

39

UNITED STATES DISTRICT COURT
DISTRICT OF VERMONT

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KULTIVAR, INC.,
MEDCOM HEALTH PRODUCTS, INC.,
SOUTHPORT S.D.G., INC.,
SIDNEY A. JOHNSON and
LESLIE H. FLEISHMAN,

Defendants.

U.S. DISTRICT COURT
DISTRICT OF VERMONT
FILED
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BY
DEPUTY CLERK

Case No. 1:00-CV-466

**FINAL JUDGMENT OF PERMANENT INJUNCTION,
DISGORGEMENT AND OTHER RELIEF
AS TO DEFENDANT SIDNEY A. JOHNSON**

Defendant Sidney A. Johnson ("Johnson") having: (i) executed the Consent to Final Judgment of Permanent Injunction, Disgorgement and Other Relief by Defendant Sidney A. Johnson ("Consent") which is attached hereto and hereby incorporated by reference; (ii) entered a general appearance; (iii) consented to the Court's jurisdiction over himself and over the subject matter of this action; (iv) consented to entry of this Final Judgment of Permanent Injunction, Disgorgement and Other Relief as to Defendant Sidney A. Johnson ("Final Judgment") without admitting or denying the allegations of the Complaint; (v) waived findings of fact and conclusions of law; and (vi) waived any right to appeal from this Final Judgment and any basis for objecting to enforcement of the Final Judgment:

DOCUMENT ENTERED ON DOCKET
DATE: 8/21/02

39

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Johnson and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with him who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §77q(a)] by, directly or indirectly, in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails: (a) employing any device, scheme or artifice to defraud; (b) obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser of such security.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Johnson and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with him who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§78j(b)] and Rule 10b-5 thereunder [17 C.F.R. §240.10b-5] by, directly or indirectly, by the use of any means or instrumentality of interstate commerce or of the mails or of any facility of any national securities exchange, in connection with the

purchase or sale of any security: (a) employing any device, scheme, or artifice to defraud; (b) making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that

Johnson and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§77e(a), (c)] by, directly or indirectly: (a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell any security, through the use or medium of any prospectus or otherwise, unless a registration statement is in effect as to such security; (b) carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any security for the purpose of sale or for delivery after sale, unless a registration statement is in effect as to such security; or (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of any prospectus or otherwise, any security unless a registration statement has been filed as to such security, or while the registration statement as to such security is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or

examination under Section 8 of the Securities Act [15 U.S.C. §77h], provided, however, that the provisions of this paragraph shall not apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act [15 U.S.C. §77e].

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Johnson is liable for disgorgement of \$80,000, representing profits gained as a result of the conduct alleged in the Complaint, plus pre-judgment interest. Based upon Johnson's sworn representations in his Statement of Financial Condition dated November 21, 2001 and other documents submitted to the Commission, payment of all but \$17,000 of the disgorgement and pre-judgment thereon is waived, contingent upon the accuracy and completeness of his Statement of Financial Condition. Within ten (10) days after entry of this Final Judgment, Johnson shall make the required payment of \$17,000 by United States postal money order, certified check, bank cashier's check or bank money order made payable to the Clerk, United States District Court for the District of Vermont at the United States Courthouse, 11 Elmwood Avenue, Room 506, Burlington, VT 05402-0945 under cover of a letter that identifies Johnson, the name and number of this action, and the name of this Court. Johnson shall mail a copy of the payment and the accompanying cover letter to counsel for the Commission in its Boston District Office, 73 Tremont Street, Boston, MA 02108. The funds thus submitted to the Clerk of this Court shall be held by the Registry of this Court in an interest-bearing account pending further order of the Court. Upon making the required payment, Johnson shall relinquish all legal and equitable right, title and interest in such funds, and no part of the funds (nor any earnings thereon accruing after

payment to the Court) shall be returned to him or to any of his agents, servants, employees, attorneys-in-fact, successors or assigns.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, based upon Johnson's sworn representations in his Statement of Financial Condition dated November 21, 2001 and other documents submitted to the Commission, the Court is not ordering Johnson to pay a civil monetary penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. The decision not to impose a civil penalty and to waive payment of all but \$17,000 of the disgorgement and pre-judgment interest thereon is contingent upon the accuracy and completeness of his Statement of Financial Condition. If at any time following the entry of this Final Judgment, the Commission obtains information indicating that Johnson's representations to the Commission concerning his assets, income, liabilities or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to him, petition the Court for an order requiring him to pay the unpaid portion of the disgorgement, pre-judgment and post-judgment interest thereon, and the maximum civil monetary penalty allowable under the law. In connection with any such petition, the only issue shall be whether the financial information provided by Johnson was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including but not limited to ordering Johnson

to pay funds or assets, directing the forfeiture of any assets, or imposing sanctions for contempt of this Final Judgment. The Commission may also request additional discovery. Johnson may not, by way of defense to such petition: (1) challenge the validity of his Consent or the Final Judgment; (2) contest the allegations in the Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-judgment and post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the maximum civil penalty allowable under the law; or (6) assert any defense to liability or remedy, including but not limited to any statute of limitations defense.

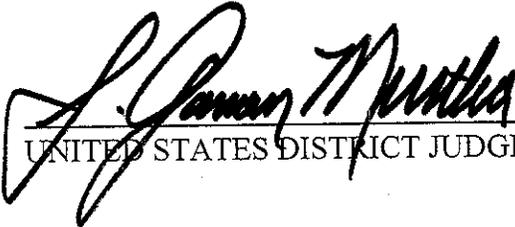
VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over Johnson as a party to this matter for all purposes, including the implementation and enforcement of this Final Judgment.

VII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, the Court finding no just reason for delay, the entry of this Judgment shall constitute a final judgment as to all of the Commission's claims against Johnson in this action, and the Clerk of the Court is directed to enter this Final Judgment forthwith pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

DONE AND ORDERED at Brattleboro, Vermont, this 20TH day of August, 2002.


UNITED STATES DISTRICT JUDGE