

JUDGE RAKOFF

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ALAN MYLES DORNFELD,

Defendant.

00 Civ.

01 CIV. 0576

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**FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AS TO  
DEFENDANT ALAN MYLES DORNFELD**

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Plaintiff Securities and Exchange Commission (the "SEC"), having filed its Complaint in the above-captioned action, and defendant Alan Myles Dornfeld, having in his Consent and Undertakings of Defendant Alan Myles Dornfeld ("Consent") filed with the Court, waived service of process, entered a general appearance, admitted the jurisdiction of this Court over him and over the subject matter of this action, waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, waived any right he might have to appeal from the entry of this Final Judgment of Permanent Injunction and Other Relief As To Defendant Alan Myles Dornfeld ("Final Judgment"), and without admitting or denying the allegations of the Complaint, except as to jurisdiction, which is admitted, consented to the entry without further notice of this Final Judgment, and it further appearing that this Court has jurisdiction over defendant Alan Myles Dornfeld and the subject matter of this action, and the Court being fully advised in the premises, and there being no just reason for delay:

I.

**IT IS ORDERED, ADJUDGED, AND DECREED** that defendant Alan Myles Dornfeld, his agents, servants, employees, attorneys-in-fact, and assigns, and those persons in active concert or participation with them who receive actual notice of the Final Judgment by personal service or otherwise, and each of them, be and hereby 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 [17 C.F.R. § 240.10b-5] promulgated thereunder by, directly or indirectly, singly or in concert, 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 connection with the purchase or sale of any security.

II.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that defendant Alan Myles Dornfeld shall:

1. disgorge a total of \$169,838.60, which represents \$132,937.50 in profits from transactions in Southern New England Telecommunications Corp. securities engaged in by defendant Alan Myles Dornfeld, as alleged in the Complaint, and \$36,901.10 of which represents prejudgment interest thereon;

2. disgorge a total of \$47,909.34, which represents \$37,500.00 in profits from transactions in Southern New England Telecommunications Corp. securities engaged in by his relative's spouse, as alleged in the Complaint, and \$10,409.34 of which represents prejudgment interest thereon; and
3. pay a civil penalty of \$132,937.50 pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1].

III.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Alan Myles Dornfeld delivers into this Court's registry within ten (10) business days of the entry of the Final Judgment, a check in the amount of \$217,747.94 representing the disgorgement and prejudgment interest as described in paragraphs II.1. and II.2., above, drawn to the order of "Clerk, United States District Court, Southern District of New York." The check shall bear on its face the caption "SECURITIES AND EXCHANGE COMMISSION v. ALAN MYLES DORNFELD," and be transmitted to the Clerk under cover of a letter that identifies Alan Myles Dornfeld, the caption and case number of this action, and the name of this Court. Copies of such check and accompanying cover letter shall be simultaneously transmitted to Mark A. Adler, Assistant Chief Litigation Counsel, U.S. Securities and Exchange Commission, 450 Fifth St., NW, Washington, DC 20549-0808.

IV.

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**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Clerk of this Court, or the Financial Deputy Clerk, is hereby directed to deposit said check referred to in the immediately preceding paragraph into an interest bearing account (the "Account") with the Court Registry Investment System ("CRIS"). The Account shall be held by the CRIS until further order of the Court, and shall thereafter be distributed pursuant to a plan for disposition of disgorgement funds, to be filed by the SEC with the Court, but in no event shall any of the funds paid into the Registry of the Court revert, directly or indirectly, to defendant Alan Myles Dornfeld, his successors, assigns, or beneficial owners.

V.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that interest earned on the Account shall be credited to the Account and shall thereafter be treated in the same manner as the principal. The Clerk of the Court is directed to deduct from the income earned on the investment a fee, not exceeding that authorized by the Judicial Conference of the United States and set by the Director of the Administrative Office at or equal to 10% of the income earned on the investment so held and without further order of the Court.

VI.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Alan Myles Dornfeld shall deliver within ten (10) business days of the entry of the Final Judgment, a check in the amount of \$132,937.50, representing a civil penalty pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1] as described in paragraph II.3., above, drawn to the "SECURITIES AND EXCHANGE COMMISSION." The check shall bear on its face the caption "SECURITIES AND EXCHANGE COMMISSION v. ALAN MYLES DORNFELD, HO-3244," and be transmitted under cover of a letter to The Office of the Comptroller of the Commission, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549 that identifies Alan Myles Dornfeld, the caption and case number of this action, the name of this Court, and HO-3244. Copies of such check and accompanying cover letter shall be simultaneously transmitted to Mark A. Adler, Assistant Chief Litigation Counsel, U.S. Securities and Exchange Commission, 450 Fifth St., NW, Washington, DC 20549-0808. At such time as such funds are transmitted to the SEC's Comptroller, defendant Alan Myles Dornfeld relinquishes all legal and equitable right, title and interest in the funds, and no part of said funds shall be returned to defendant Alan Myles Dornfeld, its successors, assigns, or beneficial owners.

VII.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that upon receipt of such funds, the Comptroller of the SEC shall promptly remit the funds to the United States Treasury.

VIII.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Alan Myles Dornfeld's obligations under paragraph II., above, shall be discharged upon the completion of all disbursements required by paragraphs III. and VI.

IX.

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

X.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that defendant Alan Myles Dornfeld shall fully comply with his undertakings as set forth in the Consent.

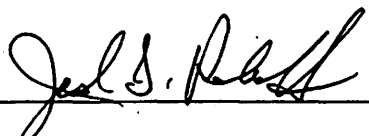
XI.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this Court shall retain jurisdiction for the purpose of enforcing the Final Judgment.

XII.

There being no cause for delay, the Clerk of Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.

Dated: 1/25/, 2001

  
UNITED STATES DISTRICT JUDGE *pm*

**THIS DOCUMENT WAS ENTERED  
ON THE DOCKET ON \_\_\_\_\_**