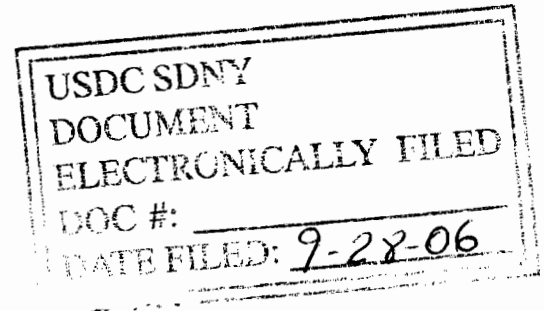


RAKOFF

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**



UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Plaintiff,

v.

SCOTT D. SULLIVAN,

Defendant.

04-CV-1706 (JSR)

FINAL JUDGMENT AS TO MONETARY RELIEF

The Securities and Exchange Commission having filed a Complaint against defendant Scott D. Sullivan ("Defendant"), this Court having previously entered a Judgment of Permanent Injunction Against Scott D. Sullivan ("Judgment of Permanent Injunction") on March 8, 2004 which specifically left the issues of disgorgement of Defendant's ill-gotten gains, prejudgment interest thereon, and any civil money penalties to be imposed on Defendant to be resolved at a later date; the parties having agreed to resolve these issues; defendant Scott D. Sullivan in the accompanying Consent and Undertaking of Scott D. Sullivan ("Consent"), having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and, having consented to entry of this Final Judgment as to Monetary Relief ("Final Judgment"); and it appearing that this Court has jurisdiction over Scott D. Sullivan and the subject matter hereof, and this Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$10 million, representing profits gained as a result of the conduct alleged in the Complaint, together with pre-judgment interest thereon in the amount of \$3,591,889, for a total of \$13,519,889. Based on Defendant's sworn representations in his Statement of Financial Condition dated June 27, 2005, and other documents and information submitted to the Commission ^{and the Court,} however, the Court is not ordering Defendant to pay a civil money penalty and payment of all the disgorgement and pre-judgment interest thereon is waived. The determination not to impose a civil money penalty and to waive payment of all the disgorgement and pre-judgment interest is contingent upon the accuracy and completeness of Defendant's Statement of Financial Condition. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Defendant's representations to the Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Defendant, petition the Court for an order requiring Defendant to pay the unpaid portion of the disgorgement, pre-judgment and post-judgment interest thereon, and the maximum civil money penalty allowable under the law. In connection with any such petition, the only issue shall be whether the financial information provided by Defendant was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The Commission may also request additional discovery. Defendant



may not, by way of defense to such petition: (1) challenge the validity of the Consent or this Final Judgment; (2) contest the allegations in the Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-judgment and post-judgment interest or a civil money penalty should not be ordered; (4) contest the amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the maximum civil money penalty allowable under the law; or (6) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

II.

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.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that all of Defendant's obligations and undertakings pursuant to this Court's Judgment of Permanent Injunction entered on March 8, 2004, except Paragraph VII, shall remain in full force and effect and are not affected, abrogated, or superseded in any way by this Final Judgment.


IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of the action for the purpose of implementing and enforcing the terms of this Final Judgment, the terms of the Judgment of Permanent Injunction, and all other Orders and Decrees that have been or may be entered herein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, there being no just reason for delay, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

DATED: ~~July~~ 9/27 2006
New York, New York



JED S. RAKOFF
U.S.D.J.

Copies to:

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U.S. Securities and Exchange Commission
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ENTERED
U.S. DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

**United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213**

Date:

In Re:

-v-

Case #: ()

Dear Litigant,

Enclosed is a copy of the judgment entered in your case.

Your attention is directed to Rule 4(a)(1) of the Federal Rules of Appellate Procedure, which requires that if you wish to appeal the judgment in your case, you must file a notice of appeal within 30 days of the date of entry of the judgment (60 days if the United States or an officer or agency of the United States is a party).

If you wish to appeal the judgment but for any reason you are unable to file your notice of appeal within the required time, you may make a motion for an extension of time in accordance with the provision of Fed. R. App. P. 4(a)(5). That rule requires you to show "excusable neglect" or "good cause" for your failure to file your notice of appeal within the time allowed. Any such motion must first be served upon the other parties and then filed with the Pro Se Office no later than 60 days from the date of entry of the judgment (90 days if the United States or an officer or agency of the United States is a party).

The enclosed Forms 1, 2 and 3 cover some common situations, and you may choose to use one of them if appropriate to your circumstances.

The Filing fee for a notice of appeal is \$5.00 and the appellate docketing fee is \$450.00 payable to the "Clerk of the Court, USDC, SDNY" by certified check, money order or cash. **No personal checks are accepted.**

J. Michael McMahon, Clerk of Court

by: _____

, Deputy Clerk

APPEAL FORMS

Docket Support Unit

Revised: April 9, 2006

-V-	X
	X

NOTICE OF APPEAL

civ. ()

entered in this action on the _____ day of _____, _____.
(day) (month) (year)

(City, State and Zip Code)

Revised: April 9, 2006

-V-

**MOTION FOR EXTENSION OF TIME
TO FILE A NOTICE OF APPEAL**

civ. ()

[Explain here the “excusable neglect” or “good cause” which led to your failure to file a notice of appeal within the required number of days.]

(Signature)

(Address)

(City, State and Zip Code)

Date: _____ () _____ - _____
(Telephone Number)

Note: You may use this form, together with a copy of Form 1, if you are seeking to appeal a judgment and did not file a copy of Form 1 within the required time. If you follow this procedure, these forms must be received in the office of the Clerk of the District Court no later than 60 days of the date which the judgment was entered (90 days if the United States or an officer or agency of the United States is a party).

FORM 2

APPEAL FORMS

United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213

-----X		
		NOTICE OF APPEAL
		AND
-V-		MOTION FOR EXTENSION OF TIME
		civ. ()
-----X		

1. Notice is hereby given that _____ hereby appeals to
(party)
the United States Court of Appeals for the Second Circuit from the judgment entered on _____.
[Give a description of the judgment]

2. In the event that this form was not received in the Clerk's office within the required time
_____ respectfully requests the court to grant an extension of time in
(party)
accordance with Fed. R. App. P. 4(a)(5).

a. In support of this request, _____ states that
(party)
this Court's judgment was received on _____ and that this form was mailed to the
(date)
court on _____ .
(date)

(Signature)

(Address)

(City, State and Zip Code)

Date: _____ () _____ - _____
(Telephone Number)

Note: You may use this form if you are mailing your notice of appeal and are not sure the Clerk of the District Court will receive it within the 30 days of the date on which the judgment was entered (60 days if the United States or an officer or agency of the United States is a party).

FORM 3

APPEAL FORMS

United States District Court
Southern District of New York
Office of the Clerk
U.S. Courthouse
500 Pearl Street, New York, N.Y. 10007-1213

-----X	
	AFFIRMATION OF SERVICE
	civ. ()
-----X	

I, _____, declare under penalty of perjury that I have
served a copy of the attached _____

upon _____

whose address is: _____

Date: _____
New York, New York

(Signature)

(Address)

(City, State and Zip Code)

FORM 4

APPEAL FORMS