

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

LITIGATION RELEASE NO. 18791 / July 23, 2004.

Securities and Exchange Commission v. Cash Link Systems Inc., et al. (U.S.D.C., Northern District of Texas, Dallas Division, Civil Action No. 3-04-CV-1573 L)

SEC Obtains TRO to Halt Fraudulent ATM Scam

On July 20, 2004, the Securities and Exchange Commission filed an emergency action in United States District Court in Dallas, Texas, to halt a fraudulent investment scheme and freeze assets for the benefit of investors. The Commission charged Cash Link Systems Inc. ("Cash Link") and its president, Alan Levine ("Levine"), with securities fraud in connection with an unregistered interstate securities offering involving "cashless" automated teller machines ("ATMs"). The Complaint alleges that over \$10 million has been raised from 680 investors nationwide. At the request of the Commission, the Court entered a temporary restraining order halting the offering, issued orders to conserve assets for the benefit of the scheme's victims, including an asset freeze, the appointment of a receiver, and an accounting.

Named as defendants are:

- **Cash Link**, a privately-held Florida corporation currently located in Hollywood, Florida; and
- **Levine**, a Miami resident and the president and purported sole-owner of Cash Link.

According to the Complaint, the defendants are soliciting investors through an aggressive marketing campaign, including national television and newspaper advertisements. Cash Link offers a purported "turnkey" ATM investment in which investors are told that they can expect a "conservative" return of \$2,100, or 18%, *per month*, on a minimum \$11,685 investment. In addition to providing the ATMs, Cash Link agrees to place the machines in "high traffic" business locations, service the machines after placement, and collect and distribute the transaction fees, which are supposedly shared with investors.

The Commission contends that these and other claims are false and misleading in that Cash Link has failed to deliver ATMs to certain investors and has consistently failed to place investor-owned ATMs in "high traffic" locations as represented. The defendants have also failed to disclose that the few machines, which have been placed, have generated very little return for investors. Moreover, even in the few cases, in which there is some return, Cash Link has failed to distribute most of the funds to investors. Further, investors are not being advised that the company and Levine are the subjects of two state-issued cease-and-desist orders related to this ATM scheme, and a federal criminal investigation in which company records were recently seized.

The [Commission's Complaint](#) charges Cash Link and Levine with violating 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. In its action, the Commission seeks, against Cash Link and Levine, preliminary and permanent injunctions, accountings, disgorgement of investor funds unjustly received, civil money penalties and asset freezes.

The Commission also seeks asset freezes, disgorgement and accountings from the following relief defendants, who it is alleged, were unjustly enriched from the fraudulent offerings:

- **Alvin-L Consulting, Inc.** a Florida corporation.
- **VC Partners, Inc.**, a Florida corporation, and its president, **Kimberly M. Ferreiras**.

▶ [SEC Complaint in this matter](#)

<http://www.sec.gov/litigation/litreleases/lr18791.htm>