

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 01-0369-CIV-MIDDLEBROOKS

FILED by _____ D.C.
APR 24 2002
CLARENCE MADDOX
CLERK U.S. DIST. CT.
S.D. OF FLA. - W.P.B.

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

JEROME E. ROSEN, DIVERSIFIED
CORPORATE CONSULTING GROUP,
JOSEPH D. RADCLIFFE and
WILLIAM A. CALVO III,

Defendants.

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CLARENCE MADDOX
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S.D. OF FLA. - W.P.B.

FINAL JUDGMENT AS TO WILLIAM A. CALVO III

Plaintiff Securities and Exchange Commission ("SEC"), having filed a Complaint in the above-captioned action, and defendant William A. Calvo III ("Calvo") having filed an Answer, and the SEC having filed a Motion for Summary Judgment pursuant to Rule 56 of the Federal Rules of Civil Procedure following the completion of discovery seeking Judgment with respect to Calvo's violations of Sections 5(a) and (c) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a) and(c), and the Court having duly rendered a decision, and having heard further evidence on remedy issues at a hearing on March 19, 2002, and it appearing that this Court has jurisdiction over Calvo, and the subject matter hereof, and the Court being otherwise fully advised of the premises, **IT IS HEREBY:**

I.

ORDERED, ADJUDGED AND DECREED that Calvo and his agents, servants, employees, attorneys-in-fact, nominees and those persons in active concert or participation with them, and each of them, who receive actual notice of this Final Judgment by personal service or otherwise, be and hereby are permanently restrained and enjoined from violating Sections 5(a)

and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c), by,

- (a) Unless a registration statement is in effect as to a security, directly or indirectly
 - (1) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise; or
 - (2) carrying or causing to be carried through the mails or interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale (as prohibited by Section 5(a)); or
- (b) Directly or indirectly, 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 a 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 (as prohibited by Section 5(c)).

II.

FURTHER ORDERED, ADJUDGED AND DECREED that Calvo shall:

- A. disgorge \$1,636,556.51 representing gains that arise from his conduct alleged in the Complaint, plus prejudgment interest of \$874,589.19 (a total “primary” disgorgement obligation of \$2,511,145.60);
- B. pay a civil penalty of \$50,000.00 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d).

III.

FURTHER ORDERED, ADJUDGED AND DECREED that Calvo shall deliver its primary disgorgement payment of \$2,511,145.60 to the Court-appointed Receiver within thirty (30) days of the entry of this Final Judgment. Calvo shall contemporaneously notify the Commission of the transfer or delivery by sending a copy of any check, money order, or wire transfer to: Cheryl Scarboro, Division of Enforcement, Securities and Exchange

Commission, 450 Fifth Street, N.W., Mail Stop 7-6, Washington, DC 20549-0706. Such payment shall thereafter be distributed pursuant to a plan for distribution of disgorgement funds, to be filed by the Commission with the Court, but in no event shall any of the funds, securities, or other things of value paid, transferred, assigned, or delivered be returned, directly or indirectly, to Diversified.

IV.

FURTHER ORDERED, ADJUDGED AND DECREED that Calvo shall deliver, within thirty (30) days of the entry of this Final Judgment, a United States postal money order, certified check, bank cashier's check or bank money order in the amount of \$50,000.00 representing the civil penalty described in Paragraph II above, to: Office of the Comptroller, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 0-3, Washington, D.C. 20549. The check or money order shall be made payable to the "Securities and Exchange Commission" and bear on its face the caption and case number of this action and the name of this Court. Contemporaneously, Calvo also shall deliver a copy of the check or money order to: Cheryl Scarboro, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 7-6, Washington, D.C. 20549-0706.

V.

FURTHER ORDERED, ADJUDGED AND DECREED that Calvo and his agents, servants, employees, attorneys-in-fact, nominees and those persons in active concert or participation with them, and each of them, who receive actual notice of this Final Judgment by personal service or otherwise, are enjoined for a period of three years from the date of this Final Judgment from destroying, mutilating, concealing, altering, or disposing of any items, including, but not limited to, any books, records, documents, contracts, agreements, assignments, obligations, tape recordings, computer media or other property, relating to the activities described in the Complaint.

VI.

FURTHER ORDERED, ADJUDGED, AND DECREED that Calvo shall prepare and present to this Court and to the SEC a sworn accounting of all of his assets and liabilities, including but not limited to the following:

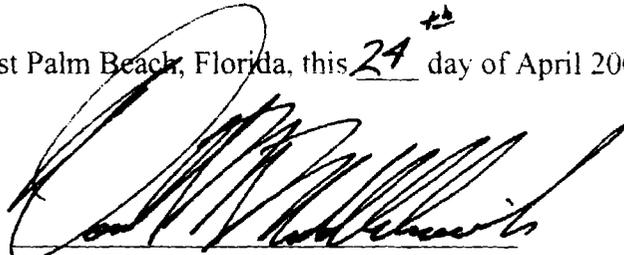
- a. all securities, funds, real estate, and other assets of Calvo, held in his name, or in which he has any direct or indirect beneficial interest, stating the location of such assets, from January 1, 1995 to the present; and
- b. each account with any bank, financial institution or brokerage firm maintained in the name of Calvo, or in which he has or has had any direct or indirect beneficial interest, from January 1, 1995 to the present.

This accounting shall be served on the SEC within twenty (20) days from the date of entry of this Judgment.

VII.

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 Final Judgment forthwith.

SO ORDERED in Chambers in West Palm Beach, Florida, this 24th day of April 2002.


DONALD M. MIDDLEBROOKS
UNITED STATES DISTRICT JUDGE