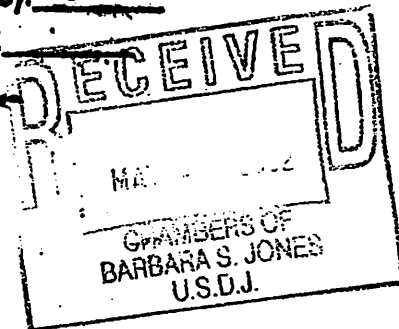


UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

COUNSEL FOR PLAINTIFF(S):  
COUNSEL FOR DEFENDANT(S):  
DATE: 5/18/02



SECURITIES AND EXCHANGE COMMISSION,

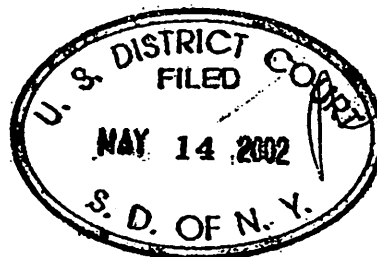
Plaintiff,

v.

AMERICAN HEALTHCARE PROVIDERS, INC.,  
ARTHUR W. WHEELER, LARS M. KRAM,  
ANGEL L. LORIE JR., LUIS F. LORIE, AND  
MICHAEL ANTHONY LESTER,

Defendants.

01 Civil Action No. 7649  
(B.S.J.)



**FINAL CONSENT JUDGMENT OF PERMANENT INJUNCTION  
AND OTHER RELIEF AS TO DEFENDANT MICHAEL ANTHONY LESTER**

Plaintiff Securities and Exchange Commission ("Commission"), having filed a Complaint for injunctive and other relief on August 16, 2001 ("Complaint") charging Defendant Michael Anthony Lester ("Lester"), among others, with violations of Section 17(a) and 17(b) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77q(a) and (b), and 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 Lester having executed the annexed Consent of Michael Anthony Lester ("Consent") admitting the jurisdiction of this Court over him and over the subject matter of this action, waiving 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, except as to jurisdiction, which are admitted, consents to the entry of this Final Consent Judgment Of Permanent Injunction and Other Relief As To Defendant Michael Anthony Lester ("Final Judgment"). Therefore, without further notice:

-900AM

MAY 15 2002

**I.**

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Defendant Lester be and hereby is permanently enjoined and restrained, directly or indirectly, 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 the use of the mails, from:

- (1) employing any device, scheme, or artifice to defraud;
- (2) obtaining money or property by means of any untrue statement of a material fact or any omission 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 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, 15 U.S.C. § 77q(a).

**II.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant Lester be and hereby is permanently enjoined and restrained, directly or indirectly, by the use of any means or instrumentalities of interstate commerce or by the use of the mails, from:

publishing, giving publicity to, or circulating any notice, circular, advertisement, newspaper, article, letter, investment service, or communication which, though not purporting to offer a security for sale, describes such security for a consideration received or to be received, directly or indirectly, from an issuer, underwriter, or dealer, without

fully disclosing the receipt, whether past or prospective, of such consideration and the amount thereof,

in violation of Section 17(b) of the Securities Act, 15 U.S.C. § 77q(b).

**III.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant Lester be and hereby is permanently enjoined and restrained, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentalities of interstate commerce or of the mails or of any facility of any national securities exchange, from:

- (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, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

**IV.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that based upon Lester's representations in his Sworn Statement of Financial Condition, dated December 6, 2000, and submitted to the Commission, the Court is not ordering him to pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act,

15 U.S.C. §78u(d)(3). The determination not to impose a civil penalty is contingent upon the accuracy and completeness of Lester's Sworn Statement of Financial Condition. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Lester's representations to the Commission concerning his assets, income, expenses, 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 without prior notice to Lester, petition this Court for an order requiring Lester to pay a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Lester was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Lester to pay funds or assets, or directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Lester may not, by way of defense to such petition, challenge the validity of this Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, or assert that payment of a civil penalty should not be ordered.

V.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), Lester is hereby barred from serving as an officer or director of any issuer that has a class of securities registered under Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

VI.

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

VII.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this Final Judgment is binding upon Defendant Lester, his agents, servants, employees, attorneys, and upon all persons in active concert or participation with Defendant Lester who receive actual notice of this Final Judgment by personal service or otherwise, pursuant to Federal Rule of Civil Procedure 65(d).

VIII.

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

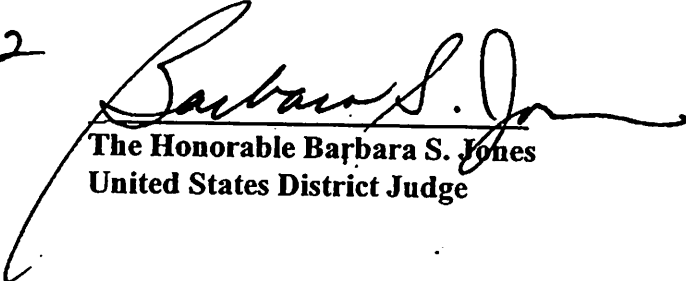
XIV.

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

SO ORDERED.

Dated: New York, New York  
February \_\_, 2002

May 8, 2002

  
The Honorable Barbara S. Jones  
United States District Judge

THIS DOCUMENT WAS ENTERED  
ON THE DOCKET ON 5/15/02