

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

UNITED STATES SECURITIES AND)
EXCHANGE COMMISSION,)

Plaintiff,)

v.)

STEPHEN M. FOLAN,)

Defendant.)

) Case No. 11-cv-8905

) Honorable Amy J. St. Eve

FINAL JUDGMENT AS TO DEFENDANT STEPHEN M. FOLAN

The Securities and Exchange Commission having filed a Complaint and Defendant Stephen M. Folan having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of this 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 Final Judgment:

I.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's 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 aiding and abetting any violation of Section 206(2) of the Advisers Act [15 U.S.C. § 80b-6(2)] by knowingly providing substantial assistance to an investment adviser that engages in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$50,000 pursuant to Section 209(e) of the Advisers Act. Defendant shall make this payment pursuant to the terms of the payment schedule set forth in paragraph III below 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, 100 F Street, NE, Stop 6042, Washington DC 20549, and shall be accompanied by a letter identifying Stephen M. Folan 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 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.

III.

Defendant Stephen M. Folan shall pay \$50,000 in 13 installments according to the following schedule: (1) \$5,000, within 14 days of entry of this Final Judgment; (2) \$3,750, within 90 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (3) \$3,750, within 180 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (4) \$3,750, within 270 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (5) \$3,750, within 360 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (6) \$3,750, within 450 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961;

(7) \$3,750, within 540 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (8) \$3,750, within 630 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (9) \$3,750, within 720 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (10) \$3,750, within 810 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (11) \$3,750, within 900 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; (12) \$3,750, within 990 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961; and (13) \$3,750, within 1080 days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961.

If Defendant Stephen M. Folan fails to make any payment by the date agreed and/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.

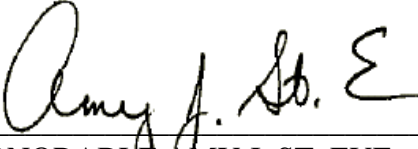
IV.

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 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: December 16, 2011



HONORABLE AMY J. ST. EVE
UNITED STATES DISTRICT JUDGE