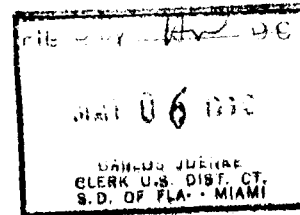


**CLOSED
CIVIL
CASE**

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



**SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,**

vs.

**JOEL STEINGER and LESLIE STEINGER
Defendants.**

CASE NO **98-6442**
CIV-MIDDLEBROOKS

**FINAL JUDGMENT OF
PERMANENT INJUNCTION
AND OTHER RELIEF**

**MAGISTRATE JUDGE
TURNOFF**

Plaintiff Securities and Exchange Commission ("Commission"), commenced this action by filing its Complaint against Defendant **JOEL STEINGER** and Defendant **LESLIE STEINGER** (collectively "Defendants"). In its Complaint, the Commission seeks a permanent injunction to prohibit violations by Defendants of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a), 77e(c), and 77q(a), and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder. The Commission also seeks other relief, including disgorgement and civil penalties.

Without admitting or denying any of the allegations in the Commission's Complaint, except that they are admitting the jurisdiction of this Court for purposes of entry of this Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"), Defendants have, simultaneously with the filing of the Complaint, consented to the entry of this Final Judgment. This Court having accepted such Consents and having jurisdiction over Defendants and the subject matter hereof, and being fully advised of the premises, orders and decrees as follows:

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I.

**VIOLATION OF SECTIONS 5 (a)
AND 5 (c) OF THE SECURITIES ACT**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that **JOEL STEINGER** and **LESLIE STEINGER**, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly:

- (a) making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell any security, in the form of common stock or any other security, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such security;
- (b) carrying or causing to be carried through the mails or in interstate commerce, by means or instruments of transportation, any security, in the form of common stock or any other security, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such security; or
- (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy any security, in the form of common stock or any other security, through the use or medium of any prospectus or otherwise, unless and until a registration statement is filed with the Commission as to such security, or while a registration

statement filed with the Commission as to such security is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act, 15 U.S.C. § 77h, in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c).

II.

VIOLATION OF SECTION 17(a) OF THE SECURITIES ACT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that JOEL STEINGER and LESLIE STEINGER, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, be and they hereby are permanently restrained and enjoined from, directly or indirectly, in the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails:

- (a) knowingly or recklessly employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of a material fact or omission to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was made, not misleading; or
- (c) engaging in any practice, transaction, or course of business which operates or would operate as a fraud or deceit upon the purchaser of any such security,

in violation of Sections 17(a)(1), 17(a)(2), and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(1), 77q(a)(2), and 77q(a)(3).

III.

**VIOLATION OF SECTION 10(b)
OF THE EXCHANGE ACT AND RULE 10b-5, THEREUNDER**

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that JOEL STEINGER and LESLIE STEINGER, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, be and they hereby are permanently restrained and enjoined from, directly, indirectly or as a control person under Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a), in connection with the purchase or sale of any security, by the use of any means or instrumentalities 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 omitting to state a material fact necessary in order to make the statement made, in the light of the circumstances under which it was 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, 17 C.F.R. § 240.10b-5, promulgated thereunder.

IV.

DISGORGEMENT AND PREJUDGMENT INTEREST

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that JOEL STEINGER and LESLIE STEINGER are jointly and several liable to pay disgorgement and prejudgment interest of \$850,000, representing certain of the proceeds received by them pursuant to the activities described in the Complaint.

V.

CIVIL MONEY PENALTIES

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, 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), JOEL STEINGER shall pay a civil money penalty in the amount of \$50,000, and LESLIE STEINGER shall pay a civil money penalty in the amount of \$50,000.

VI.

PAYMENT OF MONIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that JOEL STEINGER and LESLIE STEINGER shall satisfy their monetary obligations hereunder by making three equal payments over a three month period, such payments to commence within five (5) days of the date of the entry of this Final Judgment. These payments shall be: (i) made by United States postal money order, certified check, bank cashier's check or bank money order; (ii) payable to the "United States Securities and Exchange Commission"; (iii) transmitted to the Comptroller, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 0-3, Washington, D.C. 20549; and (iv)

submitted under cover of a letter which identifies **JOEL STEINGER** and **LESLIE STEINGER** as the Defendants in this action, a copy of which cover letter and money order or check shall be sent to Christian R. Bartholomew, Esq., Senior Trial Counsel, Securities and Exchange Commission, Southeast Regional Office, 1401 Brickell Avenue, Suite 200, Miami, Florida 33131.

VII.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that this Court will retain jurisdiction over this matter and over **JOEL STEINGER** and **LESLIE STEINGER** in order to implement and carry out the terms of this Final Judgment.

DONE AND ORDERED at 6:50 o'clock, P m. this 5 day of

May, 1998, at Miami, Florida.


UNITED STATES DISTRICT JUDGE

cc: Christian R. Bartholomew, Esq.
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