

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

CASE NO. 8:04-cv-01858-JSM-MSS

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
)
v.)
)
GEORGE CARAPELLA and ALAN S. LIPSTEIN,)
)
Defendants.)
_____)

**FINAL JUDGMENT OF PERMANENT INJUNCTION AND
OTHER RELIEF AS TO DEFENDANT ALAN S. LIPSTEIN**

Plaintiff Securities and Exchange Commission commenced this action by filing its Complaint against Defendants George Carapella and Alan S. Lipstein. In its Complaint, the Commission sought a permanent injunction to prohibit each Defendant from violating Sections 17(a)(1) and 17(a)(3) of the Securities Act of 1933 (“Securities Act”) and Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”). The Commission also sought declaratory relief, civil penalties, a penny stock bar, a trading ban, a ban from participating in offerings of unregistered securities, and civil penalties against each Defendant.

Lipstein, by the Consent affixed hereto, without admitting or denying any of the allegations in the Commission's Complaint, except for admitting the jurisdiction of the Court over him and the subject matter of the Complaint, has agreed to the entry of this Judgment of Permanent Injunction and Other Relief (“Final Judgment”), waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment.

Except as otherwise stated in this Final Judgment and the incorporated Consent by Lipstein, the Court hereby dismisses with prejudice all other relief sought in this action. This Court having accepted the Consent and having jurisdiction over Lipstein and the subject matter of the Complaint:

I. PERMANENT INJUNCTIVE RELIEF

A. VIOLATIONS OF SECTION 15(b) OF THE EXCHANGE ACT

IT IS HEREBY ORDERED AND ADJUDGED that Lipstein, his officers, directors, agents, servants, employees, representatives, and all persons in active concert or participation with him, and each of them, directly or indirectly, who receive actual notice of this Final Judgment, by personal service or otherwise, are permanently restrained and enjoined from, directly or indirectly, singly or in concert, as aiders and abettors or otherwise, participating in an offering of a penny stock, including acting as a promoter, finder, consultant, agent, or other person who engages in activities with a broker, dealer, or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock without the consent of the Commission in violation of Section 15(b)(6)(B)(i) of the Exchange Act, [15 U.S.C. § 78o(b)(6)(B)(i)].

B. PENNY STOCK PROHIBITION

IT IS FURTHER ORDERED AND ADJUDGED that Lipstein is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. 240.3a51-1].

II. CIVIL PENALTIES

IT IS FURTHER ORDERED AND ADJUDGED that Lipstein pay a civil penalty in the amount of \$15,000, pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)]. Defendant shall make this payment after entry of this Final Judgment pursuant to the terms of the payment schedule set forth in paragraph III below by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The 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, Virginia 22312, and shall be accompanied by a letter identifying Lipstein 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. Lipstein shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. Lipstein shall simultaneously send a copy of each cover letter and money order or check to Scott A. Masel, Esq., Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, Florida, 33131.

III. PAYMENT SCHEDULE

Lipstein shall pay \$15,000 in three installments according to the following schedule: (1) \$5,000 within 30 days of entry of this Final Judgment; (2) \$5,000 within 90 days of entry of this Final Judgment; (3) \$5,000 within 120 days of entry of this Final Judgment. If Lipstein fails to make any payment by the date agreed or in the amount agreed according to the schedule set forth above, all outstanding payments under this Final Judgment, including

post-judgment interest, minus any payments made, shall become due and payable immediately without further application to the Court.

IV. INCORPORATION OF CONSENT

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

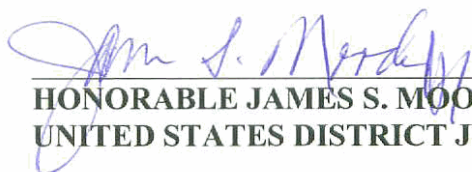
V. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED AND ADJUDGED that this Court shall retain jurisdiction of this matter and over Lipstein for the purposes of enforcing the terms of this Final Judgment; to implement and carry out the terms of all Orders and Decrees; to entertain any suitable application or motion for additional relief within the jurisdiction of this Court; and to order other relief that this Court deems appropriate under the circumstances.

VI. CERTIFICATION UNDER RULE 54(b)

IT IS FURTHER ORDERED AND ADJUDGED 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.

DONE AND ORDERED this 7 day of Sept., 2006, Tampa, Florida.


HONORABLE JAMES S. MOODY, JR.
UNITED STATES DISTRICT JUDGE

Copies to: Counsel of Record