

UNITED STATES DISTRICT COURT
DISTRICT OF VERMONT

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KULTIVAR, INC.,
MEDCOM HEALTH PRODUCTS, INC.,
SOUTHPORT S.D.G., INC.,
SIDNEY A. JOHNSON and
LESLIE H. FLEISHMAN,

Defendants.

Case No. 1:00-CV-466

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U.S. DISTRICT COURT
DISTRICT OF VERMONT
FILED

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**FINAL JUDGMENT OF PERMANENT INJUNCTION,
DISGORGEMENT AND OTHER RELIEF
AS TO DEFENDANT LESLIE H. FLEISHMAN**

Defendant Leslie H. Fleishman ("Fleishman") having: (i) executed the Consent to Final Judgment of Permanent Injunction, Disgorgement and Other Relief by Defendant Leslie H. Fleishman ("Consent") which is attached hereto and hereby incorporated by reference; (ii) entered a general appearance; (iii) consented to the Court's jurisdiction over himself and over the subject matter of this action; (iv) consented to entry of this Final Judgment of Permanent Injunction, Disgorgement and Other Relief as to Defendant Leslie H. Fleishman ("Final Judgment") without admitting or denying the allegations of the Complaint; (v) waived findings of fact and conclusions of law; and (vi) waived any right to appeal from this Final Judgment and any basis for objecting to enforcement of the Final Judgment:

JUDGMENT ENTERED ON DOCKET
DATE: 8/21/02

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I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Fleishman and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with him who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §77q(a)] by, directly or indirectly, 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 the use of the mails: (a) employing any device, scheme or artifice to defraud; (b) obtaining money or property by means of any untrue statement of a 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 (c) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser of such security.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Fleishman and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with him who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating 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, directly or indirectly, by the use of 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) 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 statements made, in the light of the circumstances under which they were 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.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Fleishman and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating Section 15(a) of the Exchange Act [15 U.S.C. §78o(a)] by making use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) unless he is registered as a broker or dealer in accordance with, or is associated with a broker or dealer which is a person other than a natural person and which is registered as a broker or dealer in accordance with, Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)].

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Fleishman and his agents, servants, employees, attorneys, successors or assigns, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the

Securities Act [15 U.S.C. §§77e(a), (c)] by, directly or indirectly: (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 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 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 as to such security, or while the registration statement 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], provided, however, that the provisions of this paragraph shall not apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act [15 U.S.C. §77e].

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Fleishman is liable for disgorgement of \$70,000, representing profits gained as a result of the conduct alleged in the Complaint, plus pre-judgment interest thereon in the amount of \$7,101, for a total disgorgement obligation of \$77,101. Based upon Fleishman's sworn representations in his Statements of Financial Condition dated October 8, 2001 and April 23, 2002 and in his deposition on April 3, 2001 concerning his inability to pay, payment of the disgorgement amount

and pre-judgment is waived.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, based upon Fleishman's sworn representations in his Statements of Financial Condition dated October 8, 2001 and April 23, 2002 and in his deposition on April 3, 2001 concerning his inability to pay, the Court is not ordering Fleishman to pay a civil monetary penalty 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)].

VII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the decision to waive payment of the disgorgement amount and pre-judgment interest thereon and the decision not to impose a civil penalty are contingent upon the accuracy and completeness of Fleishman's sworn representations in his Statements of Financial Condition dated October 8, 2001 and April 23, 2002 and in his deposition on April 3, 2001 concerning his inability to pay. If at any time following the entry of this Final Judgment, the Commission obtains information indicating that Fleishman's representations to the Commission concerning his assets, income, liabilities or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to him, petition the Court for an order requiring him to pay the full disgorgement amount, with pre-judgment and post-judgment interest thereon, and the maximum civil monetary penalty allowable under the law. In connection with any such petition, the only

issue shall be whether the financial information provided by Fleishman was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including but not limited to ordering Fleishman to pay funds or assets, directing the forfeiture of any assets, or imposing sanctions for contempt of this Final Judgment. The Commission may also request additional discovery. Fleishman may not, by way of defense to such petition: (1) challenge the validity of his Consent or the Final Judgment; (2) contest the allegations in the Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-judgment and post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the maximum civil penalty allowable under the law; or (6) assert any defense to liability or remedy, including but not limited to any statute of limitations defense.

VIII.

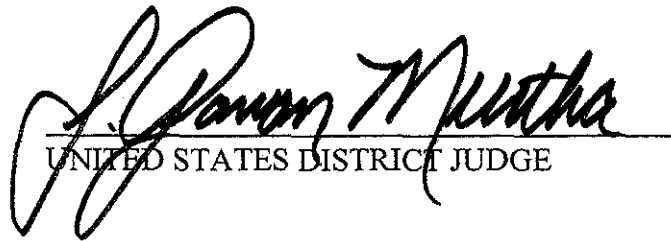
IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over Fleishman as a party to this matter for all purposes, including the implementation and enforcement of this Final Judgment.

IX.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, the Court finding no just reason for delay, the entry of this Judgment shall constitute a final judgment as to all of the Commission's claims against Fleishman in this action, and the Clerk of the Court is directed to enter this Final Judgment forthwith pursuant to Rule 54(b) of the Federal

Rules of Civil Procedure.

DONE AND ORDERED at Brattleboro, Vermont, this 20th day of August
 , 2002.


UNITED STATES DISTRICT JUDGE