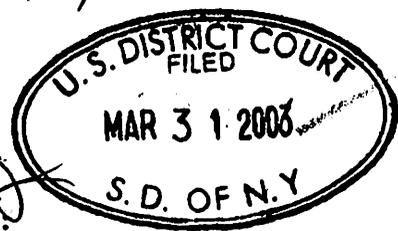


W. S. E. D.
03-30-2006

Doc # 57

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

WALL STREET MANAGEMENT GROUP,
ROBERT CIOFALO, CALVIN MOORE, THOMAS
CLINES, HEIDI DECONDE CLINES, and
KATHLEEN CONNELL

Defendants.

01 Civ. 0726 (GBD)

06,0702

FINAL JUDGMENT AS TO ROBERT CIOFALO

This action having been commenced by Plaintiff Securities and Exchange Commission (the "Commission" or "SEC") on January 30, 2001 by filing of the Summons and Complaint (the "Complaint"), and a copy of the Summons and Complaint having been personally served on the Defendant Robert Ciofalo ("Ciofalo" or "Defendant") on February 5, 2001, and a proof of service having been filed on February 16, 2001, and Defendant not having answered the Complaint, and the time for answering the Complaint having expired, and the SEC having filed a notice of default against Defendant on November 10, 2005, and the Court being fully advised in the premises:

I.

THE COURT HEREBY FINDS that Ciofalo violated the strict liability registration provisions of Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)] as a result of the conduct alleged in the Complaint.

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II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, 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;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; 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 with the Commission as to such security, or while the 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 [15 U.S.C. § 77h].

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is jointly and severally liable with Wall Street Management Group for disgorgement of \$347,117, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$336,605, for a total of \$683,722. The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after ten days following entry of this Final Judgment. In response to any such civil contempt motion by the Commission, Defendant may assert any legally permissible defense. Payments under this paragraph shall be made to the Clerk of this Court, together with a cover letter identifying Robert Ciofalo as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of each such payment and letter to the Commission's counsel in this action. Defendant relinquishes all legal and equitable right, title, and interest in such payments, and no part of the funds shall be returned to Defendant. The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS") or any other type of interest bearing account that is utilized by the Court. These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent

of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute the Fund subject to the Court's approval. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Ciofalo shall pay a civil penalty in the amount of \$5,500 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d). Defendant Ciofalo shall make this payment within ten (10) business days after entry of this Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Robert Ciofalo as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

V.

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

Dated: New York, New York

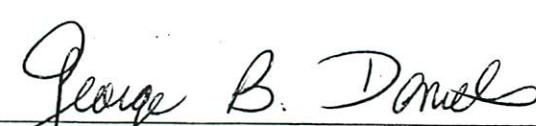
~~MAR 29 2006~~, 2006

CERTIFIED AS A TRUE COPY ON

THIS DATE JUL 12 2006

BY


 Clerk
 Deputy


HON. GEORGE B. DANIELS
UNITED STATES DISTRICT JUDGE

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