

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

**FILED**  
IN CLERK'S OFFICE  
US DISTRICT COURT E.D.N.Y.

★ MAY 08 2014 ★

BROOKLYN OFFICE

-----X  
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

- against -

JOSEPH SIMONE, et al.,

Defendants.  
-----X

07  
08 Civ. 3928 (JG)(RML)

ECF CASE

**FINAL JUDGMENT AS TO DEFENDANTS**  
**PATRICK VERDI AND G.P. INSTITUTIONAL SERVICES, INC.**

Plaintiff Securities and Exchange Commission ("Commission") having filed an Amended Complaint against defendants Patrick Verdi ("Verdi") and G.P. Institutional Services, Inc. ("G.P.") (collectively, "Defendants") alleging violations of (i) Section 17(a) of the Securities Act of 1933 ("Securities Act"); and (ii) Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 10b-5 promulgated thereunder; and Defendants having entered general appearances and consented to the Court's jurisdiction over them and over the subject matter of this action, having each executed the Consent ("Consent") annexed to an individual Judgment against them dated March 5, 2012 (the "2012 Judgment"), and incorporated herein and therein, and, without admitting or denying the allegations of the Complaint (except as to jurisdiction, which allegations are admitted), consented to the entry of the 2012 Judgment, and having waived any right to appeal from the 2012 Judgment; and

The Court, by its Opinion dated April 18, 2014, having further ordered Defendant Verdi disgorge \$828,833 in ill-gotten gains:

**I.**

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Verdi and G.P. and each of their respective 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 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.

**II.**

**IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that Verdi and G.P. and each of their respective 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 [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.

**III.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendant Verdi is liable for disgorgement of \$828,833, representing profits gained as a result of the conduct alleged in the Amended Complaint. Defendant Verdi shall satisfy this obligation by paying \$828,833 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment.

Defendant Verdi may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant Verdi may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Patrick Verdi and G.P. Institutional Services, Inc. as defendants in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant Verdi shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, each Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to a Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury. Verdi shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

IV.

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

V.

**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.

Dated: May 7, 2014

s/John Gleeson

~~HONORABLE JOHN GLEESON~~  
~~UNITED STATES DISTRICT JUDGE~~