

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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
(BSJ) (THK)

COPY MAILED / FAXED TO:

COUNSEL FOR PLTFF(S) _____

COUNSEL FOR DFT(S) _____

PLTFF PRO SE _____

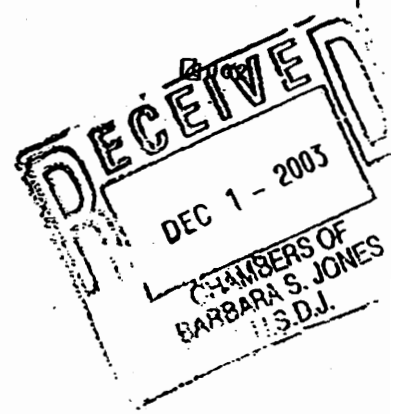
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DATE 12/1/03

BY W

**FINAL JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF AS TO ANGEL L. LORIE JR.**

Plaintiff Securities and Exchange Commission ("Commission"), having commenced this action by filing a Complaint for injunctive and other relief on August 16, 2001, alleging that defendant Angel L. Lorie, Jr. ("Lorie") violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§77e(a), 77c(c), and 77q(a), Sections 10(b) and 15(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 a Commission order that barred Lorie from participating in a penny stock offering, In the Matter of Diversified Capital Resources, Inc. and Angel Lorie, Exchange Act Release No. 39161, File No. 3-9463 (Sept. 30, 1997), and defendant Lorie having executed the annexed Consent to Final Judgment of Permanent Injunction and Other Relief as to Angel L. Lorie ("Consent"), having withdrawn his answer to the Complaint, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having admitted the jurisdiction of this Court



over him and over the subject matter of this action, and, without admitting or denying the allegations contained in the Complaint, except as to jurisdiction, having consented to the entry of this Final Consent Judgment of Permanent Injunction and Other Relief as to Angel L. Loric ("Final Consent Judgment"), having waived any right to appeal from the Final Consent Judgment, without further notice:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that defendant Loric be and hereby is permanently enjoined from, directly or indirectly, singly or in concert:

- (A) making use of any means or instrument of transportation or communication in interstate commerce or of the mails to sell any security of any issuer, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect as to such securities; or
- (B) carrying or causing to be carried through the mails or in interstate commerce, by any means or instrument of transportation, for the purpose of sale or for delivery after sale, any security of any issuer, unless and until a registration statement is in effect as to such securities; or
- (C) making use of any means or instrument 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 of any issuer, unless and until a registration statement has been filed with the Commission as to such securities, or while a registration statement as to such securities is the subject of a refusal order or stop order or (prior to the effective date of the

registration statement) any public proceeding of examination under Section 8 of the Securities Act,

in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§77e(a), 77c(c).

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Lorie be and hereby is permanently enjoined from, directly or indirectly, singly or in concert, in the offer or sale of any security, by the use of any means or instrument of transportation or communication in interstate commerce or by use of the mails:

- (A) employing any device, scheme or artifice to defraud; or
- (B) obtaining money or property by means of an 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 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).

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Lorie be and hereby is permanently enjoined and restrained from, directly or indirectly, singly or in concert, 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 Exchange Act, 15 U.S.C. §78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §240.10b-5.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Lorie be and hereby is permanently enjoined and restrained from, directly or indirectly, singly or in concert, participating in an offering of penny stock including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock, in violation of the penny stock bar issued bar ordered by the Commission in In the Matter of Diversified Capital Resources, Inc. and Angel Lorie, Exchange Act Release No. 39161, File No. 3-9463 (Sept. 30, 1997), and in violation of Section 15(b) of the Exchange Act, 15 U.S.C. §78o(b). A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. 240.3a51-1].

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that, immediately upon entry of this Final Consent Judgment, defendant Lorie is liable for and

directed to pay to the Commission disgorgement of \$1,451,802.76, representing disgorgement of profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$316,805.21, for a total of \$1,768,607.97.

Lorie shall also pay post-judgment interest on the outstanding balance of the total obligation (\$1,768,607.97) from the date of entry of this Final Judgment until paid in full, at the post-judgment interest rate set forth at 28 U.S.C. §§ 1961(a) and (b) (hereinafter the "Post-Judgment Rate") (collectively, with disgorgement and pre-judgment interest, the "Loire Monetary Judgment"). With respect to collecting the Loire Monetary Judgment, the Commission's rights shall be the same as if the Loire Monetary Liability had been ordered by the Court following a trial on the merits.

All funds collected shall be deposited into an interest-bearing money market account with the Court Registry Investment System (the "CRIS Account"). Interest earned on the funds in the CRIS Account shall be credited to the CRIS Account and shall thereafter be treated in the same manner as principal. Further, funds in the CRIS Account shall be held until further Order of the Court, and shall be disbursed in accordance with a plan of equitable distribution to victims of Lorie to be submitted by the Commission and approved by the Court. In no event shall any portion of the account be returned to Lorie, his successors, or his assigns.

VI

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77(e), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), Lorie 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).

VII.

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

VIII.

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

IX.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including, but not limited to, implementing and enforcing the terms and conditions of this Final Consent Judgment.

X.

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