

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

LARRY F. SMATH, GREGORY R. SALVAGE,
JOSEPH T. FALCONE, PETER L. COHEN,
SETH J. GLASER, and FRANK J. ZANGARA,

Defendants.

CV-99-523 (TCP)

FILED
IN CLERK'S OFFICE
U.S. DISTRICT COURT E.D. N.Y.

★ OCT 07 2004 ★

LONG ISLAND OFFICE

**FINAL JUDGMENT FOR MONETARY RELIEF
AS TO DEFENDANT LARRY F. SMATH**

The Securities and Exchange Commission, having filed a Complaint, and Defendant Larry F. Smath, in the attached Consent of Defendant Larry F. Smath with Respect to Monetary Relief, incorporated herein by reference, having entered a general appearance; consented to the Court's jurisdiction over him and the subject matter of this action; without admitting or denying the allegations of the Complaint (except as to jurisdiction); and waived findings of fact and conclusions of law; waived any right to appeal from this Judgment; and it further appearing that the Court has jurisdiction over Smath and the subject matter of this action:

I.

On December 16, 2003, Smath, his agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them were permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (a) to employ any device, scheme, or artifice to defraud;

- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security.

II.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Smath is liable for disgorgement of \$94,998, representing profits gained as a result of the conduct alleged in the Complaint, prejudgment interest of \$43,875, and a civil penalty of \$51,127 pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]. Smath shall satisfy this obligation by paying \$190,000 within ten business days of the entry of this Final Judgment. Defendant shall make this payment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Larry F. Smath as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Smath shall simultaneously transmit a photocopy of such payment and letter to:

Leslie Kazon, Esq.
Assistant Regional Director
Securities and Exchange Commission
Northeast Regional Office
233 Broadway
New York, New York 10279
Facsimile: (646) 428-1981

By making these payments, Smath relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Smath.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent of Defendant Larry F. Smath with Respect to Monetary Relief is incorporated herein with the same force and effect as if fully set forth herein, and that Smath shall comply with all of the undertakings and agreements set forth therein.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for purposes of enforcing the terms of this Final Judgment.

V.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice

/s/
1/25
UNITED STATES DISTRICT JUDGE

Date: October 7, 2004