

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

BURTON FRIEDLANDER,
FRIEDLANDER INTERNATIONAL LIMITED,
FRIEDLANDER MANAGEMENT LIMITED,
FRIEDLANDER CAPITAL MANAGEMENT
CORPORATION,
OPAL INTERNATIONAL FUND, and
FRIEDLANDER LIMITED PARTNERSHIP,

Defendants.

Civil Action No.
01 Civ. 4658
(KMW/KNF)

FINAL JUDGMENT AS TO DEFENDANT BURTON G. FRIEDLANDER

The Securities and Exchange Commission having filed a First Amended Complaint and Defendant Burton G. Friedlander (“Defendant” or “Friedlander”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are 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, in connection with the purchase or sale of any security:

- (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.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] 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, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
 - (b) to obtain money or property by means of any untrue statement of a material fact or any omission of 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) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Sections 206(1) and (2) of the Investment Advisers Act [15 U.S.C. § 80b-6] by the use of any the mails or any means or instrumentality of interstate commerce, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud any client or prospective client; or
- (b) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that, in light of the payments, forfeitures, and surrender of assets, in the amount of \$4,875,674, as listed below, Defendant shall not be liable for disgorgement or prejudgment interest. The prior payments, forfeitures, and surrender of assets referenced herein are:

- (a) **Payments made and assets surrendered in connection with Defendant's personal bankruptcy proceeding, In re: Burton G. Friedlander, No. 02-33380-BKC-SHF, S.D. Fla., West Palm Beach Division (the "Bankruptcy proceeding"), which payments made and assets surrendered include:**

- (1) payment of \$540,000 to resolve the Objections to Defendant's homestead claim as to a condominium in Palm Beach, Florida;
 - (2) \$525,000 from the sale of Defendant's half interest in real property in Utah;
 - and
 - (3) payment of \$30,000 to resolve a claim with an investor in a pooled fund that Defendant operated;
- (b) Interests forfeited or disallowed as reflected in the Receiver's Plan of Distribution of the Assets of Friedlander International Limited and Friedlander Limited Partnership, dated September 15, 2003, which was approved by the Court on January 8, 2004, or forfeited in connection with the Receiver's liquidation of assets, which include:
- (1) forfeiture of any interest in a commodity trading account, with an approximate value of \$279,000, in the name of Friedlander Management Limited;
 - (2) forfeiture of any interest in a sailboat, with a realized value of approximately \$175,000, titled in the name of Friedlander Management Limited;
 - (3) forfeiture of an interest in Friedlander International Limited with an approximate value of \$1,180,000; and
 - (4) forfeiture of an interest in Friedlander Limited Partnership with an approximate value of \$94,000; and
- (c) Payment of the sum of \$2,052,674 in connection with Defendant's guilty plea on May 25, 2005, and plea agreement in United States v. Friedlander, No. 03 Cr. 1172 (JGK) in the United States District Court for the Southern District of New York.

V.

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

VI.

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

Dated: 2-20, 07

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UNITED STATES DISTRICT JUDGE M

The Clerk of Court is directed to close this case. Any pending motions are moot.

THIS DOCUMENT WAS ENTERED ON THE DOCKET ON _____