorandum that described the investment.

11. In exchange for the receipt of the investor's funds in the amount of \$100,000, MEDIA issued a promissory note ("note") to the investor. The note promised a return of 20 percent on the amount invested, with both principal and interest to be paid in thirty days.

12. The investor was told that all of the investor's funds would be used by COSENZA and MEDIA to invest in one of COSENZA's companies. In reality, \$50,000 of the investor's funds were wired to another's account and COSENZA used the remaining \$50,000 of the investor's funds for his own personal use and benefit and to make payments to various individuals.

13. The note set forth that repayment was "backed by \$152,500 in commissions due [MEDIA] on July 16, 2007." The commissions referenced were alleged to be owed to MEDIA, pursuant to an advertising contract between MEDIA and the Sports Network.

14. MEDIA did not have a business relationship or a contract with the Sports Network. Further, there were no commissions owed to MEDIA by the Sports Network.

15. COSENZA signed the note as Chairman/CEO of MEDIA.

16. The investor wired the funds to MEDIA's Arizona based bank account. COSENZA was the only signatory on the account.

17. When the note issued to the investor came due, the investor did not receive either the principal or the interest owed, with the exception of \$25,000. The investor continued to contact COSENZA requesting the return of the invested funds and received promises that the funds would be forthcoming.

B. CELL WIRELESS CORPORATION/U.S. SOCIAL SCENE STOCK INVESTMENT

18. On July 8, 2007, Cell Wireless authorized another to negotiate and complete the sale of Cell Wireless to MEDIA. In a letter dated December 31, 2007, COSENZA was notified that MEDIA was in default of the agreement to merge Cell Wireless and MEDIA.

1 19. On or about January 4, 2008, Cell Wireless sent a letter to COSENZA seeking to
2 confirm whether COSENZA was interested in merging COSENZA's business, U.S. Social Scene,
3 with Cell Wireless. The letter indicated that Cell Wireless would be the parent and U.S. Social
4 Scene would be a wholly-owned subsidiary.

5 20. On or about January 7, 2008, Cell Wireless entered into an asset purchase agreement
6 ("purchase agreement") with COSENZA. The effective date of the purchase agreement was
7 January 1, 2008. Pursuant to the purchase agreement, Cell Wireless purchased the assets of US
8 SOCIAL SCENE. In exchange, COSENZA received an eighty percent interest in Cell Wireless.

9 21. Upon execution of the purchase agreement, Cell Wireless began operating as U.S.
10 Social Scene.

11 22. As of January 7, 2008, COSENZA was one of two members of the board of
12 directors for Cell Wireless.

13 23. In or around February 2008 through early March 2008, COSENZA and Cell
14 Wireless, through COSENZA, met with two prospective investors in Arizona related to an
15 investment opportunity involving issuance of stock in U.S. Social Scene.

16 24. COSENZA and Cell Wireless, through COSENZA, told one of the prospective
17 investors that there was no risk related to the stock purchase and that investors would not lose any
18 of their funds.

19 25. COSENZA and Cell Wireless, through COSENZA, told one of the prospective
20 investors was told that he would receive the return of his original principal amount plus stock in
21 U.S. Social Scene. The other prospective investor was told that his stock would never be devalued.

22 26. COSENZA sent the investors unsigned subscription agreements. The subscription
23 agreements identified the number of shares that each investor had purchased in "U.S. Social Scene,
24 formerly known as Cell Wireless."

25 27. The subscription agreements listed COSENZA as President/CEO.

26 28. COSENZA and Cell Wireless, through COSENZA, told two prospective investors

1 that COSENZA owned other companies that would market U.S. Social Scene's database of
2 information as well as grow its Internet presence to increase the value of Cell Wireless/U.S. Social
3 Scene. COSENZA, along with the two prospective investors, visited the businesses that
4 COSENZA claimed he owned. COSENZA did not own the companies.

5 29. COSENZA was present when another directed at least one investor to wire funds to
6 a bank account that, unknown to the investor, was not in the name of or otherwise affiliated with
7 Cell Wireless.

8 30. COSENZA and Cell Wireless, through COSENZA, told prospective investors that
9 the funds would be used for operating expenses of the combined company, U.S. Social Scene and
10 Cell Wireless, or to make acquisitions.

11 31. In fact, some of the funds were used for purposes unrelated to the investment, such
12 as a partial repayment to an investor who had invested in MEDIA. Additionally, some of the
13 investor funds were transferred to the Cell Wireless bank account but some of those funds were
14 returned to another.

15 32. COSENZA and Cell Wireless, through COSENZA, failed to tell at least one investor
16 that COSENZA and his company, MEDIA, had defaulted on a prior merger agreement with Cell
17 Wireless.

18 33. At least seven investors invested \$130,000 in exchange for stock in Cell
19 Wireless/U.S. Social Scene.

20 34. Investors who purchased stock in U.S. Social Scene neither received stock
21 certificates nor were the investors listed in the records of the transfer agent.

22 35. To date, investors have not received a return on their investment or a refund of their
23 principal investment amount.

24 36. At all times relevant, Respondents have not been registered as securities dealers or
25 securities salesman with the Commission.

26 37. At all times relevant, the investments offered and sold by Respondents have not

1 been registered with the Commission.

2 **II.**

3 **CONCLUSIONS OF LAW**

4 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
5 Arizona Constitution and the Securities Act.

6 2. Respondents offered or sold securities within or from Arizona, within the meaning
7 of A.R.S. §§ 44-1801(15), 44-1801(21), and 44-1801(26).

8 3. Respondents violated § 44-1841 by offering and selling securities that were neither
9 registered nor exempt from registration.

10 4. Respondents violated § 44-1842 by offering or selling securities while neither
11 registered as dealers or salesmen nor exempt from registration.

12 5. Respondents violated § 44-1991, in connection with the offer or sale of securities
13 within or from Arizona, by directly or indirectly: (i) employing a device, scheme, or artifice to
14 defraud; (ii) making untrue statements of material fact or omitted to state material facts that were
15 necessary in order to make the statements made not misleading in light of the circumstances under
16 which they were made; or (iii) engaging in transactions, practices, or courses of business that operated
17 or would operate as a fraud or deceit upon offerees and investors. Respondents' conduct includes, but
18 is not limited to, the following:

19 a. COSENZA, and MEDIA, through COSENZA misrepresented to one investor
20 that MEDIA had a business relationship and a contract with The Sports Network;

21 b. COSENZA and MEDIA, through COSENZA, misrepresented to one investor
22 that MEDIA was owed commission payments from The Sports Network;

23 c. COSENZA and MEDIA, through COSENZA, misrepresented to one investor
24 how his funds would be used in the MEDIA promissory note investment;

25 d. COSENZA misrepresented to one investor and one prospective investor that
26 COSENZA owned several companies that would grow U.S. Social Scene's Internet presence;

1 e. COSENZA misrepresented to one investor that there were no risks
2 associated with the stock purchase;

3 f. COSENZA misrepresented to investors that they would receive stock in
4 return for their funds;

5 g. COSENZA failed to disclose to one investor and one prospective investor
6 that COSENZA had failed to perform under the terms of the purchase agreement;

7 h. COSENZA failed to inform one investor and one prospective investor that
8 COSENZA and his company, MEDIA, had defaulted on a prior merger agreement with Cell
9 Wireless; and

10 i. COSENZA misrepresented to investors how their funds would be used in the
11 U.S.SOCIAL SCENE investment.

12 6. COSENZA directly or indirectly controlled MEDIA and Cell Wireless within the
13 meaning of §44-1999. Therefore, COSENZA is jointly and severally liable under A.R.S. § 44-1999
14 to the same extent as MEDIA and Cell Wireless for their violations of A.R.S. § 44-1991.

15 III.

16 ORDER

17 THEREFORE, on the basis of the Findings of Fact and Conclusions of Law, the
18 Commission finds that the following relief is appropriate, in the public interest, and necessary for
19 the protection of investors:

20 IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondents and any of
21 Respondents' agents, employees, successors and assigns, permanently cease and desist from
22 violating the Securities Act.

23 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 that with respect to the Media
24 promissory note investment, Respondents, jointly and severally, shall pay restitution to the
25 Commission in the principal amount of \$75,000 plus interest from the date of purchase until paid in
26 full, subject to legal setoffs pursuant to A.A.C. R14-4-308. Payment is due in full on the date of

1 this Order. Payment shall be made to the "State of Arizona" to be placed in an interest-bearing
2 account controlled by the Commission. Any principal amount outstanding shall accrue interest at
3 the rate of 10 percent per annum from the date of purchase until paid in full. Interest in the amount
4 of \$41,260.27 has accrued from the date of purchase of the Media Investment to August 11, 2011.

5 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2032 that with respect to the Cell
6 Wireless Corporation/U.S. Social Scene investment, COSENZA shall pay restitution to the
7 Commission in the principal amount of \$130,000 plus interest from the date of purchase until paid
8 in full, subject to legal setoffs pursuant to A.A.C. R14-4-308. Payment is due in full on the date of
9 this Order. Payment shall be made to the "State of Arizona" to be placed in an interest-bearing
10 account controlled by the Commission. Any principal amount outstanding shall accrue interest at
11 the rate of 10 percent per annum from the date of purchase until paid in full. Interest in the amount
12 of \$44,806.85 has accrued from the date of purchase of the Media Investment to August 11, 2011.

13 The Commission shall disburse the ordered restitution and interest payments paid to the
14 State of Arizona on a pro-rata basis to investors shown on the records of the Commission. Any
15 ordered restitution and interest payments paid to the State of Arizona that the Commission cannot
16 disburse because an investor refuses to accept such payment, or any restitution funds that cannot be
17 disbursed to an investor because the investor is deceased and the Commission cannot reasonably
18 identify and locate the deceased investor's spouse or natural children surviving at the time of the
19 distribution, shall be disbursed on a pro-rata basis to the remaining investors shown on the records
20 of the Commission. Any ordered restitution and interest payments paid to the State of Arizona that
21 the Commission determines it is unable to or cannot feasibly disburse shall be transferred to the
22 general fund of the state of Arizona.

23 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that COSENZA shall pay an
24 administrative penalty in the amount of \$20,000. Payment shall be made to the "State of Arizona."
25 Payment shall be made to the "State of Arizona." Any amount outstanding shall accrue interest as
26 allowed by law.

1 IT IS FURTHER ORDERED that payments received by the state of Arizona shall first be
2 applied to the restitution obligation. Upon payment in full of the restitution obligation, payments
3 shall be applied to the penalty obligation.

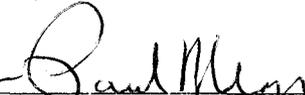
4 IT IS FURTHER ORDERED that this Order shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

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7 CHAIRMAN

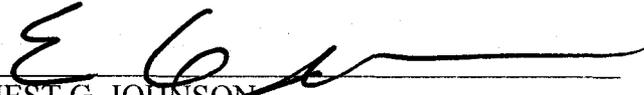

COMMISSIONER

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9 COMMISSIONER


10 COMMISSIONER


COMMISSIONER

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12 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
13 Executive Director of the Arizona Corporation
14 Commission, have hereunto set my hand and caused the
15 official seal of the Commission to be affixed at the
16 Capitol, in the City of Phoenix, this 17th day of
August, 2011.

17 
18 ERNEST G. JOHNSON
19 EXECUTIVE DIRECTOR

20 _____
21 *DISSENT*

22 _____
23 *DISSENT*

24 This document is available in alternative formats by contacting Shaylin A. Bernal, ADA
25 Coordinator, voice phone number 602-542-3931, e-mail sabernal@azcc.gov.

26 (JC)

CONSENT TO ENTRY OF ORDER

1
2 1. Respondents JOSEPH COSENZA (“COSENZA”) and U.S. MEDIA TEAM, LLC
3 (“MEDIA”) (collectively, “Respondents”) admit the jurisdiction of the Commission over the
4 subject matter of this proceeding. Respondents acknowledge Respondents have been fully advised
5 of their right to a hearing to present evidence and call witnesses and Respondents knowingly and
6 voluntarily waive any and all right to a hearing before the Commission and all other rights
7 otherwise available under Article 11 of the Securities Act and Title 14 of the Arizona
8 Administrative Code. Respondents acknowledge that this Order to Cease and Desist, Order for
9 Restitution, Order for Administrative Penalty and Consent to Same by Joseph Cosenza and U.S.
10 Media Team, LLC (“Order”) constitutes a valid final order of the Commission.

11 2. Respondents knowingly and voluntarily waive any right under Article 12 of the
12 Securities to judicial review by any court by way of suit, appeal, or extraordinary relief resulting
13 from the entry of this Order.

14 3. Respondents acknowledge and agree that this Order is entered into freely and
15 voluntarily and that no promise was made or coercion used to induce such entry.

16 4. Respondents understand and acknowledge that they have a right to seek counsel
17 regarding this Order, and that they have had the opportunity to seek counsel prior to signing this
18 Order. Respondents acknowledge and agree that, despite the foregoing, Respondents freely and
19 voluntarily waive any and all right to consult or obtain counsel prior to signing this Order.

20 5. Respondents neither admit nor deny the Findings of Fact and Conclusions of Law
21 contained in this Order. Respondents agree that they shall not contest the validity of the Findings
22 of Fact and Conclusions of Law contained in this Order in any present or future proceeding in
23 which the Commission or any other state agency is a party concerning the denial or issuance of any
24 license or registration required by the state to engage in the practice of any business or profession.

25 6. By consenting to the entry of this Order, Respondents agree not to take any action or
26 to make, or permit to be made, any public statement denying, directly or indirectly, any Finding of

1 Fact or Conclusion of Law in this Order or creating the impression that this Order is without factual
2 basis. Respondents undertake steps necessary to assure that all of Respondents' agents and
3 employees understand and comply with this agreement.

4 7. While this Order settles this administrative matter between Respondents and the
5 Commission, Respondents understand that this Order does not preclude the Commission from
6 instituting other administrative or civil proceedings based on violations that are not addressed by
7 this Order.

8 8. Respondents understand that this Order does not preclude the Commission from
9 referring this matter to any governmental agency for administrative, civil, or criminal proceedings
10 that may be related to the matters addressed by this Order.

11 9. Respondents understand that this Order does not preclude any other agency or
12 officer of the state of Arizona or its subdivisions from instituting administrative, civil, or criminal
13 proceedings that may be related to matters addressed by this Order.

14 10. Respondents agree that neither of them will apply to the state of Arizona for
15 registration as a securities dealer or salesman or for licensure as an investment adviser or
16 investment adviser representative until such time as all restitution and penalties under this Order are
17 paid in full.

18 11. Respondents agree that neither of them will exercise any control over any entity that
19 offers or sells securities or provides investment advisory services within or from until such time as
20 all restitution and penalties under this Order are paid in full.

21 12. Respondents agree that they will continue to cooperate with the Securities Division
22 including, but not limited to, providing complete and accurate testimony at any hearing in this
23 matter and cooperating with the state of Arizona in any related investigation or any other matters
24 arising from the activities described in this Order.

25 13. Respondents consent to the entry of this Order and agree to be fully bound by its
26 terms and conditions.

1 14. Respondents acknowledges and understand that if either of them fails to comply
2 with the provisions of the order and this consent, the Commission may bring further legal
3 proceedings against such Respondent, including application to the superior court for an order of
4 contempt.

5 15. Respondents understand that default shall render Respondents liable to the
6 Commission for its costs of collection and interest at the maximum legal rate.

7 16. Respondents agree and understand that if either Respondent fails to make any
8 payment as required in the Order, any outstanding balance shall be in default and shall be
9 immediately due and payable without notice or demand. Respondents agree and understand that
10 acceptance of any partial or late payment by the Commission is not a waiver of default by the
11 Commission.

12 17. COSENZA represents that he is a manager of MEDIA and has been authorized by
13 name of MEDIA to enter into this Order for and on behalf of it.

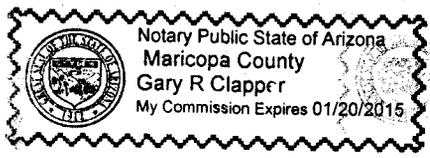
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15 
16 JOSEPH COSENZA

17 STATE OF ARIZONA)
18 County of) ss)

19 SUBSCRIBED AND SWORN TO BEFORE me this 20th day of JULY, 2011 .

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22 NOTARY PUBLIC

23 My commission expires:



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U.S. MEDIA TEAM, LLC, an Arizona limited liability company

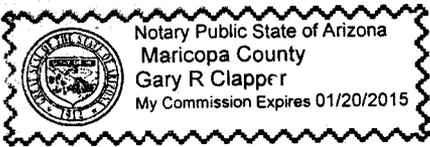
By: Joseph Cosenza
Joseph Cosenza
Its: Manager

STATE OF ARIZONA)
) ss
County of)

SUBSCRIBED AND SWORN TO BEFORE me this 20th day of JULY, 2011 .

Gary R. Clapper
NOTARY PUBLIC

My commission expires:



1 SERVICE LIST FOR: In the Matter of Joseph Cosenza et al.

2 Joseph Cosenza
3 4703 East Weaver Rd.
4 Phoenix, AZ 85050

5 U.S. Media Team, LLC
6 4703 East Weaver Rd.
7 Phoenix, AZ 85050

8 Bruce R. Heurlin
9 Kevin M. Sherlock
10 HEURLIN SHERLOCK PANAHI
11 1636 North Swan Road, Suite 200
12 Tucson, AZ 85712-4096
13 Attorneys for Respondents David Shorey,
14 Mary Jane Shorey and Cell Wireless Corp.

15 Diane M. Brandon
16 10206 East Desert Flower Place
17 Tucson, AZ 85749

18 Thomas Brandon
19 10206 E. Desert Flower Pl.
20 Tucson, AZ 85749