

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

| | | |
|-------------------------------------|---|-------------------------------|
| _____ |) | |
| SECURITIES AND EXCHANGE COMMISSION, |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| v. |) | Civil Action No. 03-12154-NMG |
| |) | |
| MARTIN J. DRUFFNER, |) | |
| JUSTIN F. FICKEN, |) | |
| SKIFTER AJRO, |) | |
| JOHN S. PEFFER, |) | |
| MARC J. BILOTTI and |) | |
| ROBERT E. SHANNON, |) | |
| |) | |
| Defendants. |) | |
| _____ |) | |

**FINAL JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF
AS TO DEFENDANT MARC J. BILOTTI**

The Securities and Exchange Commission having filed an Amended Complaint in this action and Marc J. Bilotti having entered a general appearance, consented to the Court’s jurisdiction over himself and the subject matter of this action, consented to entry of this Final Judgment without admitting or denying the allegations of the Amended Complaint (except as to jurisdiction), waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Bilotti and his 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 restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (“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 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 of 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 transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Bilotti and his 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 restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §78j(b)] and Rule 10b-5 promulgated 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 to omit 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 act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Bilotti shall pay a civil penalty in the amount of \$20,000 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)]. Bilotti shall pay this penalty in five installments according to the following schedule calculated from the date of entry of this Final Judgment:

| <i>Time after Entry</i> | <i>Amount Due</i> |
|-------------------------|---|
| 10 days | \$10,000 |
| 90 days | \$2,500 |
| 180 days | \$2,500 |
| 270 days | \$2,500 |
| 365 days | \$2,500 plus post-judgment interest under 28 U.S.C. §1961. |

If under this schedule, any payment is due on a Saturday, Sunday or federal holiday, the payment shall be made on the business day preceding the due date. If Bilotti fails to make any payment as required by this schedule, all remaining outstanding payments due under this Final Judgment shall become due and payable immediately, without further application to the Court, together with post-judgment interest under 28 U.S.C. §1961 calculated from the date of entry of this Final Judgment. Bilotti shall make each payment by certified check, bank cashier's check, or United

States postal money order payable to the Securities and Exchange Commission. Each payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, VA 22312, and shall be accompanied by a cover letter identifying Bilotti as a defendant in this action, setting forth the title and civil action number of this action and the name of this Court, and specifying that payment is made pursuant to this Final Judgment. Bilotti shall simultaneously transmit photocopies of each payment and cover letter to the Commission's counsel in this action.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Bilotti shall comply with all of the undertakings and agreements set forth therein.

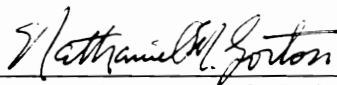
V.

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.

V.

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

Dated: Feb. 29, 2008



UNITED STATES DISTRICT JUDGE