



William J. McClintock ("Final Judgment") permanently enjoining and restraining Defendant McCLINTOCK from violating Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)] and Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b) and 78m(b)(5)] and Exchange Act Rules 10b-5, 13b2-1 and 13b2-2 thereunder [17 C.F.R. §§ 240.10b-5, 240.13b2-1 and 240.13b2-2]; ordering Defendant McCLINTOCK to disgorge the sum of \$285,825 (two hundred eighty-five thousand eight hundred twenty-five and no/100 dollars) plus prejudgment interest thereon, provided, however, that payment of such amount is waived based on Defendant McCLINTOCK's representations to the COMMISSION concerning his assets, liabilities, net worth and income, as described in Defendant McCLINTOCK's sworn Statement of Financial Condition, dated February 25, 2000, and submitted to the COMMISSION ("Statement of Financial Condition"); prohibiting Defendant McCLINTOCK for a period of five years from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78j] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)]; and not imposing civil monetary penalties against Defendant McCLINTOCK in light of Defendant McCLINTOCK's demonstrated inability to pay; and it further appearing that this Court has jurisdiction over Defendant McCLINTOCK and the subject matter hereof, and the Court being fully advised in the premises:

**I.**

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK, his agents, servants, employees, attorneys-in-fact, assigns and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating

Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] by, directly or indirectly, in the offer or sale of any security through the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails:

- (a) employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

**II.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK, his agents, servants, employees, attorneys-in-fact, assigns and all persons in active concert or participation with them who receive actual notice of this 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 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, using any means or instrumentality of interstate commerce, or the mails, or any facility of any national securities exchange:

- (a) to employ any device, scheme or artifice to defraud,
- (b) to make any untrue statement of a material fact or to omit 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

- (c) to engage 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.

**III.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK, his agents, servants, employees, attorneys-in-fact, assigns and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing or failing to implement a system of internal accounting controls or knowingly falsifying any book, record or account or by, directly or indirectly, falsifying or causing to be falsified any book, record or account of an issuer which has a class of securities registered with the COMMISSION or which is required to file reports with the COMMISSION.

**IV.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK, his agents, servants, employees, attorneys-in-fact, assigns and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Exchange Act Rule 13b2-1 [17 C.F.R. § 240.13b2-1] by, directly or indirectly, falsifying or causing to be falsified any book, record or account subject to Section 13(b)(2)(A) of the Exchange Act.

**V.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK, his agents, servants, employees, attorneys-in-fact, assigns and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Exchange Act Rule 13b2-2 [17 C.F.R. § 240.13b2-2] by, directly or indirectly, making or causing to be made materially false or misleading statements or omitting to state, or causing another person to omit to state any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with any audit or examination of the financial statements of an issuer or the preparation or filing of any document or report required to be filed with the COMMISSION.

**VI.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK pay disgorgement in the amount of \$285,825 plus prejudgment interest thereon (calculated at the rate established quarterly by the U.S. Internal Revenue Service for tax underpayment, compounded quarterly). Based upon Defendant McCLINTOCK's sworn representations in his Statement of Financial Condition, payment of the disgorgement and prejudgment interest thereon is waived, contingent upon the accuracy and completeness of Defendant McCLINTOCK's Statement of Financial Condition.

**VII.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, based upon Defendant McCLINTOCK's sworn representations in his Statement of Financial Condition, the Court is not ordering him to pay civil penalties under the Exchange Act. The determination not to impose civil penalties and to waive payment of the disgorgement and prejudgment interest thereon is contingent upon the accuracy and completeness of Defendant McCLINTOCK's Statement of Financial Condition. If, at any time following the entry of this Final Judgment, the COMMISSION obtains information indicating that Defendant McCLINTOCK's representations to the COMMISSION concerning his assets, income, liabilities or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the COMMISSION may, at its sole discretion and without prior notice to Defendant McCLINTOCK, petition this Court for an order requiring Defendant McCLINTOCK to pay disgorgement of \$285,825, prejudgment and postjudgment interest thereon, and civil monetary penalties. In connection with any such petition, the only issues shall be whether the financial information provided by Defendant McCLINTOCK was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalties to be imposed. In any such petition, the COMMISSION may move this Court to consider all available remedies, including, but not limited to, ordering Defendant McCLINTOCK to pay funds or assets, directing the forfeiture of any assets, or sanctioning Defendant McCLINTOCK for contempt of this Final Judgment, and the COMMISSION may also request additional discovery. Defendant McCLINTOCK may not, by way of defense to such petition, challenge the validity of his Consent or the Final Judgment,

contest the allegations in the Complaint filed by the COMMISSION, contest the amount of disgorgement and interest, or assert that disgorgement or payment of civil penalties should not be ordered.

**VIII.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant McCLINTOCK is prohibited for a period of five years, pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78j] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

**IX.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the annexed Consent and Undertakings of Defendant William J. McClintock is incorporated by reference herein with the same force and effect as if fully set forth herein.

**X.**

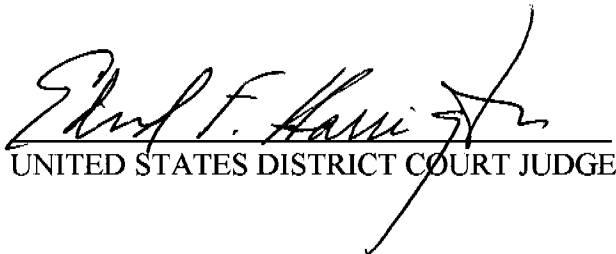
**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that this Court shall retain jurisdiction over Defendant McCLINTOCK as a party to this matter for all purposes, including the implementation and enforcement of this Final Judgment.

**XI.**

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

DONE AND ORDERED at Boston, Massachusetts, this 24 day of

July, 2000.

  
UNITED STATES DISTRICT COURT JUDGE