

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

NIR KANTOR and
HANAN WAIZMAN,

Defendants.

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: 96 Civ. 4012 (SWK)
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**FINAL JUDGMENT
OF PERMANENT INJUNCTION
AGAINST NIR KANTOR**

Plaintiff Securities and Exchange Commission ("Commission") having commenced this action, and defendant Nir Kantor, in his Consent of Nir Kantor ("Consent"), filed simultaneously with this Final Judgment of Permanent Injunction and incorporated herein by reference, having entered a general appearance; admitted the jurisdiction of this Court over him and the subject matter of this action; waived the filing of an answer, 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 of the Complaint, except as to jurisdiction, which he admits, consented to the entry of this Final Judgment; and it appearing that this Court has jurisdiction over Nir Kantor and the subject matter hereof, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED that Nir Kantor, his agents, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of the Final Judgment by personal service or otherwise are hereby permanently enjoined and restrained 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 use of the means or instrumentality of interstate commerce, the mails, or 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 HEREBY ORDERED, ADJUDGED AND DECREED that Nir Kantor his agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, be and hereby are permanently restrained and enjoined from violating

Section 14(e) of the Exchange Act, 15 U.S.C. § 78n(e), and Rule 14e-3 thereunder, 17 C.F.R. § 240.14e-3, if any person has taken a substantial step or steps to commence or has commenced a tender offer, by:

- (1) purchasing or selling or causing to be purchased or sold the securities sought or to be sought in such tender offer or securities convertible into or exchangeable for any such securities or any option or right to obtain or dispose of any of the foregoing securities, while in possession of material information relating to such tender offer which they know or have reason to know is nonpublic and which they know or have reason to know was acquired directly or indirectly from:

- (a) a person who has taken a substantial step or steps to commence a tender offer ("the offering person"),
- (b) the issuer of the securities sought or to be sought by such tender offer, or
- (c) any officer, director, partner, employee or other person acting on behalf of the offering person or such issuer,

unless within a reasonable time prior to any such purchase or sale such information and its source are publicly disclosed; or they purchase any such security while acting in the capacity of a broker or agent on

behalf of the offering person; or they sell any such security to the offering person; or

- (2) communicating material, nonpublic information relating to a tender offer, which information they know or have reason to know was acquired directly or indirectly from:

- (a) the offering person,
- (b) the issuer of the securities sought or to be sought in the tender offer, or
- (c) any person acting on behalf of the offering person or such issuer,

to any other person under circumstances in which it is reasonably foreseeable that such communication is likely to result in the purchase or sale of securities in the manner described in Paragraph II(1), above, of this Final Judgment, provided however, that this paragraph shall not apply to a communication made in good faith to:

- (a) the officers, directors, partners or employees of the offering person, to its advisors or to other persons, involved in the planning, financing, preparation or execution of such tender offer;
- (b) the issuer whose securities are sought or to be sought by such tender offer, to its officers, directors, partners, employees or advisors or to other persons, involved in the planning,

financing, preparation or execution of the activities of the issuer with respect to such tender offer; or

- (c) any person pursuant to a requirement of any statute or rule or regulation promulgated thereunder.

III.

IT IS FURTHER ORDERED that Nir Kantor disgorge \$29,893.39, plus prejudgment interest, representing his unjust enrichment from the transactions complained of. Based upon Nir Kantor's sworn representations to the Commission as to his financial condition, contained in his "Statement of Financial Condition of Nir Kantor" dated July 11, 1996, payment of disgorgement plus prejudgment interest is waived.

IV.

IT IS FURTHER ORDERED that based upon Nir Kantor's sworn representations to the Commission as to his financial condition, contained in his "Statement of Financial Condition of Nir Kantor" dated July 11, 1996, the Court is not ordering him to pay a civil penalty pursuant to the Insider Trading Sanctions Act, 15 U.S.C. § 78u-1(a).

V.

IT IS FURTHER ORDERED that the determination to waive payment of disgorgement of \$29,893.39 plus prejudgment interest, and not to impose a civil penalty, is contingent upon the accuracy and completeness of Nir Kantor's representations

contained in his "Statement of Financial Condition of Nir Kantor" dated July 11, 1996. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Nir Kantor's representations to the Commission concerning his financial condition were materially inaccurate or incomplete at the time such representations were made, the Commission may petition this Court for an order requiring Nir Kantor to pay disgorgement of \$29,893.39, plus interest, and imposing a civil penalty. In defense to any such petition, Nir Kantor shall not challenge the validity of this Consent or the Final Judgment, the allegations in the Commission's Complaint, or the appropriateness of disgorgement, interest, or imposition of a civil penalty.

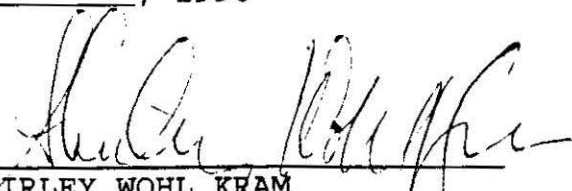
VI.

IT IS FURTHER ORDERED that Nir Kantor shall comply with his cooperation agreement, as set forth in paragraph 11 of the Consent.

VII.

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

Dated, New York, New York, 9-12-96, 1996


SHIRLEY WOHL KRAM
UNITED STATES DISTRICT JUDGE

