

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

v. :

**TOWN OF RAMPO, NEW YORK, RAMAPO
LOCAL DEVELOPMENT CORP, et al.,** :

Defendants, :

16 Civ. 2779 (CS)

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FINAL JUDGMENT AS TO DEFENDANT MICHAEL KLEIN

The Securities and Exchange Commission having filed a Complaint and Defendant Michael Klein (“Defendant Klein”), having entered a general appearance; consented to the Court’s jurisdiction over Defendant Klein 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 and except as otherwise provided herein in paragraph); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment, all pursuant to a Consent executed on 1/22/18 (the “Consent”):

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Klein is 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.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant Klein's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant Klein or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Klein is permanently restrained and enjoined from violating Section 17(a)(1)(2) and (3) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §§ 77q(a)(1)(2) and (3)] 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.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant Klein's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant Klein or with anyone described in (a).

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Klein is permanently prohibited from participating in any offering of municipal securities, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any municipal security.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Klein shall pay a civil penalty in the amount of \$25,000 to the Securities and Exchange Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant Klein shall make this payment within 14 days after entry of this Final Judgment.

Defendant Klein 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 Klein 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; [Defendant Klein's name] as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

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

V.

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 Klein shall comply with all of the undertakings and agreements set forth therein, including but not limited to, the undertakings to: Within 10 days of the entry of the Final Judgment, or by March 15, 2018, whichever is later, Defendant shall resign from employment by the Town of Ramapo or any entity owned or controlled by the Town of Ramapo (collectively, "Town of Ramapo") and agrees that for a period of 7 years from the date of entry of the Final Judgment, Defendant Klein shall 1) not be, in any capacity, an employee of the Town of Ramapo, and 2) to

the extent he is not an employee of the Town of Ramapo, not solicit for or work on any financial transaction on behalf of the Town of Ramapo.

VI.

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.

VII.

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.



Dated: June 5, 2018

UNITED STATES DISTRICT JUDGE