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FILED

JUN 27 2000

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

AT 8:30 M
WILLIAM T. WALSH
CLERK

SECURITIES AND EXCHANGE COMMISSION
450 Fifth Street, NW
Washington, D.C. 20549,

Plaintiff,

v.

COSMO CORIGLIANO, ANNE M.
PEMBER, CASPER SABATINO, and
KEVIN T. KEARNEY,

Defendants.

Civ. No.

00-2873 (ATC)

ENTERED

ON
THE DOCKET

JUN 29 2000

WILLIAM T. WALSH, CLERK

By

A. Anderson
(Deputy Clerk)

**FINAL JUDGMENT OF PERMANENT INJUNCTION AND
OTHER RELIEF AS TO DEFENDANT CASPER SABATINO**

Plaintiff, the Securities and Exchange Commission ("Commission"), having filed a Complaint, and Defendant Casper Sabatino, in his attached Consent and Undertakings of Casper Sabatino ("Consent"), incorporated herein, having entered a general appearance, having admitted the jurisdiction of this Court over him, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having waived any right he might have to appeal from the entry of this Final Judgment of Permanent Injunction and Other Relief as to Defendant Casper Sabatino ("Final Judgment"), and, without admitting or denying the allegations of the Complaint (except as to jurisdiction, which he admits), having consented to the entry of this Final Judgment enjoining him from engaging in transactions, acts, practices, and courses of business which constitute (i) violations of Section 17(a) of the

Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)], Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b) and 78m(b)(5)] and Rules 10b-5 and 13b2-1 promulgated thereunder [17 C.F.R. §§ 240.10b-5 and 240.13b2-1]; (ii) aiding and abetting violations of Sections 13(a), 13(b)(2)(A), 13(b)(2)(B), and 14(a) of the Exchange Act [15 U.S.C. §§ 78m(a), 78m(b)(2)(A), 78m(b)(2)(B), and 78n(a)] and Rules 12b-20, 13a-1, 13a-13, and 14a-9 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-13, and 240.14a-9]; and (iii) violating and aiding and abetting violations of Exchange Act Rule 13b2-2 [17 C.F.R. § 240.13b2-2], and, further, consenting to entry of an Order pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] that the defendant be barred permanently from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o].

1.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino, his agents, servants, employees, attorneys, and all those persons having active concert and participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, through the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails:

- (1) employing any device, scheme, or artifice to defraud.
- (2) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances

under which they were made, not misleading, or

- (3) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser, in connection with the sale of any security.

II.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino, his agents, servants, employees, attorneys, and all those persons having active concert and participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, through the use of any means or instrumentality of interstate commerce or of the mails, or of the facilities of a national securities exchange:

- (1) employing any device, scheme, or artifice to defraud,
- (2) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, or
- (3) engaging in any transaction, act, practice, or course of business which operates or would operate as a fraud or deceit on any person, in connection with the purchase or sale of any security.

III.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino, his agents, servants, employees, attorneys, and all those persons having active concert and participation with them who receive actual notice of this Final Judgment by personal service

or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account described in Section 13(b)(2) of the Exchange Act.

IV.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino, his agents, servants, employees, attorneys, and all those persons having active concert and participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting any issuer of a security registered pursuant to Section 12 of the Exchange Act by:

- (1) filing any report required by the Securities Act or the Exchange Act and the rules of the Commission which fails to contain information and documents as the Commission requires to keep reasonably current the information and documents required to be included in the report;
- (2) failing to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer; or
- (3) failing to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary (a) to permit preparation of financial statements in conformity with

generally accepted accounting principles or any other criteria applicable to such statements and (b) to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

V.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino, his agents, servants, employees, attorneys, and all those persons having active concert and participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting, by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, any solicitation by means of any proxy statement, form of proxy, notice of meeting, or other communication, written or oral, containing any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading.

VI.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino, his agents, servants, employees, attorneys, and all those persons having active concert and participation with them who receive actual notice of this Final Judgment by personal service

or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, or aiding and abetting any officer or director of an issuer in, making or causing to be made a materially false or misleading statement or omitting to state, or causing another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with (i) any audit or examination of the financial statements of an issuer required to be made pursuant to the Exchange Act or (ii) the preparation or filing of any document or report required to be filed with the Commission.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Casper Sabatino be permanently barred from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the annexed Consent of Defendant Casper Sabatino be, and the same hereby is, incorporated herein with the same force and effect as if fully set forth herein.

IX.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this action for all purposes, including the implementation and enforcement of this Final Judgment.

There being no reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.


UNITED STATES DISTRICT JUDGE

Date: 27 June 00

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

**SECURITIES AND EXCHANGE COMMISSION
450 Fifth Street, NW
Washington, D.C. 20549,**

Plaintiff,

v.

**COSMO CORIGLIANO, ANNE M.
PEMBER, CASPER SABATINO, and
KEVIN T. KEARNEY,**

Defendants.

Civ. No.

02-2873 (AJC)

CONSENT AND UNDERTAKINGS OF CASPER SABATINO

1. Defendant Casper Sabatino enters a general appearance, admits the jurisdiction of this Court over the subject matter of this action, and consents to the Court's jurisdiction over him.

2. Defendant Casper Sabatino, without admitting or denying any of the allegations of the Complaint in this action, except as to jurisdiction, which he admits, and without trial, argument, or adjudication of any issue of fact or law, hereby consents to the entry of the Final Judgment of Permanent Injunction and Other Relief as to Defendant Casper Sabatino in the form annexed hereto ("Final Judgment") and incorporated by reference herein, which permanently restrains and enjoins Casper Sabatino from engaging in transactions, acts, practices, and courses of business which constitute (i) violations of Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)], Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b)

and 78m(b)(5)] and Rules 10b-5 and 13b2-1 promulgated thereunder [17 C.F.R. § 240.10b-5 and § 240.13b2-1]; (ii) aiding and abetting violations of Sections 13(a), 13(b)(2)(A), 13(b)(2)(B), and 14(a) of the Exchange Act [15 U.S.C. §§ 78m(a), 78m(b)(2)(A), 78m(b)(2)(B), and 78n(a)] and Rules 12b-20, 13a-1, 13a-13, and 14a-9 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-13, and 240.14a-9]; and (iii) violations and aiding and abetting violations of Exchange Act Rule 13b2-2 [17 C.F.R. § 240.13b2-2], and, further, consenting to entry of an Order pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] that the defendant be barred permanently from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o].

3. Defendant Casper Sabatino waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

4. Defendant Casper Sabatino waives any right he may have to appeal from the entry of the Final Judgment.

5. Defendant Casper Sabatino agrees that he will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection he may have based thereon.

6. Defendant Casper Sabatino enters into this Consent voluntarily, and represents that no threats, offers or promises have been made by the Commission or by

any member, officer, agent, employee, or representative thereof, to induce him to enter into this Consent except as included herein.

7. Defendant Casper Sabatino understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings" [17 C.F.R. § 202.5(e)]. In compliance with this policy, Defendant Casper Sabatino agrees: (i) not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis; and (ii) agrees that if the defendant breaches this agreement, the Commission may move the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this provision affects Defendant Casper Sabatino's testimonial obligations or right to take legal positions in litigation in which the Commission is not a party.

8. Consistent with the provisions of 17 C.F.R. § 202.5(f), Defendant Casper Sabatino waives any claim of double jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein.

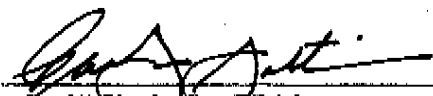
9. Defendant Casper Sabatino agrees that this Consent shall be annexed to the Final Judgment and incorporated by reference into the Final Judgment with the same force and effect as if fully set forth therein.

10. Defendant Casper Sabatino agrees that the Final Judgment may be presented by the Commission to the Court for signature and entry without further notice.

11. Defendant Casper Sabatino agrees that this Court shall retain jurisdiction over this action for the purpose of implementing and enforcing the terms and conditions of the Final Judgment and for all other purposes.


12. Defendant Casper Sabatino waives service of the Final Judgment entered herein upon him and agrees that the entry of the Final Judgment by this Court and filing of the Final Judgment with the Clerk of the Court will constitute notice to him of the terms and conditions of the Final Judgment.

13. Defendant Casper Sabatino represents that he has read this Consent before signing it.



CASPER SABATINO

On June 9, 2000, Casper Sabatino executed the foregoing Consent and duly acknowledged to me that he executed the same.



Notary Public

My commission expires: _____

EVGENIA FARRANTO
NOTARY PUBLIC
MY COMMISSION EXPIRES DEC. 31, 2004