

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

RONALD K. MAHABIR, et al.,

Defendants.

DOC # 6

02 CV 1809 (BSJ)



**FINAL JUDGMENT OF PERMANENT INJUNCTION AND
OTHER RELIEF AS TO DEFENDANT RONALD K. MAHABIR**

Defendant Ronald K. Mahabir ("Mahabir") having (i) entered a general appearance; (ii) consented to the Court's jurisdiction over Mahabir and the subject matter of this action; (iii) without admitting or denying the allegations of the Complaint, consented to entry of this Judgment without further notice; (iv) waived the entry of findings of fact and conclusions of law; and (v) waived any right to appeal from this Judgment, it is now

ORDERED, ADJUDGED AND DECREED that Mahabir, and Mahabir's agents, servants, employees and attorneys, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently restrained and enjoined from violating **Section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. §78j(b)) and Rule 10b-5 thereunder (17 C.F.R. §240.10b-5)** by, directly or indirectly, through the use of 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, (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; and further

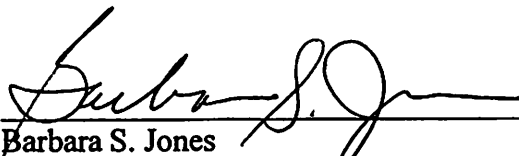
ORDERED, ADJUDGED AND DECREED that Defendant Mahabir pay to the United States Treasury, a civil penalty of \$264,961.50 pursuant to Section 21A of the Securities Exchange Act of 1934 (15 U.S.C. §78u-1), within ten days of the entry of this judgment. Such payment shall be: (A) made by United States postal money order, certified check, bank cashier's check or bank money order; (B) made payable to the "Securities and Exchange Commission"; (C) hand delivered or mailed to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312; and (D) submitted under cover letter that identifies Ronald K. Mahabir as a defendant, the caption and case number of this action, and the name of this Court. Copies of such check or money order and accompanying cover letter shall be simultaneously transmitted to Charles Cain, Esq., Senior Counsel, Division of Enforcement, Securities and Exchange Commission, 450 5th Street, N.W., Washington, D.C. 20549-0800; and further

ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including the implementation and enforcement of this Judgment.

* * *

There being no just reason for delay, pursuant to Fed. R. Civ. P. 54(b), the Clerk of the Court is hereby directed to enter this Judgment forthwith and without further notice.

Dated: June 25, 2002



Barbara S. Jones
UNITED STATES DISTRICT JUDGE

THIS DOCUMENT WAS ENTERED
ON THE DOCKET ON 6/28/02

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

02 CIV 1809 (BSJ)

Plaintiff,

v.

RONALD K. MAHABIR, et al.,

Defendants.

CONSENT AND UNDERTAKINGS OF DEFENDANT RONALD K. MAHABIR

1. Defendant Ronald K. Mahabir ("Mahabir") enters a general appearance, admits the jurisdiction of this Court over him and over the subject matter of this action and acknowledges service upon him of the complaint ("Complaint") of Plaintiff Securities and Exchange Commission (the "Commission") in this action.

2. Mahabir, without admitting or denying the allegations of the Complaint, except as to jurisdiction, which he admits, hereby consents to the entry of the Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"), in the form attached hereto and incorporated by reference herein. The Final Judgment permanently restrains and enjoins Mahabir from violating 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].

3. Mahabir waives any right he may have to appeal from the entry of the Final Judgment.

4. Mahabir enters into this Consent freely, voluntarily and of his own accord, and he acknowledges that no threats, inducements or promises of any kind have been made by the



Commission or by any member, officer, employee, agent or representative thereof to induce him to enter into this Consent.

5. Mahabir agrees that this Consent shall be incorporated into the Final Judgment by reference with the same effect as if fully set forth therein.

6. Mahabir waives the filing of an answer to the Complaint and waives a hearing and the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

7. Mahabir agrees to pay to the United States Treasury a civil penalty in the amount of \$264,961.50 pursuant to Section 21A of the Exchange Act, within ten days of the entry of the Final Judgment. 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 "Securities and Exchange Commission"; (C) hand delivered or mailed to the Comptroller, Securities and Exchange Commission Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312; and (D) submitted under cover letter that identifies Ronald K. Mahabir as a defendant, the caption and case number of this action, and the name of the Court. Copies of such check or money order and accompanying cover letter shall be simultaneously transmitted to Charles Cain, Senior Counsel, Division of Enforcement, Securities and Exchange Commission, 450 5th Street, N.W., Washington, D.C. 20549-0800.

8. Mahabir understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings" (17 C.F.R. § 202.5). In compliance with this policy, Mahabir agrees not to take any action or to make or permit to be made



any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis. If Mahabir breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this provision affects Mahabir's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation in which the Commission is not a party.

9. Mahabir hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996 or any other provision of law to pursue reimbursement of attorney's fees or other fees, expenses or costs expended by Mahabir to defend against this action. For these purposes, Mahabir agrees that he is not the prevailing party in this action since the parties have reached a good faith settlement.

10. Mahabir acknowledges and agrees that this proceeding and his Consent are for the purposes of resolving this proceeding only, in conformity with the provisions of 17 C.F.R. 202.5(f), and do not resolve, affect, or preclude any other proceeding which may be brought against him. Consistent with the provisions of 17 C.F.R. 202.5(f), Mahabir waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Mahabir acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding.

A handwritten signature in black ink, appearing to be "Mahabir", is located at the bottom right of the page.

11. Mahabir agrees that he will appear and testify at the request of any party at any deposition, hearing or trial in any action arising out of the matters described in the Complaint in this action. In connection with any such deposition, hearing or trial, Mahabir hereby: (a) appoints John K. Carroll, Esq., Clifford Chance Rogers & Wells, 200 Park Avenue, New York, New York 10166-0153, as Mahabir's agent to receive on his behalf any notice, request or subpoena for his appearance and testimony; (b) agrees that, with fourteen (14) days notice, he will produce documents and provide interviews at the request of the SEC staff; (c) agrees that any notice, request or subpoena may be served on Mahabir or John K. Carroll, Esq. by mail; (d) agrees that any notice or subpoena for Mahabir's appearance and testimony may be served and request testimony beyond the territorial limits imposed by Rule 45 of the Federal Rules of Civil Procedure, provided the party requesting the testimony reimburses Mahabir's travel, lodging and subsistence expenses at the then prevailing U.S. Government per diem rates; and (e) consents to personal jurisdiction over Mahabir in any United States District Court for the purpose of enforcing any such subpoena for Mahabir's appearance and testimony.

12. Mahabir agrees that he will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection he may have based thereon.

13. Mahabir acknowledges that this Consent and the Final Judgment embody the entire agreement resolving this action, and represents that he read this Consent before signing it.

14. Mahabir agrees that the Final Judgment may be presented by the Commission to the Court for signature and entry without further notice.

A handwritten signature in black ink, appearing to read "Mahabir", is located at the bottom right of the page.

15. Mahabir waives service of the Final Judgment upon him and agrees that entry of the Final Judgment by the Court and filing with the Clerk in the Southern District of New York will constitute notice to him of the terms and conditions of such Final Judgment.

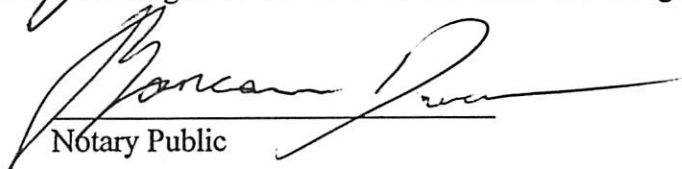
16. Mahabir agrees that this Court shall retain jurisdiction over this action for the purposes of implementing and enforcing the terms and conditions of the Final Judgment and for all other purposes.

Dated: May 7, 2002



Ronald K. Mahabir

On this 7th day of May, 2002, Ronald K. Mahabir, being known to me, personally appeared before me, and acknowledged to me that he executed the foregoing Consent.



Notary Public

Commission Expires: No Expiring Date

Approved as to form:



John K. Carroll, Esq.
Clifford Chance Rogers & Wells
200 Park Avenue
New York, NY 10166-0153
212-878-8596
Attorney for Defendant Ronald K. Mahabir

Sydney Australia

