

U.S. DISTRICT COURT
EASTERN DISTRICT OF TEXAS

NOV 29 2004

DAVID J. MALAND, CLERK

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

SAFESCRIPT PHARMACIES, INC.,
formerly known as RTIN HOLDINGS, INC.,
CURTIS A. SWANSON,
STANLEY L. SWANSON,
R. STEPHEN CAVENDAR, and
CURTIS A. BORMAN,

Defendants.

Case No.: 6:04cv455

FINAL JUDGMENT
AS TO DEFENDANT
CURTIS A. BORMAN

**FINAL JUDGMENT AS TO
DEFENDANT CURTIS A. BORMAN**

The Securities and Exchange Commission having filed a *Complaint* and Defendant Curtis A. Borman ("Defendant"), having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of this *Final Judgment*, without admitting or denying the allegations of the *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 FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant 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 aiding and abetting any violations of Section 10(b) of

the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by knowingly providing substantial assistance to an issuer that uses 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.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant 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 Commission Rule 13b2-2 [17 C.F.R. §240.13b2-2], directly or indirectly,

- (a) by making or causing to be made a materially false or misleading statement, or
- (b) by omitting to state, or causing another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with
 - (1) any audit or examination of the financial statements of the issuer required to be made; or

- (2) the preparation or filing of any document required to be filed with the Commission.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant 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 aiding and abetting any violation of Sections 13(a) and 13(b)(2) of the Exchange Act [15 U.S.C. §§78m(a) and 78m(b)(2)] and Rules 12b-20 and 13a-1 [17 C.F.R. §§240.12b-20 and 240.13a-1] by knowingly providing substantial assistance to an issuer that:

- (a) fails to file with the Commission
 - (1) such information and documents as the Commission shall require to keep reasonably current the information and documents required to be included in or filed with an application or registration statement filed pursuant to section 12 of the Exchange Act [15 U.S.C. §78I], and
 - (2) such annual reports, certified if required by the rules and regulations of the Commission by independent public accountants, and such quarterly reports, as the Commission may prescribe;
- (b) fails to make and keep books, records and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer;
- (c) fails to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that –

- (1) transactions are executed in accordance with management's general or specific authorization;
- (2) transactions are recorded as necessary (A) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (B) to maintain accountability for assets;
- (3) access to assets is permitted only in accordance with managements' general or specific authorization; and
- (4) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences;

(d) fails to add such further material information, if any, as may be necessary to make required statements, in the light of the circumstances under which they were made, not misleading, to that information expressly required to be included in a statement or report;

(e) fails to file in a timely fashion with the Commission annual reports on the appropriate form authorized or prescribed for each fiscal year; or

(f) fails to file in a timely fashion quarterly reports, as required by Rule 13a-13 [17 C.F.R. §240.13a-13].

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. §78u(d)(2)], Defendant is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of

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

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall disgorge 106,000 options to purchase Safescript Pharmacies, Inc., f/k/a RTIN Holdings, Inc., common stock pursuant to Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)]. Defendant shall disgorge these options within ten (10) business days after entry of this *Final Judgment*. These options shall be delivered to Edward Dmytryk at Safescript Pharmacies, Inc., 911 W. Loop 281, Suite 408, Longview, Texas 75604, and shall be accompanied by a letter identifying Curtis A. Borman 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*. A copy of the cover letter and of the form of payment shall be simultaneously transmitted to Spencer C. Barasch, Associate District Administrator, Securities and Exchange Commission, Fort Worth Office, 801 Cherry Street, 19th Floor, Fort Worth, Texas 76102.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$25,000 pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. Defendant shall satisfy this obligation by adhering to the following payment schedule: \$5000.00 with 15 days of the entry of the Final Judgment and followed by a payment of \$1818.20 on the 1st day of the following month, and thereafter a payment of \$1818.18 on the 1st day of each month for 11 months. All payments shall be made by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange

Commission. All payments 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, Virginia 22312, and shall be accompanied by a letter identifying Curtis A. Borman 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*. A copy of the cover letter and of the form of payment shall be simultaneously transmitted to Spencer C. Barasch, Associate District Administrator, Securities and Exchange Commission, Fort Worth Office, 801 Cherry Street, 19th Floor, Fort Worth, Texas 76102.

VII.

IT IS 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 Defendant shall comply with all of the undertakings and agreements set forth therein.

VIII.

IT IS 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*.

IX.

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 this 29th day of November, 2004.

UNITED STATES DISTRICT JUDGE