

CARMEN J. LAWRENCE
Securities and Exchange Commission
7 World Trade Center
New York, New York 10048
(212) 748-8045

Counsel for Plaintiff
Securities and Exchange Commission

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

CLERK, U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA

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SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

- against -

ATLANTIC CAPITAL CORPORATION, WALL
STREET MARKETING, INC., PULLMAN
PUBLICATIONS, INC., STEPHEN DECESARE,
MARK MISSLER, PATRICK KEPHART, HOWARD
JENKINS, SCOTT MIJARES, ROBERT THOMAS
BEATTY, VINCENT ST. CLAIR BEATTY,
MICHAEL CARDASCIA, DAVID SCOTT ROSSMAN,
ADRIAN WILSON, TIMOTHY B. DALEY and
DAVID M. CONNOCHIE,

Defendants.

96-1043-CIV-
ORL-19

FINAL CONSENT
JUDGMENT OF
PERMANENT
INJUNCTION AND
OTHER RELIEF AS
TO PATRICK
KEPHART

Plaintiff Securities and Exchange Commission

("Commission"), having filed an Amended Complaint for
injunctive and other relief on January 9, 1997 (" Amended
Complaint") charging, among others, Defendant Patrick
Kephart ("Kephart") with violations of Sections 17(a) and
(b) of the Securities Act of 1933 ("Securities Act"), 15
U.S.C. § 77q(a) and (b), and 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, and

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Kephart having executed the annexed Consent of Defendant Patrick Kephart ("Consent"), having admitted to the jurisdiction of this Court over him and over the subject matter of this action, having waived the filing of an Answer pursuant to Rule 12 of the Federal Rules of Civil Procedure and the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and, without admitting or denying the allegations contained in the Amended Complaint (except as to jurisdiction, which are admitted), having consented to the entry of this Final Consent Judgment Of Permanent Injunction and Other Relief As To Patrick Kephart ("Final Judgment"), without further notice:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that defendant Kephart hereby is permanently enjoined and restrained, directly or indirectly, singly or in concert, in connection with the purchase or sale of any security, by the use of any means or instrumentalities of interstate commerce or of the mails, or of any facility of any national securities exchange, from:

- (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, transaction, practice or course of business which operates or would operate as a fraud or deceit upon any person,

in violation of Section 10(b) of the Securities Exchange Act of 1934 [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Kephart hereby is permanently enjoined and restrained, directly or indirectly, singly or in concert, 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, from:

- (1) employing any device, scheme, or artifice to defraud;
- (2) obtaining money or property by means of any untrue statement of 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,
- (3) engaging in any transaction, practice, or course

of business which operates or would operate as a fraud or deceit upon the purchaser, in violation of Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)].

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Kephart hereby is permanently enjoined and restrained, directly or indirectly, singly or in concert, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, from publishing, giving publicity to, or circulating any notice, circular, advertisement, newspaper, article, letter, investment service, or communication which, though not purporting to offer a security for sale, describes such security for a consideration received or to be received, directly or indirectly, from an issuer, underwriter, or dealer, without fully disclosing the receipt, whether past or prospective, of such consideration and the amount thereof, in violation of Section 17(b) of the Securities Act OF 1933 [15 U.S.C. § 77q(a)].

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, within ten (10) business days of the entry of this Final Judgment, defendant Kephart shall pay disgorgement in the amount of \$25,297.88, representing his gain from the conduct

alleged in the Amended Complaint, plus pre-judgment interest thereon in the amount of \$12,047.32.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the monies to be paid pursuant to paragraph IV. shall be deposited into an interest-bearing money market account with the Court Registry Investment System (the "CRIS Account"). Interest earned on the funds in the CRIS Account shall be credited to the CRIS Account and shall thereafter be treated in the same manner as principal. Further, funds in the CRIS Account shall be held until further order of the Court, and shall be disbursed in accordance with a plan of distribution to be submitted by the Commission and approved by the Court. In no event shall any portion of the account be returned to Kephart, his successors or assigns.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, within ten (10) business days of the entry of this Final Judgment, Kephart shall pay \$25,297.88 to the United States Treasury ("Treasury") as a civil penalty pursuant to Section 20(a) of the Securities Act, 15 U.S.C. § 77t(a), and Section 21(d) of the Exchange Act, 15 U.S.C. § 77u(d).

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of the annexed Consent be, and the same hereby

are, incorporated in this Final Judgment with the same force and effect as if fully set forth herein.

VIII.


IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Final Judgment is binding upon Kephart, his agents, servants, employees, and attorneys, and upon those persons in active concert or participation with Kephart who receive actual notice of this Final Judgment by personal service or otherwise, pursuant to Federal Rule of Civil Procedure 65(d).

IX.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, there being no just reason for delay, the Clerk of the Court is hereby directed to enter this Final Judgment pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

SO ORDERED.

Dated: February 5, 1998



PATRICIA C. FAWCETT
United States District Judge

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BY DTD
Deputy Clerk