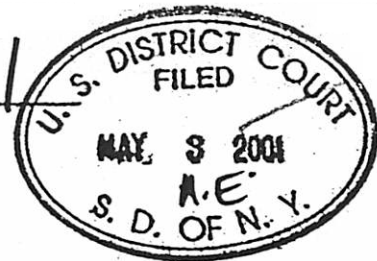


UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

DOC # 121

5/7/01



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

00 Civ. 2426 (JSR)

- against -

# 01,0849

THE OAKFORD CORPORATION,  
EDWARD J. MUEGER, INC.,  
MFS SECURITIES CORP.,  
OAKWOOD SECURITIES CORP.,  
D'ALESSIO SECURITIES, INC.,  
WILLIAM S. KILLEEN, THOMAS W. BOCK,  
THOMAS J. CAVALLINO, EDWARD J. MUEGER,  
MARK R. SAVARESE, JOHN J. SAVARESE  
and JOHN R. D'ALESSIO,

Defendants.

**FINAL JUDGMENT AGAINST  
DEFENDANT JOHN R. D'ALESSIO BY CONSENT**

Defendant John R. D'Alessio ("D'Alessio") has: (i) entered a general appearance; (ii) consented to the Court's jurisdiction over D'Alessio and the subject matter of this action; (iii) without admitting or denying the allegations of the Complaint, consented to entry of this Judgment without further notice; (iv) waived findings of fact and conclusions of law; and (v) waived any right to appeal from this Judgment, except as set forth in the attached Consent.

Therefore, it is now

**I.**

**ORDERED, ADJUDGED AND DECREED** that D'Alessio, and D'Alessio's agents, servants, employees and attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently enjoined and restrained

from violating Section 11(a) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78k(a)] and Rule 11a-1 thereunder [17 C.F.R. § 240.11a-1] by: (1) effecting any transaction on any national securities exchange of which it is a member, for its own account, the account of an associated person, or an account with respect to which it or an associated person thereof exercises investment discretion; or (2) while on the floor of any national securities exchange of which it is a member, initiating any transaction in any security admitted to trading on such exchange, for any account in which it has an interest, or for any such account with respect to which it has discretion as to the time of execution, the choice of security to be bought or sold, the total amount of any security to be bought or sold, or whether any such transaction shall be one of purchase or sale.

## **II.**

**ORDERED, ADJUDGED AND DECREED** that D'Alessio, and D'Alessio's agents, servants, employees and attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently enjoined and restrained from violating Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)] by, directly or indirectly, singly or in concert, in the offer or sale of any securities by the use of any means or instrument of transportation or communication in interstate commerce or by the use of the mails: (1) employing any device, scheme, or artifice to defraud; (2) 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 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

### **III.**

**ORDERED, ADJUDGED AND DECREED** that D'Alessio, and D'Alessio's agents, servants, employees and attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently enjoined and restrained from violating Section 10(b) of the Securities Exchange Act of 1934 (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, (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 the light of the circumstances under which they were made, not misleading, or (3) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

### **IV.**

**ORDERED, ADJUDGED AND DECREED** that D'Alessio, and D'Alessio's agents, servants, employees and attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently enjoined and restrained from aiding and abetting a violation of Section 17(a) of the Exchange Act [15 U.S.C. § 78q(a)] and Rules 17a-3 and 17a-5 thereunder [17 C.F.R. §§ 240.17a-3 and 240.17a-5] by failing to make and keep current such records, to furnish such copies thereof, and to make, disseminate and file the reports required by such section and the rules thereunder, which set forth requirements concerning records and reports required to be made and kept current by certain exchange members, brokers and dealers.

V.

**ORDERED, ADJUDGED AND DECREED** that D'Alessio is liable for disgorgement and prejudgment interest of \$200,000.00. D'Alessio shall satisfy this obligation by paying \$100,000.00 on or before June 15, 2001 and the remaining \$100,000 on or before July 30, 2001 to the Comptroller of the SEC, together with a letter specifying that payment is made pursuant to this Judgment. D'Alessio shall simultaneously transmit photocopies of such payment and letter to the SEC's counsel in this action. The SEC shall forward such funds to the U.S. Treasury.

There being no just reason for delay, pursuant to Fed. R. Civ. P. 54(b), the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: New York, New York

5/2/ 2001

SO ORDERED:

  
UNITED STATES DISTRICT COURT JUDGE

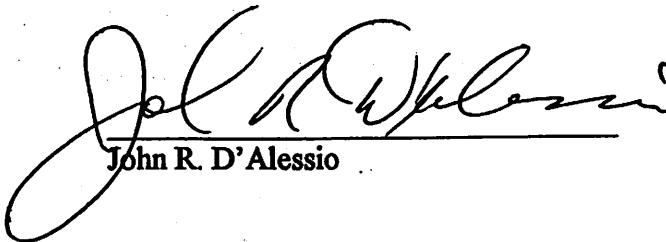
**THIS DOCUMENT WAS ENTERED  
ON THE DOCKET ON 5/7/01**

## **CONSENT OF JOHN R. D'ALESSIO**

1. Defendant John R. D'Alessio ("D'Alessio"): (a) enters a general appearance; (b) consents to the Court's jurisdiction over him and the subject matter of this action; (c) without admitting or denying the allegations of the Complaint, consents to entry of the Final Judgment Against Defendant D'Alessio Securities, Inc. By Consent ("Final Judgment") submitted with this Consent; (d) waives findings of fact and conclusions of law; (e) agrees that the Final Judgment may be presented and entered without further notice; (f) waives notice of entry and service of the Final Judgment; (g) waives any right to appeal from the Final Judgment, other than any presently existing right to appeal from the Order dated September 29, 2000 that dismissed D'Alessio's Third Party Complaint against The New York Stock Exchange, Inc. and others; (h) acknowledges that this Consent and the Final Judgment embody the entire agreement resolving this action; and (i) acknowledges that this Consent and the Final Judgment do not bind any agency of government other than Plaintiff Securities and Exchange Commission ("Commission") and, consistent with 17 CFR §202.5(f), waives any claim of double jeopardy based on settlement of this action.

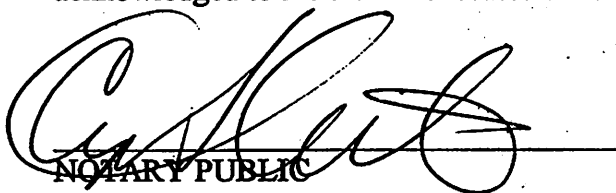
2. D'Alessio: (a) understands the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint," 17 CFR §202.5(e); (b) agrees not to make or permit any public statement directly or indirectly denying the allegations of the Complaint or creating the impression that the Final Judgment is without factual basis; and (c) agrees that if D'Alessio 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 D'Alessio's right to take legal or factual positions in litigation in which the Commission is not a party, specifically

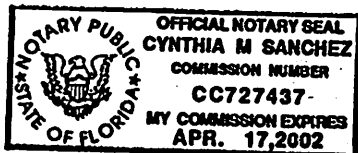
including an action entitled *D'Alessio v. The New York Stock Exchange, Inc., et al.*, or  
D'Alessio's testimonial obligations in any matter.

  
John R. D'Alessio

STATE OF FL )  
COUNTY OF Broward ) SS.:

On this 30 day of April 2001, before me personally came John R. D'Alessio, to me  
known and known by me to be the person who executed the foregoing Consent, and he  
acknowledged to me that he executed the same.

  
NOTARY PUBLIC



**Local Civil Rule 77.1(b) Statement**

**The parties entitled to be notified of the entry hereof and the names and addresses of their respective attorneys are:**

**Plaintiff: United States Securities and Exchange Commission**

**Robert Knuts  
Securities and Exchange Commission  
Seven World Trade Center, 13<sup>th</sup> Floor  
New York, NY 10048  
(212) 748-8192**

**Defendant: John R. D'Alessio**

**Dominic F. Amorosa, Esq.  
95 Worth Street  
New York, New York 10013  
(212) 406-7000**