

UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF MICHIGAN

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SECURITIES AND EXCHANGE		)
COMMISSION,		)
		)
	Plaintiff,	)
		)
v.		)
		)
PATRICK D. QUINLAN, LEE P. WELLS,		)
KEITH D. PIETILA,		)
ALEXANDER J. AJEMIAN		)
JOHN P. O'LEARY, CHERYL A. SWAIN		)
and KEVIN C. LASKY,		)
		)
	Defendants.	)
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Civil Action No. 02-60082

Honorable Marianne O. Battani

**FINAL JUDGMENT AS TO PATRICK D. QUINLAN**

This Court having granted Plaintiff’s Motion for Summary Judgment and found that Defendant Patrick D. Quinlan (“Quinlan”) violated Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)] and Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78j(b) and 78m(b)(5)] and Rules 10b-5, 13b2-1 and 13b2-2 thereunder [17 C.F.R. §§ 240.10b-5, 240.13b2-1 and 240.13b2-2] and aided and abetted violations of Sections 13(b)(2)(A), 13(b)(2)(B) and 15(d) of the Exchange Act [15 U.S.C. §§ 78m(b)(2)(A), 78m(b)(2)(B) and 78o(d)] and Rules 12b-20, 15d-1 and 15d-13 thereunder [17 C.F.R. §§ 240.12b-20, 240.15d-1 and 240.15d-13] and that permanent injunctive and other relief should be imposed against Quinlan:

1. IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Quinlan and Quinlan’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 enjoined and restrained 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 the 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 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 transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

2. IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Quinlan and Quinlan'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 enjoined and restrained from violating, directly or indirectly, 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], 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 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. 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.

3. IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Quinlan and Quinlan'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 enjoined and restrained from aiding and abetting violations of Section 13(b)(2)(A), 13(b)(2)(B) and 15(d) of the Exchange Act [15 U.S.C. §§ 78m(b)(2)(A), 78m(b)(2)(B) and 78o(d)] and Rules 12b-20, 15d-1 and 15d-13 thereunder [17 C.F.R. §§ 240.12b-20, 240.15d-1 and 240.15d-13], by knowingly providing substantial assistance to an issuer with a security registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or an issuer which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)] that:

- a. files materially untrue, incorrect, false or misleading annual reports;
- b. files materially untrue, incorrect, false or misleading quarterly reports;
- c. fails, in addition to information expressly required to be included in statements or reports filed with the Commission, to add such further material information, if any, as may be necessary to make required statements, in light of the circumstances under which they are made, not misleading;
- d. fails to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of its assets; or

- e. fails to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:
  - (i) transactions are executed in accordance with management's general or specific authorization;
  - (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;
  - (iii) access to assets is permitted only in accordance with management's general or specific authorization; or
  - (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

4. IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Quinlan and Quinlan'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 enjoined and restrained from violating, directly or indirectly, Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] and Rules 13b2-1 and 13b2-2 thereunder [17 C.F.R. §§ 240.13b2-1 and 240.13b2-2] by:

- a. knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account of any issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or any company which

is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)];

- b. falsifying or causing to be falsified, directly or indirectly, any book, record or account of any company which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or any company which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)]; or
- c. making or causing to be made material false or misleading statements, or omitting or causing another to omit a material fact necessary to make a statement not misleading, to an accountant in connection with an audit or examination of financial statements or a document or report required to be filed with the Commission.

5. IT IS HEREBY 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)(2) of the Exchange Act [15 U.S.C. § 21(d)(2)], Quinlan is prohibited from acting as an officer or director of any issuer having a class of securities registered with the Commission pursuant to 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)].

6. IT IS HEREBY 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: November 14, 2008

s/Marianne O. Battani  
Marianne O. Battani  
United States District Judge