

## United States Attorney Southern District of New York

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## ATLANTA SECURITIES ATTORNEY SENTENCED TO 8 YEARS AND ONE MONTH IN PRISON FOR "PUMP AND DUMP" PENNY STOCK SCHEME

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that securities attorney ULYSSES THOMAS WARE, a/k/a "Thomas Ware," was sentenced today to 97 months in prison on securities fraud and conspiracy charges arising from a scheme to defraud investors in two penny stocks. WARE was convicted of the charges on April 30, 2007, following a two-week jury trial. According to the evidence at trial:

WARE and his co-conspirators, through WARE's law firm -- Rosenfeld, Goldman & Ware, Inc. -- engaged in a scheme to artificially inflate the market price of and market demand for two penny stocks, Service Systems International, Ltd. (ticker symbol SVSY) and Investment Technology Inc. (ticker symbol INZS), from December 2001 through April 2002. Specifically, in order to fraudulently induce investors to purchase SVSY and INZS stock, WARE caused the dissemination throughout the United States of false and misleading press releases that: (a) provided fraudulent information concerning the business and plans of SVSY and INZS; (b) gave baseless stock price predictions; (c) failed to disclose the compensation WARE was receiving for promoting the stocks; and (d) contained misrepresentations and omissions concerning the entities issuing the press releases.

After artificially pumping up the price and volume of the Service Systems and Investment Technology stocks through use of these fraudulent press releases, WARE then sold the stock at a substantial profit from January 2002 through April 2002. WARE netted over \$225,000 over the course of just four months through his scheme.

Additionally, WARE obtained a false affidavit, from one

of his employees, which he submitted to the Securities and Exchange Commission ("SEC") in order to obstruct its investigation into related matters.

In imposing sentence, United States District Judge WILLIAM H. PAULEY III stated that the defendant "orchestrated an elaborate pump-and-dump scheme that undermined the integrity of the financial markets," and told WARE that the "trial revealed you are really a predator on innocent investors," and "[you have] disgraced the profession to which you've been admitted to practice. Unfortunately, you used this practice to commit this wide-ranging fraud."

In addition to the prison sentence, Judge PAULEY ordered WARE to forfeit the proceeds of his fraud in the amount of \$228,388 and imposed a fine of \$25,000.

WARE, 47, resides in Atlanta, Georgia.

Mr. GARCIA praised the work of the Federal Bureau of Investigation in the investigation of this case and also expressed his gratitude to the SEC for its assistance in this matter.

Assistant United States Attorney STEVEN D. FELDMAN is in charge of the prosecution.

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