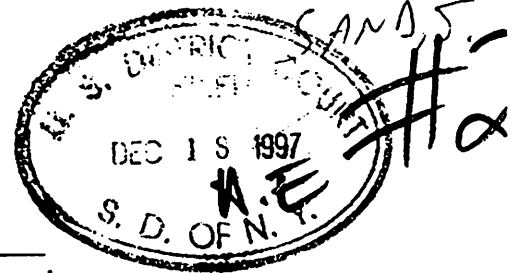


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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

CALMAN H. RIFKIN and EVA-HEALTH, USA, INC.,

Defendants.

97 Civ. 9228
FINAL CONSENT
JUDGMENT
OF PERMANENT
INJUNCTION AND
OTHER RELIEF
AS TO CALMAN
H. RIFKIN

I.

Plaintiff Securities and Exchange Commission (the "Commission") having commenced this action by filing a Complaint for Injunctive And Other Relief on Dec. 17, 1997 (the "Complaint") charging Calman H. Rifkin ("Rifkin") with violations of Sections 5(a) and (c) and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a) and (c), 77q(a), 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, and Rifkin having executed the annexed Consent of Calman H. Rifkin (the "Consent"), having waived the entry of findings of fact and conclusions of law pursuant to Rule 52, Federal Rules of Civil Procedure, having admitted the jurisdiction of this Court over him and over the subject matter of this action, and, without admitting or denying the allegations contained in the Complaint, except as to jurisdiction, having consented to the entry of this Final Consent Judgment of Permanent Injunction and Other Relief As To Calman H. Rifkin (the "Final Judgment") without further notice:

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II.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Rifkin be and hereby is permanently enjoined and restrained from, directly or indirectly, singly or in concert, 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 use of the mails:

- (1) employing any device, scheme or artifice to defraud; or
- (2) obtaining money or property by means of an 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 violation of Section 17(a) of the Securities Act.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Rifkin be and hereby is permanently enjoined and restrained from, directly or indirectly, singly or in concert, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any 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 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,

in violation of Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Rifkin be and hereby is permanently enjoined and restrained from, directly or indirectly, singly or in concert:

- (1) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell any security of any issuer, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect as to such security;
- (2) carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or for delivery after sale, any security of any issuer, unless and until a registration statement is in effect as to such security; or
- (3) 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 of any issuer,

unless and until a registration statement has been filed with the Commission as to such security, or while a 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 of examination under Section 8 of the Securities Act,

in violation of Sections 5(a) and 5(c) of the Securities Act.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Rifkin shall disgorge the sum of \$5,550,000.00 and prejudgment interest thereon in the amount of \$1,789,405.98. However, the Commission, having relied upon Rifkin's sworn representations in his Statement of Financial Condition, dated May 1, 1997 ("Financial Statement") and other evidence submitted to the Commission, the payment of all of the disgorgement and prejudgment interest thereon is waived, contingent upon the accuracy and completeness of the Financial Statement.

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, the Commission, having relied upon the sworn representations in the Financial Statement, and the parties having agreed, the Court is not ordering Rifkin to pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), or Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d). The determination not to impose a civil penalty and to waive payment of disgorgement and prejudgment interest thereon is contingent upon the accuracy and completeness of the Financial Statement.

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if at any time following the entry of this Final Judgment the Commission obtains information indicating that Rifkin'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 with five days prior written notice to Rifkin, petition this Court for an order requiring Rifkin to pay disgorgement of \$5,550,000, prejudgment interest on that amount of \$1,789,405.98, a civil penalty up to the maximum provided by law, and postjudgment interest. In connection with any such petition, the only issues shall be whether the financial information provided by Rifkin 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 Rifkin to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the Commission also may request additional discovery. Rifkin may not, by way of defense to such petition, challenge the validity of the Consent or the Final Judgment, contest the allegations in the Amended Complaint filed by the Commission, or assert that payment of disgorgement, prejudgment interest thereon, a civil penalty, or postjudgment interest, should not be ordered.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Rule 65(d) of the Federal Rules of Civil Procedure, this Final Judgment is binding upon Rifkin, his agents, servants, employees, and attorneys, and upon those persons in active

concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise.

IX.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions of the annexed Consent be, and hereby are, incorporated herein with the same force as if fully set forth herein.

X.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, there being no just reason for delay, the Clerk of this Court is hereby directed to enter this Final Judgment pursuant to Rule 54(b), Federal Rules of Civil Procedure.

XI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this action for all purposes.

CONSENT OF CALMAN H. RIFKIN

1. Calman H. Rifkin ("Rifkin"), being fully apprised of his rights, having had the opportunity to confer with legal counsel, having read and understood the terms of the Final Consent Judgment of Permanent Injunction and Other Relief As To Calman H. Rifkin (the "Final Judgment"), appears and admits the in personam jurisdiction of this Court over him and the subject matter jurisdiction of this Court, waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and, without admitting or denying the allegations contained in the Complaint of the Securities and Exchange Commission (the "Commission"), except as to jurisdiction, hereby consents to the entry, without further notice, of the Final Judgment.

2. Rifkin agrees that this Consent shall be incorporated by reference in and made part of the Final Judgment to be presented to the Court for signature, filing and entry contemporaneously herewith.

3. Rifkin waives any right he may have to appeal from the Final Judgment.

4. Rifkin acknowledges that any willful violation of any of the terms of the Final Judgment may place him in contempt of this Court and subject him to civil or criminal sanctions.

5. Rifkin acknowledges that he enters into this Consent voluntarily, and that this Consent, the Final Judgment, Rifkin's Statement of Financial Condition, dated May 1, 1997, and submitted to the Commission (the "Financial Statement") embody the entire understanding of the parties. Rifkin acknowledges and agrees that this proceeding, and his

consent to the entry of the Final Judgment, are for the purposes of resolving this civil action only, that no tender, offer, promise, threat or representation of any kind has been made by the Commission or any member, officer, attorney, agent, or representative thereof, with regard to: (A) this civil action, that is not explicitly stated in this Consent and the Final Judgment, (B) any administrative proceeding brought or to be brought before the Commission involving the Final Judgment or the facts underlying this action, (C) any other Commission civil action or administrative proceeding not involving the facts underlying this action, (D) any administrative, civil or criminal liability arising from the facts underlying this action in any action or proceeding brought or to be brought by any third party, other agency or criminal authority, or (E) immunity from any such administrative, civil or criminal action or proceeding.

6. Rifkin agrees that if at any time following the entry of this Final Judgment the Commission obtains information indicating that Rifkin'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 with five days prior written notice to Rifkin, petition this Court for an order requiring Rifkin to pay disgorgement of \$5,550,000, prejudgment interest on that amount of \$1,789,405.98, a civil penalty up to the maximum provided by law, and postjudgment interest. In connection with any such petition, the only issues shall be whether the financial information provided by Rifkin 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 Rifkin to pay funds or assets,

directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the Commission also may request additional discovery. Rifkin also agrees that he may not, by way of defense to such petition, challenge the validity of the Consent or the Final Judgment, contest the allegations in the Amended Complaint filed by the Commission, or assert that payment of disgorgement, prejudgment interest thereon, a civil penalty, or postjudgment interest, should not be ordered.

7. Rifkin acknowledges that he has been informed and understands that the Commission, at its sole and exclusive discretion, may refer or grant access to this matter, or any information or evidence gathered in connection therewith or derived therefrom, to any person or entity having appropriate administrative, civil, or criminal jurisdiction, if the Commission has not already done so.

8. Rifkin acknowledges that, in conformity with the provisions of 17 C.F.R. § 202.5(f), his consent and the entry of the Final Judgment do not resolve, affect or preclude any other proceeding that has been or may be brought against him by any criminal authority. Among other things, Rifkin waives any right he may have to assert that, under the Double Jeopardy Clause of the Fifth Amendment to the United States Constitution, the relief sought or consented to in this civil action, including the seeking or imposition of any remedy or civil penalty herein, bars any criminal action, or that any criminal action bars the relief consented to in this action.

9. Rifkin 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, Rifkin 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) that upon the filing of this Consent, Rifkin hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Complaint. If Rifkin breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this case to its active docket. Nothing in this provision affects Rifkin's testimonial obligations or right to take legal positions in litigation in which the Commission is not a party.

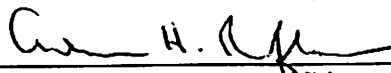
10. Rifkin hereby consents and agrees that the Final Judgment may be presented by the Commission to the Court for signature and entry without further notice and delay.

11. Rifkin agrees that, promptly after the Final Judgment has been entered by the Court, he will execute and return to the Commission an acknowledgement of receipt of the Final Judgment.

12. Rifkin agrees that first class mail to the following address, Carnegie Hall Tower, 152 West 57th Street New York, New York 10019, ATTN: Zane and Rudofsky, Edward S. Rudofsky, Esq., shall be deemed personal service for all correspondence, service and notices as to any matters related to the Final Judgment, unless Rifkin notifies the Commission of any alternative address by certified mail at the following address: Regional Director Carmen J. Lawrence, Esq. (Enforcement), U.S. Securities and Exchange

Commission, Northeast Regional Office, 7 World Trade Center, 13th Floor, New York,
New York 10048, Att: C. Lee Larson, Esq.

Dated: ~~OCTOBER~~ 7, 1997


Calman H. Rifkin

STATE OF *New York*)
COUNTY OF *Richmond*) SS.:

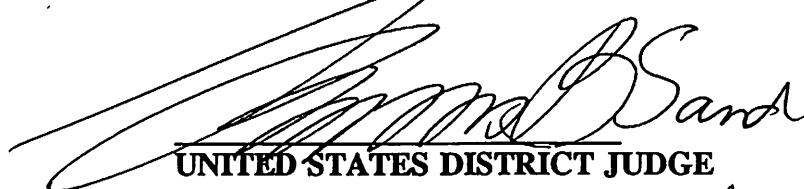
On this *17* day of *Oct*, 1997, before me personally appeared Calman H. Rifkin, to
me known to be the person who executed the foregoing Consent.

RONI M. CASSIDY
NOTARY PUBLIC, STATE OF N.Y.
NO. 01GO5034841
QUALIFIED IN RICHMOND COUNTY
COMMISSION EXPIRES *10/17/98*


NOTARY PUBLIC

SO ORDERED:

Dated, New York, New York, *December* *18*, 1997


UNITED STATES DISTRICT JUDGE
mci

THIS DOCUMENT
ON THE DOCKET 12/24/97

LOCAL CIVIL RULE 8(b) STATEMENT

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

Plaintiff:

Regional Director
Securities and Exchange Commission
Northeast Regional Office
13th Floor
7 World Trade Center
New York, New York 10048

Attention: C. Lee Larson, Esq.

Phone: (212) 748-8150

Defendant Calman H. Rifkin:

Edward S. Rudofsky, Esq.
Zane and Rudofsky
152 West 57th Street
New York, NY 10019

Phone: (212) 245-8553