

Original

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

FILED
IN CLERK'S OFFICE
U.S. DISTRICT COURT, E.D.N.Y.

UNITED STATES SECURITIES AND)
EXCHANGE COMMISSION,)
450 Fifth Street, N.W.)
Washington, D.C. 20549)
)
Plaintiff,)
)
v.)
)
ERIC PATTON, et al.)
)
Defendants.)

★ AUG 21 2002 ★
BROOKLYN OFFICE

Civil Action No. CV 02-2564

**FINAL JUDGMENT AS TO DEFENDANT
PANAYIOTIS PAPASERAPHIM**

Plaintiff, the United States Securities and Exchange Commission ("Commission"), having filed its Complaint, and Defendant Panayiotis Papaseraphim ("Papaseraphim") in his attached Consent and Undertakings of Panayiotis Papaseraphim ("Consent") incorporated herein, having entered a general appearance, having admitted this Court's jurisdiction over him and over the subject matter of this action, having acknowledged service of the Summons and Complaint, having waived the filing of an 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 waived any right he may have to appeal from the entry of this Final Judgment as to Panayiotis Papaseraphim ("Final Judgment") and, without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, to which he admits, and without presentation of any evidence, trial, argument, or adjudication of any issue of fact or law, having consented to the

[Handwritten initials]

entry of this Final Judgment, and it further appearing that this Court has jurisdiction over him and the subject matter hereof, and this Court being fully advised in the premises:

I.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Papaseraphim, his agents, servants, employees, attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently restrained and enjoined from, directly and indirectly, violating Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder by, directly or indirectly, using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (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 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

in connection with the purchase or sale of any security.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Papaseraphim pay (1) disgorgement, representing his gains from the conduct alleged in the

Complaint, together with prejudgment interest thereon at the rates established pursuant to 26 U.S.C. § 6621(a)(2), in the total amount of \$5,906 (US); and (2) a civil penalty of \$5,297 (US) pursuant to Section 21A of the Exchange Act, [15 U.S.C. § 78uA]. The Court orders that Defendant Papaseraphim shall pay disgorgement and the civil penalty in the total amount of \$11,113 (US) as follows. Payment shall be made in four installments of \$2,778.25 each over a period of one year commencing from the date of entry of this Final Judgment. Payments shall be credited first to disgorgement and prejudgment interest and then to the civil penalty. The first payment shall be due thirty days after the entry of this Final Judgment with successive payments due in ninety-day intervals thereafter. At his election, Papaseraphim may prepay any of the installment payments ordered herein. Interest on the judgment will accrue at the rate prescribed in 28 U.S.C. § 1961. The full amount of all accrued postjudgment interest shall be paid along with the final installment payment. All payments shall be made by cashier's check, certified check, United States postal money order, or bank money order made payable to the "United States Treasury," and shall be transmitted to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312. All payments to the Comptroller shall be accompanied by a letter that identifies Papaseraphim as the defendant in this action, the caption and case number of this action, and the name of this Court. Copies of the check and accompanying cover letter shall be simultaneously transmitted to Christopher Conte, Assistant Director, Division of Enforcement, Securities and Exchange Commission, 450 Fifth Street, N.W., mail Stop 7-7, Washington, DC 20549-0707.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Papaseraphim's accompanying Consent be, and it hereby is, incorporated herein with the same force and effect as if fully set forth herein and that Papaseraphim shall comply with the terms of the attached Consent.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this action for all purposes, including implementation and enforcement of the terms and conditions of this Final Judgment and attached Consent.

V.

There being no reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith and without further notice.

SO ORDERED.

Brooklyn, New York
August 16, 2002

~~UNITED STATES DISTRICT JUDGE~~