

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

UNITED STATES  
SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

JOHN N. BRINCAT, Sr. and  
BRADLEY VALLEM,

Defendants.

NO. 01 C 2670

Hon. James B. Zagel

DOCKETED  
JAN 30 2002

**FINAL JUDGMENT AND ORDER OF PERMANENT INJUNCTION AND  
OTHER RELIEF AS TO DEFENDANT BRADLEY VALLEM**

Defendant Bradley Vallem ("Vallem") having (i) entered a general appearance; (ii) consented to the Court's jurisdiction over Vallem and the subject matter of this action; (iii) without admitting or denying the allegations of the Complaint, except as to jurisdiction, which is admitted, consented to entry of this Final Judgment and Order of Permanent Injunction and Other Relief ("Final Judgment") without further notice; (iv) waived findings of fact and conclusions of law; and (v) waived any right to appeal from this Judgment. The Court having jurisdiction over Vallem and the subject matter hereof, and being fully advised in the premises:

**I.**

**IT IS ORDERED** that Vallem, his agents, servants, employees, attorneys, and those persons in active concert or participation with him who receive actual notice of this Judgment, by personal

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service or otherwise, are permanently restrained and enjoined from, in the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, directly or indirectly, employing any device, scheme or artifice to defraud, or engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser, in violation of Section 17(a) (1) or 17(a)(3) of the Securities Act of 1933 [15 U.S.C. §§77q(a)(1) or (3)];

**II.**

**IT IS ORDERED** that Vallem, his agents, servants, employees, attorneys, and those persons in active concert or participation with him who receive actual notice of this Judgment, by personal service or otherwise, are permanently restrained and enjoined from, directly or indirectly, 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:

- 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 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,

in violation of Section 10(b) of the Securities Exchange Act of 1934 [15 U.S.C. §78j(b)] and Rule 10b-5 [17 C.F.R. §240.10b-5] thereunder.

**III.**

**IT IS ORDERED** that within sixty (60) days of the entry of this Final Judgment, pursuant to Section 20(d) of the Securities Act of 1933 [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Securities Exchange Act of 1934 [15 U.S.C. §78u(d)(3)], Vallem shall pay a civil penalty of \$50,000.00 to the United States Treasury. Such payment shall be: (A) made by United States Postal money order, certified check, bank cashier's check or bank money order; (B) made payable to the United States Securities and Exchange Commission; (C) hand-delivered or mailed to the Comptroller, United States Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312; and (D) submitted under a cover letter that identifies Bradley Vallem as a defendant in this matter and the case number of this matter, a copy of which cover letter and money order or check shall be sent to Erik J. Lillya, Division of Enforcement, Securities and Exchange Commission, Suite 1400, 500 West Madison Street, Chicago, Illinois 60661. The Commission shall forward such funds to the U.S. Treasury;

**IV.**

**IT IS ORDERED** that the Consent of Defendant Vallem is incorporated herein with the same force and effect as if fully set out herein;

**V.**

**IT IS ORDERED** that this Court grants leave to Vallem to withdraw his answer to the Amended Complaint and all other pleadings and papers filed by him in this case, which are hereby withdrawn; and

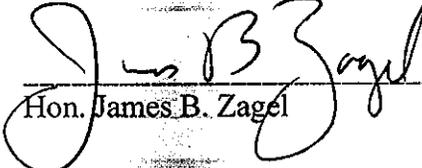
**VI.**

**IT IS ORDERED** that this Court shall retain jurisdiction of this matter for all purposes including, among other things, the implementation and enforcement of the terms and conditions of all orders and decrees that may be entered by this Court, and Vallem's Consent attached hereto and incorporated herein, or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

**VII.**

**IT IS ORDERED** that there being no just reason for delay, pursuant to Fed. R. Civ. P. 54(b), the Clerk is ordered to enter this Judgment forthwith and without further notice.

Dated: JAN 29 2002, 2002

  
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Hon. James B. Zagel