

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MARK C. RISTOW, et al.,

Defendants.

07 Civ. 4547 (PGS)

**FINAL CONSENT JUDGMENT OF
PERMANENT INJUNCTION AND OTHER RELIEF AS TO
DEFENDANT SUSAN A. GITLIN**

Plaintiff Securities and Exchange Commission (“Commission”) having filed a complaint (“Complaint”) alleging that defendant Susan A. Gitlin (“Gitlin”) violated Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and defendant Gitlin having executed the Consent annexed hereto and incorporated herein, having waived service of the Summons and Complaint and the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having admitted to the jurisdiction of this Court over her and over the subject matter of this action and, without admitting or denying the allegations contained in the Complaint, except as to jurisdiction, which are admitted, and having consented to the entry of this Final Consent Judgment Of Permanent Injunction And Other Relief As To Defendant Susan A. Gitlin (“Final Judgment”), without further notice:

I.

IT IS ORDERED, ADJUDGED, AND DECREED that defendant Gitlin is permanently restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (A) employing any device, scheme, or artifice to defraud;
- (B) making 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) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

in violation of 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].

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Gitlin shall disgorge a total of \$182,630, representing \$164,761 in ill-gotten gains she received as a result of the conduct alleged in the Complaint plus prejudgment interest thereon in the amount of \$17,869; and that defendant Gitlin shall also pay a civil penalty in the amount of \$75,000 under Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant Gitlin shall satisfy these obligations by paying \$257,630 within ten business days of the entry of this Final Judgment to the Clerk of this Court.

The foregoing payment shall be accompanied by a cover letter identifying defendant

Gitlin 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. Defendant Gitlin shall simultaneously transmit photocopies of such payments and letters to the Commission's counsel in this action, Daniel Zelenko, U.S. Securities and Exchange Commission, New York Regional Office, Three World Financial Center, New York, New York 10281. The cover letters also shall contain the investigation name (*In The Matter of Naugatuck and Other Banks*) and the case number assigned by the Commission staff (NY-7643). By making this payment, defendant Gitlin relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to defendant Gitlin.

The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS"). These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held by the CRIS until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States.

The Commission may by motion propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Final Judgment shall be treated as penalties paid to the government for all purposes,

including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendant Gitlin shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action (as defined below) based on her payment of disgorgement in this action, argue that she is entitled to, nor shall she further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendant Gitlin's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Defendant Gitlin shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Final Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Defendant Gitlin by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Rule 65(d) of the Federal Rules of Civil Procedure, this Final Judgment shall be binding upon defendant Gitlin, her agents, servants, employees and attorneys, and upon those persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of the annexed Consent be, and the same hereby are, incorporated in this Final Judgment with the same force and effect as if fully set forth herein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including, but not limited to, implementing and enforcing the terms and conditions of this Final Judgment.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED 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.

**CONSENT OF DEFENDANT
SUSAN A. GITLIN**

1. Defendant Susan A. Gitlin (“Gitlin”), being fully apprised of her rights, having had the opportunity to confer with legal counsel, having read and understood the terms of the annexed Final Consent Judgment Of Permanent Injunction And Other Relief As To Defendant Susan A. Gitlin (“Final Judgment”), defendant Gitlin appears and admits to the jurisdiction of this Court over her and over the subject matter of this action, waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure and, without further notice, trial or argument, and without admitting or denying the allegations of the Complaint filed by plaintiff Securities and Exchange Commission (“Commission”), except as to jurisdiction, which are admitted, hereby consents to the entry of the annexed Final Judgment.

2. Defendant Gitlin agrees that this Consent shall be incorporated by reference in and made part of the Final Judgment to be presented to the Court for signature, filing and entry contemporaneously herewith.

3. Defendant Gitlin waives the right, if any, to a jury trial and to appeal from the Final Judgment.

4. Defendant Gitlin acknowledges that any violation of any of the terms of the Final Judgment may place her in contempt of this Court and subject her to civil or criminal sanctions.

5. Defendant Gitlin acknowledges that she enters into this Consent voluntarily and that this Consent and the Final Judgment embody the entire understanding of herself and the Commission. Defendant Gitlin acknowledges and agrees that this proceeding, and her Consent to the entry of the Final Judgment, are for the purposes of resolving this civil action only, and

that no tender, offer, promise, threat or representation of any kind has been made by the Commission or any member, officer, attorney, agent or representative thereof with regard to: (a) any criminal liability arising from the facts underlying this action; or (b) immunity from any such criminal liability.

6. Defendant Gitlin acknowledges that she has been informed and understands that the Commission, at its sole and exclusive discretion, may refer, or grant access to, this matter or any information or evidence gathered in connection therewith or derived therefrom, to any person or entity having appropriate administrative, civil, or criminal jurisdiction, if the Commission has not already done so.

7. Defendant Gitlin acknowledges that, in conformity with the provisions of 17 C.F.R. § 202.5(f), her Consent and the entry of the annexed Final Judgment do not resolve, affect or preclude any other proceeding that has been or may be brought against her or anyone else. Among other things, defendant Gitlin waives any right she may have to assert that, under the Double Jeopardy Clause of the Fifth Amendment to the United States Constitution, the relief sought or consented to in this civil action, including the seeking or imposition of any remedy or civil penalty herein, bars any criminal action, or that any criminal action bars the relief consented to in this action.

8. Defendant Gitlin 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.

9. Defendant Gitlin 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(e). In compliance with this policy, defendant Gitlin 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, defendant Gitlin hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Complaint. If defendant Gitlin 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 provision affects defendant Gitlin's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings in which the Commission is not a party.

10. Defendant Gitlin agrees that this Court shall retain jurisdiction of this matter for purposes of implementing and enforcing the terms and conditions of the Final Judgment and for all other purposes.

11. Defendant Gitlin hereby consents and agrees that the annexed Final Judgment may be presented by the Commission to the Court for signature and entry without further notice or delay.

12. Defendant Gitlin 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.

13. Defendant Gitlin 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 them of its terms and conditions. Defendant Gitlin agrees to execute and provide to the Commission a written declaration pursuant to 28 U.S.C. § 1746 acknowledging her receipt of the Final Judgment no later than twenty (20) days after a copy of the Final Judgment has been delivered to her counsel, Alan D. Albert, Esq., LeClair Ryan, 999 Waterside Drive, Suite 2525, Norfolk, Virginia, 23510.

14. Defendant Gitlin 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 defendant Gitlin to defend against this action. For these purposes, defendant Gitlin agrees that she is not the prevailing party in this action since the parties have reached a good faith settlement.

15. Defendant Gitlin acknowledges that the civil penalty paid pursuant to the Final Judgment may be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, the civil penalty shall be treated as a penalty paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, defendant Gitlin agrees that she shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action (as defined below) based on defendant Gitlin's payment of disgorgement in this

action, argue that she is entitled to, nor shall she further benefit by, offset or reduction of such compensatory damages award by the amount of any part of defendant Gitlin's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, defendant Gitlin agrees that she shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this action. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against defendant Gitlin by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

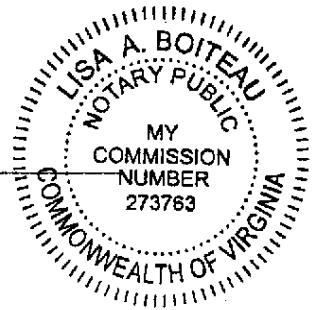
16. Defendant Gitlin agrees that she shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any insurance policy, with regard to any civil penalty amount that defendant Gitlin pays pursuant to the Final 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. Defendant Gitlin further agrees that she 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 defendant Gitlin 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.

Dated: July 27, 2007

Susan A. Gitlin
Susan A. Gitlin

On 7/27, 2007, Susan A. Gitlin, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.

Lisa A. Boiteau
Notary Public
Commission expires: 9/30/08



SO ORDERED:

Peter M. Stender
UNITED STATES DISTRICT JUDGE