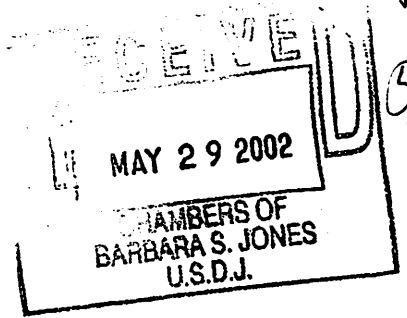
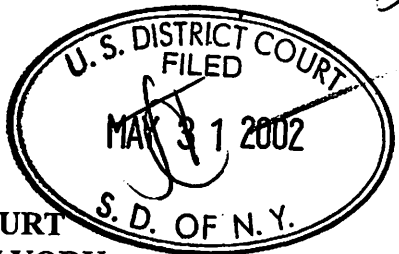


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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**INVEST BETTER 2001,
COLE A. BARTIROMO and
JOHN and JANE DOES 1-10,**

Defendants.

:
:
: 01 Civ. 11427 (BSJ)
:
: AMENDED
: PARTIAL FINAL
: ORDER ON JUDGMENT on
: CONSENT AGAINST
: DEFENDANTS INVEST
: BETTER 2001 and
: COLE A. BARTIROMO
:
: #021078

Plaintiff Securities and Exchange Commission ("Commission"), having filed a Complaint for injunctive and other relief on December 13, 2001, First Amended Complaint for injunctive and other relief on January 7, 2002, and a Second Amended Complaint for injunctive and other relief on April 29, 2002 (the "Complaint") charging Defendants Invest Better 2001 ("IB2001"), Cole Bartiromo ("Bartiromo"), and John and Jane Does 1-10 ("Does 1-10"), and (collectively, the "Defendants"), with violating 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 thereunder, 17 C.F.R. § 240.10b-5, IB2001 and Bartiromo having consented to a first Partial Final Judgment and Order on Consent on January 7, 2002, ("First Partial Judgment") and in their attached Consents incorporated herein as their Consents on the record before this Court on May __, 2002,

having entered general appearances in this action, having admitted the jurisdiction of this Court over IB2001, Does 1-10 and Bartiromo over the subject matter of this action, and having consented, without admitting or denying the allegations of the Complaint, to the entry of this Partial Final Judgment and Order on Consent (“Order”),

NOW THEREFORE,

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants IB2001 and Bartiromo be and hereby are permanently enjoined from, directly or indirectly, singly or in concert, violating Sections 5(a) and 5(c) of the Securities Act of 1933 (“Securities Act”): (15 U.S.C. §§ 77e(a) or 77e(c)), by:

- A. making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell any security through the use or medium of any prospectus or otherwise unless a registration statement is in effect with Plaintiff Commission as to such security;
- B. carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any security for the purpose of sale or for delivery after sale unless a registration statement is in effect with Plaintiff 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 through the use or medium of any prospectus or otherwise any

security, unless a registration statement has been filed with Plaintiff Commission as to such security, or while the registration statement 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. § 77(h)).

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that

Defendants IB2001 and Bartiromo be and hereby are permanently enjoined from, directly or indirectly, singly or in concert, violating Section 17(a) of the Securities Act (15 U.S.C. § 77q(a)) or 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, by, in the offer or sale of securities, or in connection with the purchase or sale of securities, using any means or instruments of transportation or communication in interstate commerce, or any means or instrumentality of interstate commerce, or the mails, or any facility of any national securities exchange to:

1. employ any device, scheme, or artifice to defraud;
2. obtain money or property by means of, or otherwise make, any untrue statement of a material fact or omit to state any 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. engage in any transaction, 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 Defendants IB2001 and Bartiromo repatriate and hereby disgorge, within 10 days after the execution of this Order by the Court, monies and assets, if any, held outside the United States to the extent such monies or assets were not previously repatriated by Defendants IB2001 and Bartiromo, in the following manner:

A. Defendants IB2001 and Bartiromo shall pay such funds and assets plus prejudgment interest to the “Clerk of the Court - Southern District of New York” at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York 10007, under cover of a letter that identifies IB2001 and Bartiromo and the name and civil action number of this litigation. The funds to be paid pursuant to this paragraph shall be deposited into an interest-bearing money market account with the Court Registry Investment System (the “CRIS Account”). Interest earned on the funds in the CRIS Account shall be credited to the CRIS Account and shall thereafter be treated in the same manner as principal. Further, funds in the CRIS Account shall be held until further Order of the Court, and shall be disbursed in accordance with a plan of equitable distribution to victims of IB2001 and Bartiromo to be submitted by Plaintiff Commission and approved by the Court. In no event shall any portion of the account be returned to IB2001 and Bartiromo, their successors or assigns.

B. Simultaneously with making any payment pursuant to subparagraph A above, copies of the cashier’s check, certified check or postal money order, front and back, as well as any accompanying correspondence, shall be transmitted to Alexander M.

Vasilescu, Esq., Senior Trial Counsel, U.S. Securities and Exchange Commission, Northeast Regional Office, 233 Broadway, New York, New York 10279. Such transmission shall be made under cover of a letter that identifies the defendant, the name and civil action number of the litigation, the name of this Court and the Commission case number "NY-6955."

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that to the extent any funds representing profits gained as a result of the conduct alleged in the first and second counts of the Complaint have not been repatriated and disgorged in conformity with Section III of this Order, Defendants IB2001 and Bartiromo shall pay disgorgement in an amount to be determined by the Court at a later date, together with prejudgment interest from November 1, 2001 to the present, in an amount to be fixed by the Court, and that Plaintiff Commission shall each be entitled to execute on this judgment. It is further ordered, adjudged and decreed that Defendant Bartiromo is individually liable for disgorgement of \$91,444.07, representing ill-gotten gains obtained as a result of the conduct alleged in the in the third claim of the Complaint, together with prejudgment interest in the amount of \$2,287.00 for a total of \$93,731.00. Defendant Bartiromo shall within ten days make payment of the amount of \$93,731.00 to Plaintiff Commission and Plaintiff Commission shall be entitled to execute on this partial judgment. Any payment that IB2001 and Bartiromo make to satisfy their disgorgement obligation, in whole or in part, shall be made payable by Defendants IB2001 and Bartiromo, or may be made on their behalf, in the following manner:

A. Defendants IB2001 and Bartiromo shall pay their disgorgement plus prejudgment interest to the “Clerk of the Court - Southern District of New York” at the United States District Court for the Southern District of New York, 500 Pearl Street, New York, New York 10007, under cover of a letter that identifies Defendants IB2001 and Bartiromo and the name and civil action number of this litigation. The disgorgement and prejudgment interest to be paid pursuant to this paragraph shall be deposited into an interest-bearing money market account with the CRIS Account. Interest earned on the funds in the CRIS Account shall be credited to the CRIS Account and shall thereafter be treated in the same manner as principal. Further, funds in the CRIS Account shall be held until further order of the Court, and shall be disbursed in accordance with a plan of equitable distribution to victims of Defendants IB2001 and Bartiromo to be submitted by Plaintiff Commission and approved by the Court. In no event shall any portion of the account be returned to Defendants IB2001 and Bartiromo, their successors or assigns.

B. Simultaneously with making any payment pursuant to subparagraph A above, copies of the cashier’s check, certified check or postal money order, front and back, as well as any accompanying correspondence, shall be transmitted to Alexander M. Vasilescu, Esq., Senior Trial Counsel, U.S. Securities and Exchange Commission, Northeast Regional Office, 233 Broadway, New York, New York 10279. Such transmission shall be made under cover of a letter that identifies the defendant, the name and civil action number of the litigation, the name of this Court and the Commission case number “NY-6955.”

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants IB2001 and Bartiromo pay a civil penalty to be determined by the Court at a later date pursuant to Section 20(d) of the Securities Act of 1933 (15 U.S.C. § 77t(d)), Section 21(d)(3) and 21A of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78u(d)(3) and 78u-1) related to allegations arising out of first and second claim of the Second Amended Complaint, and that Plaintiff Commission have execution therefore. The payment of a civil penalty shall be made in the following manner:

A. Defendants IB2001 and Bartiromo shall pay the civil penalty ordered by this Court to the United States Treasury by cashier's check, certified check or postal money order payable to the order of the "United States Treasury." The payment shall be transmitted to the Comptroller, U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

B. Simultaneously with making payment pursuant to subparagraph A above, copies of the cashier's check, certified check or postal money order, front and back, as well as any accompanying correspondence, shall be transmitted to Alexander M. Vasilescu, Esq., Senior Trial Counsel, U.S. Securities and Exchange Commission, Northeast Regional Office, 233 Broadway, New York, New York 10279. Such transmission shall be made under cover of a letter that identifies the defendant, the name and civil action number of the litigation, the name of this Court and the Commission case number "NY-6955."

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pending the Court's determination as to the distribution of amounts disgorged pursuant to paragraph

IV of this Order and determination of the amount of a civil penalty pursuant to paragraph V of this Order, and except for transfers to the CRIS Account pursuant to paragraph III of this Order, Defendants IB2001 and Bartiromo, and each of their officers, agents, servants, employees, attorneys-in-fact and those persons in active concert or participation with them who receive actual notice of such Order by personal service, facsimile service or otherwise, and each of them, shall hold and retain within their control, and otherwise prevent, any withdrawal, transfer, pledge, encumbrance, assignment, dissipation, concealment or other disposal of any assets, funds, or other property (including money, real or personal property, securities, commodities, choses in action or other property of any kind whatsoever) of Defendants IB2001 and Bartiromo, currently held by them or under their control, whether held in any of their names or for any of their direct or indirect beneficial interest wherever situated, and directing each of the financial or brokerage institutions, debtors and bailees, or any other person or entity holding such assets, funds or other properties of Defendants IB2001 and Bartiromo, and each of them, to hold or retain within its control and prohibit the withdrawal, removal, transfer or other disposal of any such assets, funds or other property. The frozen funds shall include, but not be limited to any and all funds held by the Defendants identified in the First Partial Judgment.

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants IB2001 and Bartiromo may amend or supplement, if necessary, the Verified Accounting and Asset List of Cole A. Bartiromo (the "Accounting") filed with the Court on March 8,

2002, file such amendment with the Court and serve it upon Plaintiff Commission, within ten (10) business days, or within such extension of time as the Commission agrees to in writing. Plaintiff Commission may depose Defendants Bartiromo and IB2001 concerning all facts and issues pertaining to any amended accounting if so submitted. The amended accounting, if filed, shall be signed by each of the Defendants under penalty of perjury, and include:

- A. All of IB2001's and Bartiromo's assets, liabilities and property currently held directly or indirectly by or for the benefit of each of them, including without limitation, bank accounts, brokerage accounts, investments, business interests, loans, lines of credit, and real and personal property wherever situated, describing each asset and liability, its current location and amount; and
- B. All assets, funds, securities, and real or personal property that each of them or any other person controlled by them received in connection with the offer, purchase or sale securities relating to investments offered by IB2001 and Bartiromo from October 1, 2001 to the date of the accounting, and the disposition of such assets, funds, securities, real or personal property.

VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, pending the Court's determination as to the distribution of amounts disgorged pursuant to paragraph IV of this Order and the determination of the amount of a civil penalty pursuant to paragraph V of this Order, Defendants IB2001 and Bartiromo, and any person

or entity acting at their direction or on their behalf, be and hereby are enjoined and restrained from destroying, altering, concealing or otherwise interfering with the access of Plaintiff Commission to any and all documents, books, and records that are in the possession, custody or control of Defendants IB2001 and Bartiromo, their agents, employees, servants, accountants, financial or brokerage institutions, attorneys-in-fact, that refer, reflect or relate to the allegations in the Complaint, including, without limitation, documents, books and records referring, reflecting or relating to Defendants IB2001 and Bartiromo's finances or business operations, or the offer, purchase or sale of the securities of IB2001 and the use of proceeds therefrom.

IX.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, pending the Court's determination the distribution of amounts disgorged pursuant to paragraph IV of this Order and the determination of the amount of a civil penalty pursuant to paragraph V of this Order, discovery is expedited as follows: pursuant to Rules 26, 30, 33, 34, 36 and 45 of the Federal Rules of Civil Procedure ("F.R.C.P."), and without the requirement of a meeting pursuant to F.R.C.P. 26(f), Plaintiff Commission may:

- (1) Take depositions, subject to three (3) days' notice by facsimile or otherwise;
- (2) Obtain the production of documents, within three (3) days from service by facsimile or otherwise of a request or subpoena, from Defendants IB2001, Does 1-10 and Bartiromo, their current or former officers, employees, agents, servants, financial or brokerage institutions, clients, accountants,

attorneys-in-fact, and any other persons including without limitation any other persons or entities that have or had a business relationship with Defendants IB2001, Does 1-10 and Bartiromo;

- (3) Obtain other discovery from Defendants IB2001, Does 1-10 and Bartiromo, including further interrogatories and requests for admissions, within three (3) days from the date of service by facsimile, the service provisions of F.R.C.P. 5 or otherwise of such other discovery requests, interrogatories or requests for admissions; and
- (4) Service of any discovery requests or notices thereof may be made to Defendants IB2001, Does 1-10 and Bartiromo by the service provisions of F.R.C.P. 5, personal service, facsimile, overnight courier, or first-class mail to Defendants IB2001 and Does 1-10 and to Bartiromo's counsel in this matter, David Bayless, Esq., Morrison & Foerster LLP, 425 Market Street, San Francisco, CA 94105.

X.

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

XI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Order is binding upon IB2001 and Bartiromo, their agents, servants, employees, attorneys, and upon all persons in active concert or participation with IB2001 and Bartiromo who

receive actual notice of this Order by personal service or otherwise, pursuant to Federal Rule of Civil Procedure 65(d).

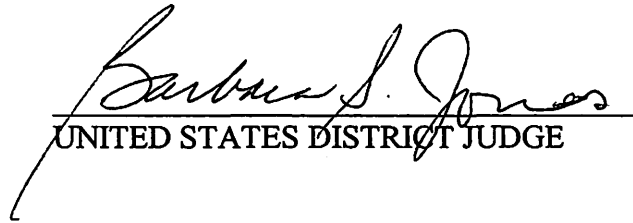
XII.

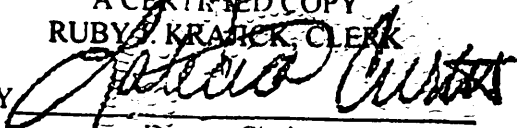
IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, there being no just reason for delay, the Clerk of the Court is hereby directed to enter this Partial Final Judgment forthwith pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

XIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this action for all purposes.

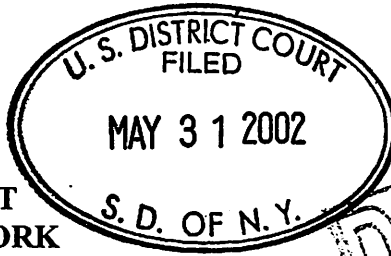
Dated: May 29, 2002 at 5:20 p.m.
New York, New York


UNITED STATES DISTRICT JUDGE

A CERTIFIED COPY
RUBY S. KRATICK, CLERK
BY 
Deputy Clerk

THIS DOCUMENT WAS ENTERED
ON THE DOCKET ON 6/11/02





DWF
Re
5/31/02

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

INVEST BETTER 2001,
COLE A. BARTIROMO and
JOHN and JANE DOES 1-10,

Defendants.

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: 01 Civ. 11427 (BSJ)
:
: CONSENT OF
: DEFENDANTS INVEST
: BETTER 2001 and
: COLE A. BARTIROMO
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1. Defendants Invest Better 2001 ("IB2001") and Cole A. Bartiromo ("Bartiromo"), by and through his guardian, John J. Bartiromo, and upon the advice of counsel and being fully apprised of their rights, having read and understood the terms of the annexed Amended Partial Final Judgment and Order On Consent Against Defendants Invest Better 2001 and Cole Bartiromo ("Order"), without admitting or denying any of the allegations contained in the Complaint of the Plaintiff Securities and Exchange Commission ("Commission"), appear and admit the jurisdiction of this Court over them and over the subject matter of this action, admit the appropriateness of venue in this District, waive the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and hereby consent to the entry of the Order without further notice.

B. Defendants IB2001 and Bartiromo acknowledge and each agree that this

Consent shall be incorporated by reference in, and made part of, the Order to be entered against Defendants IB2001 and Bartiromo.

C. Defendants IB2001 and Bartiromo each waives any right they may have to appeal from the annexed Order.

D. Defendants IB2001 and Bartiromo each enter into this Consent voluntarily and acknowledges that no tender, offer, promise or threat of any kind has been made by Plaintiff Commission or any of its members, officers, agents or representatives in consideration of this Consent.

E. Defendants IB2001 and Bartiromo each further acknowledges that a violation of any of the terms or provisions of the Order may place each of them in contempt of this Court and subject them to civil and criminal sanctions.

F. Defendants IB2001 and Bartiromo each further acknowledges that they have each been informed and understands that Plaintiff 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 civil, administrative or criminal jurisdiction if it has not already done so.

G. Defendants IB2001 and Bartiromo each waives any right they may have to assert that under the Double Jeopardy Clause, the relief consented to in this civil action bars any criminal action, or that any criminal action bars the relief consented to in this action.

H. Defendants IB2001 and Bartiromo each acknowledges that no promise or representation has been made by Plaintiff Commission or its staff with regard to: (1) any criminal liability that may have arisen or that may arise from the facts underlying this action; or (2) immunity from such criminal liability. Defendants IB2001 and Bartiromo each further acknowledge that they have been informed that the Commission has not waived, and does not waive, consistent with the principles of *res judicata*, collateral estoppel, and the doctrine of finality of judgments, its rights to commence, at its sole and exclusive option: (1) any civil action, civil or criminal contempt proceedings, or administrative proceedings against Defendants IB2001 and Bartiromo, their agents, officers, servants employees and attorneys-in-fact as a result of this matter; or (2) any further proceedings or action against Defendants IB2001 and Bartiromo arising from or related to facts not alleged in the Complaint.

I. Defendants IB2001 and Bartiromo each further acknowledges that this Consent embodies the entire understanding of the parties.

J. Defendants IB2001 and Bartiromo each agrees that the Order may be presented by the Commission to the Court for signature and entry without further notice.



Defendant Cole A. Bartiromo

State of California)
) ss.:
Orange County)

On this 21st day of May 2002, before me personally appeared Cole A. Bartiromo to me known and known to be the person who executed the foregoing Consent.

Wendi J. Marshall

Notary Public

John J. Bartiromo

John J. Bartiromo, guardian

Subscribed and sworn before
Me this 21 day of May, 2002

