

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 09-80803-Civ-Marra/Johnson

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

WILLIAM BETTA, JR., TRAVIS A.
BRANCH, JAMES J. CAPRIO, TROY L.
GAGLIARDI, RUSSELL M. KAUTZ,
BARRY M. KORNFELD, SHANE A.
MCCANN, CLIFFORD A. POPPER,
ALFRED B. RUBIN, and STEVEN I.
SHRAGO,

Defendants.

AMENDED FINAL JUDGMENT AS TO DEFENDANT JAMES J. CAPRIO

The Securities and Exchange Commission having filed a Complaint and Defendant James J. Caprio ("Caprio") having entered a general appearance; consented to the Court's jurisdiction over Caprio and the subject matter of this action; consented to entry of a Final Judgment and stipulated to the entry of this Amended Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Amended Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Caprio and Caprio's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Amended Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 ("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.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Caprio and Caprio's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Amended Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (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.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Caprio is liable for disgorgement of \$81,673, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$38,495.84, and a

civil penalty in the amount of \$130,000 pursuant to Section 20(d)(2) of the Securities Act, 15 U.S.C. § 77t(d)(2). Caprio shall satisfy this obligation by paying a total of \$250,168.84 within 14 days after entry of this Amended 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 James J. Caprio 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 Amended Final Judgment. Caprio shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

IV.

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 Caprio 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 Amended Final Judgment.

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VI.

There being no just reason for delay, pursuant to Rule 54(b) for the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Amended Final Judgment forthwith and without further notice.

IT IS SO ORDERED.

DATED: JUNE 24, 2011


UNITED STATES DISTRICT JUDGE
KENNETH A. MARRA