

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED
JUN 5 2003

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

JEFFREY L. GOLDBERG,

Defendant.

No. 03C 2259

Judge Pallmeyer
Magistrate Judge Brown

ORDER OF PERMANENT INJUNCTION AGAINST JEFFREY L. GOLDBERG

The Plaintiff Securities and Exchange Commission ("Commission") filed a Complaint, and the Defendant Jeffrey L. Goldberg ("Goldberg" or the "Defendant") has: entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; admitted the allegations of the Complaint and consented to the entry of this Order of Permanent Injunction; waived findings of fact and conclusions of law; and waived any right to appeal from this Order of Permanent Injunction.

I.

IT IS ORDERED that Goldberg, Goldberg's agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this Order of Permanent Injunction by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] 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:

2

- (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.

II.

IT IS ORDERED that Goldberg, Goldberg's agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this Order of Permanent Injunction by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, 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], 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.

III.

IT IS ORDERED that Goldberg, Goldberg's agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this Order of Permanent Injunction by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 206(1) of the Investment Advisers Act of 1940 ("Advisers Act") [15 U.S.C. § 80b-6(1)] by using the mails or means or instrumentalities of interstate commerce, directly or indirectly, to employ any device, scheme, or artifice to defraud any client or prospective client.

IV.

IT IS ORDERED that Goldberg, Goldberg's agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this Order of Permanent Injunction by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 206(2) of the Advisers Act [15 U.S.C. § 80b-6(2)], by using any means or instrumentality of interstate commerce, directly or indirectly, to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

V.

IT IS ORDERED that Goldberg is prohibited unconditionally and permanently under Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o].

VI.

IT IS ORDERED that upon further motion by either party, this Court will determine the amounts of disgorgement, if any, plus prejudgment interest, and civil penalties, if any, pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. § 77u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)] to be imposed against Goldberg as a result of the conduct alleged in the Commission's Complaint. Goldberg will be precluded from denying or arguing that he did not violate the federal securities laws in the manner set out in the Commission's Complaint, but will not be precluded from presenting evidence as to whether and what amount of disgorgement, prejudgment interest, and civil penalties are appropriate.

VII.

IT IS ORDERED that the Commission is authorized to engage in continued discovery regarding any unresolved issue in this case with respect to Goldberg, including but not limited to discovery for the purposes of determining the amount of ill-gotten gains and civil penalties, if any.

VIII.

IT IS ORDERED that the Consent and Stipulation of Jeffrey L. Goldberg is incorporated herein with the same force and effect as if fully set forth herein, and that Goldberg shall comply with all of the undertakings and agreements set forth therein.

IX.

IT IS ORDERED that this Court shall retain jurisdiction of this matter for all purposes, including but not limited to implementing and carrying out the terms of all orders and decrees which may be entered herein, enforcing the Order of Permanent Injunction, and to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

X.

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 Order of Permanent Injunction forthwith and without further notice.

Dated: June 4, 2003


HONORABLE REBECCA R. PALLMEYER
UNITED STATES DISTRICT JUDGE