

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION :

Plaintiff, :

v. :

KENNETH STEINER AND WOODBRIDGE
FAMILY MEDICAL ASSOCIATES, P.C. :

Defendants. :

CIVIL ACTION
No. 00-

00 2145
FILED

SEP 1 1 2000

NANCY MAYER WHITTINGTON, CLERK
U.S. DISTRICT COURT

FINAL JUDGMENT AS TO KENNETH STEINER

Plaintiff Securities and Exchange Commission ("Commission"), having filed a Complaint, and defendant Kenneth Steiner ("Steiner"), in his Consent and Undertakings ("Consent"), filed herewith, having entered a general appearance, having acknowledged receipt of the Complaint, having admitted the jurisdiction of the Court over him and the subject matter of this action, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and, solely for the purpose of this action, without admitting or denying the allegations of the Complaint (except as to personal and subject matter jurisdiction), having consented to the entry of this Final Judgment as to Kenneth Steiner ("Final Judgment"), having waived any right to appeal from this Final Judgment; and it appearing that this Court has jurisdiction over Steiner and the subject matter hereof, and the Court being fully advised in the premises, **IT IS HEREBY:**

I.

ORDERED, ADJUDGED AND DECREED that Steiner and his agents, servants, employees, attorneys-in-fact, nominees and those persons in active concert or participation with them, and each of them, who receive actual notice of this Final Judgment by personal service or otherwise, be and hereby are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §§ 77e(a) and 77e(c)] by,

(a) Unless a registration statement is in effect as to a security, directly or indirectly --

(1) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise; or

(2) carrying or causing to be carried through the mails or interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale [as prohibited by Section 5(a)]; or

(b) Directly or indirectly, 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 a registration statement 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. [as prohibited by Section 5(c)].

II.

FURTHER ORDERED, ADJUDGED AND DECREED that Steiner shall:

- A. disgorge \$602,648, representing monies or benefits that he derived from the conduct alleged in the Complaint, plus prejudgment interest thereon of \$220,433;
- B. jointly and severally with defendant Woodbridge Family Medical Associates P.C. disgorge \$322,141, representing monies or benefits that Woodbridge derived from the conduct alleged in the Complaint, plus prejudgment interest thereon of \$111,376, and
- C. pay a civil penalty of \$50,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)].

III.

FURTHER ORDERED, ADJUDGED AND DECREED that Steiner shall deliver to the Court-appointed Receiver payments (pursuant to Paragraph II of this Final Judgment) on the following schedule and in the following amounts: (i) within ten (10) days of the entry of the Final Judgment disgorgement of \$306,074, plus prejudgment interest thereon in the amount of \$111,954, (ii) within forty-five (45) days of the entry of the Final Judgment disgorgement of \$322,141, plus prejudgment interest thereon in the amount of \$111,376, and (iii) within ninety (90) days of the entry of the Final Judgment disgorgement of \$296,574, plus prejudgment interest thereon in the amount of \$108,479. Steiner shall notify the Commission of each such transfer or delivery by sending a copy of any check, money order, or wire transfer to: Erich T. Schwartz, Assistant Director, Division of Enforcement, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 7-6, Washington, DC 20549-0706. Such payment(s) shall

thereafter be distributed pursuant to a plan for distribution of disgorgement funds, to be filed by the Commission or the Court-appointed Receiver with the Court, but in no event shall any of the funds, securities, or other things of value paid, transferred, assigned, or delivered to the Court-Appointed Receiver be returned, directly or indirectly, to Woodbridge, Steiner, or his nominees.

IV.

FURTHER ORDERED, ADJUDGED AND DECREED that Steiner shall deliver, within thirty (30) days of the entry of this Final Judgment, a United States postal money order, certified check, bank cashier's check or bank money order in the amount of \$50,000, representing the penalty described in Paragraph II above, to: Office of the Comptroller, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 0-3, Washington, D.C. 20549. The check or money order shall be made payable to the "Securities and Exchange Commission" and bear on its face the caption and case number of this action and the name of this Court. Steiner also shall deliver a copy of the check or money order, within thirty (30) days of the entry of the Final Judgment, to: Erich T. Schwartz, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 7-6, Washington, D.C. 20549.

V.

FURTHER ORDERED, ADJUDGED AND DECREED that Steiner and his agents, servants, employees, attorneys-in-fact, nominees and those persons in active concert or participation with them, and each of them, who receive actual notice of this Final Judgment by personal service or otherwise, are permanently enjoined for a period of three years from the date of this Final Judgment from destroying, mutilating, concealing, altering, or disposing of any items, including, but not limited to, any books, records, documents, contracts, agreements,

assignments, obligations, tape recordings, computer media or other property, relating to the activities described in the Complaint.

VI.

FURTHER ORDERED, ADJUDGED AND DECREED that Steiner, on his own behalf, and on behalf of his nominees, Julia Steiner, Marlene Steiner and Margolit Steiner, has waived any rights he or his nominees may have to make any claim against the disgorgement fund held by the Court-appointed Receiver with the registry of the Court.

VII.

FURTHER ORDERED, ADJUDGED AND DECREED that Steiner shall comply with the annexed Consent which is incorporated herein with the same force as if fully set forth in this Final Judgment.

VIII.

There being no just 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.

SO ORDERED


UNITED STATES DISTRICT JUDGE

Dated: September 8, 2000
Washington, D.C.