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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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 :
 SECURITIES AND EXCHANGE COMMISSION, :
 :
 Plaintiff, :
 :
 v. :
 :
 PAUL SKULSKY, JEFFREY SKULSKY, :
 EDWARD R. CAPUANO, CINDY L. EISELE, :
 JOSEPH CASUCCIO, JEFFREY J. SCHNEIDER, :
 AARON CHAITOVSKY, ROBERT GLASS, :
 ASHLEY NEMIROFF, ROCCO SICLARI, :
 GEORGE A. CARHART, HOWARD ZELIN, :
 CARL D. DELIA, CRAIG A. BRANDWEIN, :
 AND DONALD CATAPANO, :
 :
 Defendants. :
 :
 -----X

No. CV-02-1524 (DRH)

~~PROPOSED~~
**PARTIAL FINAL
 JUDGMENT OF
 PERMANENT INJUNCTION
 AND OTHER RELIEF
 AS TO DEFENDANT
 CRAIG BRANDWEIN**

[Handwritten signature and date]
 SEP 26 2002
 THE CLERK
 UNITED STATES DISTRICT COURT

The plaintiff Securities and Exchange Commission ("Commission"), having duly commenced this action by filing its Complaint, and Defendant Craig Brandwein ("Brandwein"), having in his Consent of Defendant Craig Brandwein ("Consent") entered a general appearance herein, having admitted the service of the summons and Complaint upon him, having admitted the jurisdiction of this Court over him and over the subject matter of this action, having waived the filing of an Answer to the Complaint and the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, which he admits, having consented to the entry of this Partial Final Judgment of Permanent Injunction and Other Relief as to Defendant Brandwein ("Partial Final Judgment"), permanently restraining and enjoining Defendant Brandwein from (i) violating Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15

[Handwritten signature]

U.S.C. § 77q(a), and Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §§ 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §§ 240.10b-5, and it further appearing that this Court has jurisdiction over Defendant Brandwein and the subject matter hereof, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant Brandwein be, and hereby is, permanently enjoined and restrained from, directly or indirectly, singly or in concert, in the offer or sale of any security, and by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails:

- (1) employing any device, scheme, or artifice to defraud;
- (2) obtaining money or property by means of any untrue statement of material fact or any omission 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
- (3) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser,

in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Brandwein be, and hereby is, permanently enjoined and restrained from, directly or indirectly, singly or in concert, in connection with the purchase or sale of any security, and by the use of

any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (1) employing any device, scheme or artifice to defraud;
- (2) making any untrue statement of a material fact or omitting 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
- (3) 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, thereunder.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the annexed Consent of Defendant Brandwein be, and hereby is, incorporated herein with the same force as if fully set forth herein.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Partial Final Judgment is binding upon Defendant Brandwein, his officers, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with him who receive actual notice of this Partial Final Judgment by personal service or otherwise, pursuant to Federal Rule of Civil Procedure 65(d).

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AND DONALD CATAPANO, :
:
Defendants. :
:
-----X

No. CV-02-1524 (DRH)

**CONSENT OF
DEFENDANT
CRAIG BRANDWEIN**

1. Defendant Craig Brandwein, being fully apprised of his rights, having read and understood the terms of the Partial Final Judgment of Permanent Injunction and Other Relief By Consent as to Craig Brandwein ("Partial Final Judgment"), of which this Consent of Craig Brandwein ("Consent") is made a part, hereby admits the service of the summons and Complaint on him, the *in personam* jurisdiction of this Court over him, and the jurisdiction of this Court over the subject matter of this action, waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and, without admitting or denying the allegations contained in the Complaint of the plaintiff Securities and Exchange Commission ("Commission"), consents to the entry of the annexed Partial Final Judgment without further notice whereby Brandwein consents to entry of a permanent injunction from (i) violating Section

17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a), and Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §§ 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §§ 240.10b-5.

2. Brandwein agrees that this Consent shall be incorporated in, and made part of, the Partial Final Judgment to be presented to the Court for signature, filing, and entry contemporaneously herewith.

3. Brandwein waives any right he may have to appeal from the Partial Final Judgment.

4. Brandwein enters into this Consent voluntarily and acknowledges that this Consent and Partial Final Judgment embody the entire understanding of the parties concerning the settlement of this action. Brandwein acknowledges and agrees that this proceeding, and his consent to the entry of the Partial Final Judgment, are for the purpose of resolving this civil action only, and that no tender, offer, promise, inducement, or threat of any kind has been made by plaintiff Commission or any of its members, officers, agents or representatives to induce him to enter into this Consent.

5. Brandwein acknowledges that any willful violation of any of the terms or provisions of the annexed Partial Final Judgment may place him in contempt of this Court and subject him to civil and criminal sanctions.

6. Brandwein acknowledges that he has 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 or authority. In this

connection, Brandwein acknowledges that no representations regarding the above have been made so as to induce him to enter into this Consent.

7. Brandwein acknowledges and agrees that this Consent and the entry of the Partial Final Judgment are for the purpose of resolving this civil action only, in conformity with the provisions of 17 C.F.R. § 202.5(f), and do not resolve, affect or preclude any other proceeding which may be brought against Brandwein. Among other things, Brandwein waives any right he may have to assert that under the Double Jeopardy Clause of the United States Constitution, the relief consented to in this action, including the imposition of any remedy or civil penalty herein, bars any criminal action, or that any criminal action bars the relief consented to in this civil action. Brandwein acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding.

8. Brandwein understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings." (17 C.F.R. § 202.5(e)). In compliance with this policy, Brandwein agrees not to take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis. If Brandwein breaches this agreement, the Commission may petition the Court to vacate the Partial Final Judgment and

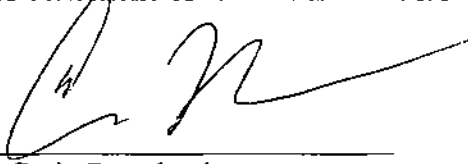
restore this case to its active docket. Nothing in this provision affects Brandwein's (i) testimonial obligations, or (ii) right to take legal positions in litigation in which the Commission is not a party.

9. Brandwein hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996 or any other provision of law to pursue reimbursement of attorney's fees or other fees, expenses or costs expended by Brandwein to defend against this action. For these purposes, Brandwein agrees that he is not the prevailing party in this action since the parties have reached a good faith settlement.

10. Brandwein agrees to execute and return promptly acknowledgements of receipt of the Partial Final Judgment once the Partial Final Judgment has been entered by the Court and forwarded to him for that purpose.

11. Brandwein agrees that the annexed Partial Final Judgment may be presented by the Commission to the Court for signature and entry without further notice.

12. Brandwein consents that this Court shall retain jurisdiction of this action for the purpose of implementing and enforcing the terms and conditions of the annexed Partial Final Judgment for all purposes.

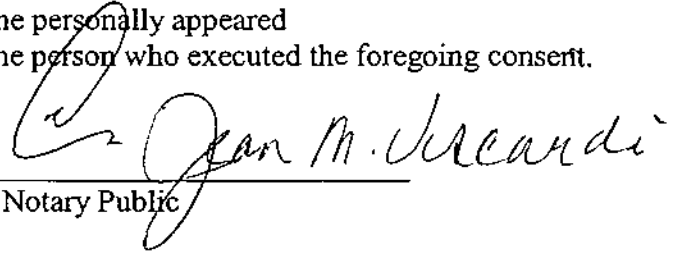


Craig Brandwein

State of New York)
County of NASSAU) ss:

On this 20th day of August, 2002, before me personally appeared Craig Brandwein, to me known and known to be the person who executed the foregoing consent.

JEAN M. VISCARDI
NOTARY PUBLIC, State of New York
No. 01VI5058972
Qualified in Nassau County
Commission Expires 04/22/2006



Notary Public

SO ORDERED

S/ Denis R. Hurley

UNITED STATES DISTRICT JUDGE

Dated: September 26, 2002
Central Islip, New York