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U.S. DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

LONG ISLAND OFFICE

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

No. CV-02-1524 (DRH)

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,

~~PROPOSED~~
**PARTIAL FINAL
JUDGMENT OF
PERMANENT INJUNCTION
AND OTHER RELIEF
AS TO DEFENDANT
CARL DELIA**

Defendants.

The plaintiff Securities and Exchange Commission ("Commission"), having duly commenced this action by filing its Complaint, and Defendant Carl Delia ("Delia"), having in his Consent of Defendant Carl Delia ("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 Delia ("Partial Final Judgment"), permanently restraining and enjoining Defendant Delia 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

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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 Delia and the subject matter hereof, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant Delia, 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 Delia 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 Delia 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 Defendant Delia comply with the following agreements and undertakings set forth in his Consent:

- (A) To produce, without service of a notice or subpoena, any and all documents and

other information requested by the Commission's staff;

- (B) To be interviewed by the Commission's staff at such times as the staff reasonably may direct;
- (C) To allow the Commission to use, without restriction, the contents of any proffer Defendant Delia has made, or hereafter may make, to the United States Attorney's Office and/or the Commission in connection with the matters at issue in the Complaint; and
- (D) That in connection with any testimony of Defendant Delia to be conducted at deposition, hearing or trial pursuant to a notice or subpoena:
 - (i) that any such notice or subpoena for Defendant Delia's appearance and testimony may be addressed to him at 154-65 Riverside Drive, Whitestone, NY 11357, and served by mail; and
 - (ii) that any such notice or subpoena for Defendant Delia's appearance and testimony in an action pending in a United States District Court may be served, and may require testimony, beyond the territorial limits imposed by the Federal Rules of Civil Procedure.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Partial Final Judgment is binding upon Defendant Delia, 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).

VI.

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

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Commission may effect service of this Partial Final Judgment and all other papers in this action upon Defendant Delia by regular mail.

VIII.

There being no just reason for delay, the Clerk of the Court is hereby directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure to enter this Partial Final Judgment of Permanent Injunction and Other Relief as to Defendant Carl Delia forthwith.

~~Dated: _____, New York
_____, 2002~~

~~_____
United States District Judge~~

SO ORDERED.

~~_____
United States District Judge
S/ Denis R. Hurley
Dated: Central Islip, NY
March 10, 2003~~