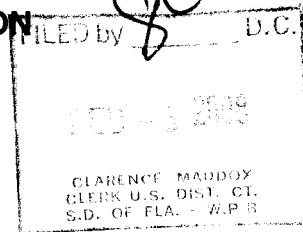


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

CASE NO. 05-80312-CIV-JOHNSON



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**PETER KRIEGER,
SHELDON KRIEGER,
and JOHN MADEY,**

Defendants.

**FINAL JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF AS TO DEFENDANT SHELDON KRIEGER**

Plaintiff Securities and Exchange Commission ("Commission") commenced this action by filing its Complaint against, among others, Defendant Sheldon Krieger. In its Complaint, the Commission sought, among other relief, a permanent injunction to prohibit violations by Krieger of Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a); Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5; and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"), 15 U.S.C. §§ 80b-6(1) and 80b-6(2); an order providing for disgorgement and prejudgment interest; and imposition of a civil money penalty against Krieger pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d); Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3); and Section 209(e) of the Advisers Act, 15 U.S.C. § 80b-9(e).

Krieger, by the attached Consent, without admitting or denying the allegations of the Complaint, except that he acknowledges service of the Complaint on him and admits the jurisdiction of this Court over him and over the subject matter of this action, has agreed to the entry of this Final Judgment of Permanent Injunction and Other Relief As to Sheldon Krieger ("Final Judgment"). Krieger has furthermore waived findings of fact and conclusions of law and has waived any right to appeal from this Final Judgment. Krieger and the Commission additionally have filed a Stipulation for Dismissal of the Commission's Disgorgement Claims Against Sheldon Krieger ("Stipulation for Dismissal"). This Court having accepted Krieger's Consent and the Stipulation for Dismissal, having jurisdiction over Krieger and the subject matter of this action, and being fully advised in the premises, orders as follows:

I.

FINAL JUDGMENT OF PERMANENT INJUNCTION AS TO SHELDON KRIEGER

IT IS ORDERED AND ADJUDGED that Krieger, his directors, officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him, and each of them, are restrained and enjoined from:

Section 17(a)(1) of the Securities Act of 1933

A. Directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce, or by the use of the mails, in the offer or sale of securities, knowingly or recklessly employing devices, schemes or artifices to defraud, in violation of Section 17(a)(1) of the of the Securities Act, 15 U.S.C. 77q(a)(1).

Section 17(a)(2) & (3) of the Securities Act of 1933

B. Directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, in the offer or sale of securities, (i) obtaining money or property by means of untrue statements of material facts or omissions to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or (ii) engaging in acts, practices and courses of business which have operated and will operate as a fraud or deceit upon purchasers and prospective purchasers of such securities, in violation of Sections 17(a)(2) & (3) of the Securities Act, 15 U.S.C. §§ 77(q)(a)(2) & (3).

Section 10(b) of the Exchange Act and Rule 10b-5

C. Directly or indirectly, by use of 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 securities, knowingly or recklessly: (i) employing devices, schemes or artifices to defraud; (ii) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (iii) engaging in acts, practices and courses of business which have operated, are now operating or will operate as a fraud upon the purchasers of such securities in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5.

Sections 206(1) and 206(2) of the Advisers Act

D. Directly or indirectly, by use of the mails or any means or instrumentality of

interstate commerce: (i) employing any device, scheme or artifice to defraud any client or prospective client; or (ii) engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

II.

DISGORGEMENT AND CIVIL PENALTY

IT IS FURTHER ORDERED AND ADJUDGED that the Commission's claim for disgorgement is dismissed, but Krieger shall pay a civil penalty in the amount of \$110,000 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d); Section 21(d) of the Exchange Act, 15 U.S.C. § 78(d)(3); and Section 209(e) of the Advisers Act, 15 U.S.C. § 80b-9(e). Krieger shall make this payment within ten (10) business days after entry of this Final Judgment 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 Krieger 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. Krieger shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury. Krieger shall simultaneously transmit photocopies of such payment and cover letter to: Scott A. Masel, Securities and Exchange Commission, Southeast Regional Office, 801 Brickell Avenue, Suite 1800, Miami, Florida, 33131.

III.

INCORPORATION OF CONSENT

IT IS FURTHER ORDERED AND ADJUDGED that Krieger shall comply with the provisions of the Consent attached hereto, and that such Consent is incorporated herein by reference as if fully set forth herein.

IV.

RETENTION OF JURISDICTION

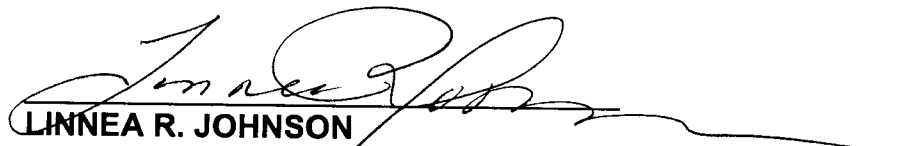
IT IS FURTHER ORDERED AND ADJUDGED that this Court will retain jurisdiction over this matter and Krieger in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

V.

RULE 54(b) CERTIFICATION

IT IS FURTHER ORDERED AND ADJUDGED that 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 in Chambers, at West Palm Beach, Florida, this 6th day of February, 2008.


LINNEA R. JOHNSON
UNITED STATES MAGISTRATE JUDGE

Copies to:

All counsel of record
John Madey, *pro se*, 18978 S.E. Loxahatchee River Rd., Jupiter, Florida 33458

RECEIVED

MAY 23 2007

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION**

CASE NO. 05-80312-CIV-JOHNSON

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**PETER KRIEGER,
SHELDON KRIEGER,
and JOHN MADEY,**

Defendants.

**CONSENT OF DEFENDANT SHELDON KRIEGER TO FINAL
JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF**

1. Defendant Sheldon Krieger acknowledges having been served with a summons and the Complaint in this action, enters a general appearance, and admits the Court's jurisdiction over him and over the subject matter of this action.
2. Krieger enters into this Consent voluntarily, after consulting with his undersigned counsel, and represents that no threats, offers, promises, or inducements of any kind, except as stated herein or in the attached Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"), have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to him or to anyone acting for him or on his behalf, to induce him to enter into this Consent.
3. Without admitting or denying the allegations of the Complaint, except that he admits the allegations as to personal and subject matter jurisdiction, Krieger voluntarily consents

to the entry of the attached Final Judgment, which is incorporated by reference herein, and, among other things:

- a) permanently restrains and enjoins Krieger from violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a); Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5; and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"), 15 U.S.C. §§ 80b-6(1) and 80b-6(2); and
- b) orders Krieger to pay a civil penalty in the amount of \$110,000 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d); Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3); and Section 209(e) of the Advisers Act, 15 U.S.C. § 80b-9(e).

4. Krieger shall make his penalty payment within ten (10) business days after entry of the Final Judgment 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 Krieger 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. Krieger shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. Krieger shall simultaneously transmit photocopies of such payment and cover letter to: Scott A. Masel, Securities and Exchange

Commission, Southeast Regional Office, 801 Brickell Avenue, Suite 1800, Miami, Florida, 33131.

5. Krieger agrees that he shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any insurance policy, with regard to any civil penalty amounts that Krieger pays pursuant to the Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Krieger further agrees that he shall not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state, or local tax for any penalty amounts that Krieger pays pursuant to the Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

6. Krieger waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

7. Krieger waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

8. Krieger agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein and further agrees that this Court shall retain jurisdiction over him for purposes of enforcement of the Final Judgment.

9. Krieger will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

10. Krieger waives service of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Krieger of its terms and conditions. Krieger further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that he has received and read a copy of the Final Judgment.

11. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Krieger in this civil proceeding. Krieger acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Krieger waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Krieger further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Krieger understands that he shall not be permitted to contest the factual allegations of the Complaint in this action.

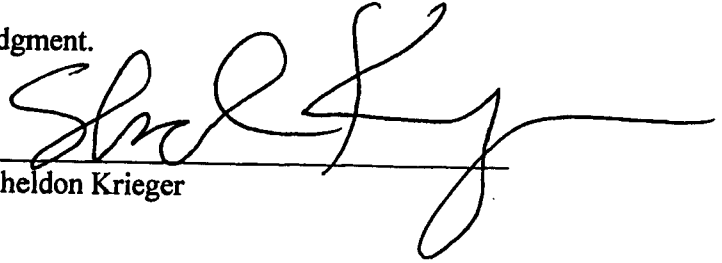
12. Krieger understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegation in the complaint or order for proceedings." 17 C.F.R. § 202.5. In compliance with this policy, Krieger agrees: (i) not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis; and (ii) that upon the filing of this Consent, Krieger hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Complaint. If Krieger breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Krieger's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

13. Krieger hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Krieger to defend against this action. For these purposes, Krieger agrees that he is not the prevailing party in this action since the parties have reached a good faith settlement.

14. Krieger agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice.

15. Krieger agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

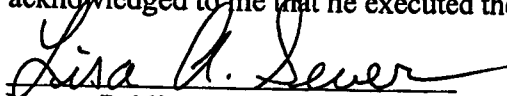
Dated: May 22, 2007

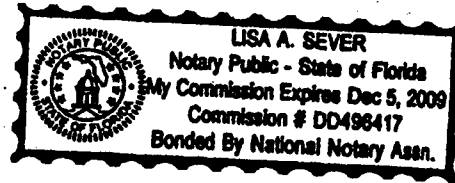

Sheldon Krieger

STATE OF FLORIDA)
COUNTY OF PALM BEACH)

ss:

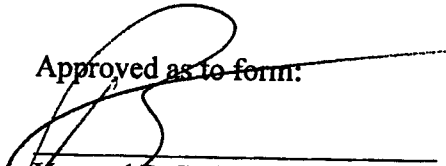
On this 22nd day of May, 2007, before me personally appeared Sheldon Krieger who: is personally known to me or who produced a ✓ driver's license bearing his name and photograph as identification, and who executed this Consent, and he acknowledged to me that he executed the same.


Notary Public



12-5-09
Commission Expires:

Approved as to form:


Howard D. DuBosar, Esq.
DuBosar & Perez, P.A.
3010 N. Military Trail, Suite 210
Boca Raton, FL 33431
(561) 999-9322
Attorney for Sheldon Krieger