

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
(Miami Division)

97 3111

CIV-MOORE

MAGISTRATE JUDGE  
BANDSTRA

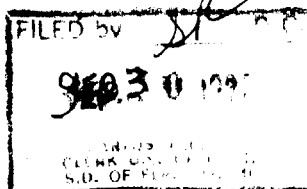
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

GERALD BURNS,  
VDS ENTERPRISES, INC.  
ALL AMERICAN ENVIRONMENTAL FUNDING CORP.,  
DIVERSIFIED CAPITAL RESOURCES, INC., AND  
ANGEL LORIE

Defendants.



) CIVIL ACTION NO.

) FINAL JUDGMENT OF

) PERMANENT

) INJUNCTION AS TO

) DEFENDANTS

) DIVERSIFIED CAPITAL

) RESOURCES, INC., AND

) ANGEL LORIE

Plaintiff Securities and Exchange Commission ("SEC") commenced this action by filing its complaint against Defendants Diversified Capital Resources, Inc. ("Diversified"), and Angel Lorie ("Lorie"). Defendants Diversified and Lorie, by the Consents annexed hereto, without admitting or denying any of the allegations in the SEC's Complaint, except as to the jurisdiction of this Court over them and over the subject matter of this action, have agreed to the entry of this Final Judgment of Permanent Injunction ("Final Judgment"). This Court, having jurisdiction over Defendants Diversified and Lorie and over the subject matter hereof, and the Court having accepted such Consent and being fully advised in the premises,

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants Diversified and Lorie, their officers, agents, servants, employees, attorneys in fact, and all persons

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in active concert or participation with them, directly and indirectly, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, singly or in concert, in the offer or sale of any securities, by use of the means or instrumentalities of transportation or communication in interstate commerce or by the mails:

- (a) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon purchasers or prospective purchasers; or
- (b) obtaining money or property by means of any untrue statement of material fact or omission to state any material fact necessary in order to make the statements made, in light of the circumstances under which it was made, not misleading,

in violation of Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§ 77q(a)(2) and 77q(a)(3).

## II.

**IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED** that Defendants Diversified and Lorie, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, singly or in concert, making use of the mails or any means or instrumentalities of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security in violation of Section 15(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78o.

**III.**

**IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED** that Defendants Diversified and Lorie are jointly and severally liable to pay disgorgement in the amount of \$<sub>0</sub> and \$<sub>0</sub> representing Diversified's and Lorie's ill-gotten gains, respectively, from the conduct alleged in the Complaint, plus pre-judgment interest thereon. Based upon Defendants Diversified's and Lorie's sworn representations in their Statements of Financial Condition dated January 31, 1997, payment of the disgorgement and pre-judgment interest thereon is hereby waived.

**IV.**

**IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED** that, based upon Defendants Diversified's and Lorie's sworn representations in their Statements of Financial Condition dated January 31, 1997, the Court is not ordering them to pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d) of the Exchange Act, 15 U.S.C. § 78(d)(3). The determination not to impose a civil penalty and to waive payment of the disgorgement and pre-judgment interest thereon is contingent upon the accuracy and completeness of their Statements of Financial Condition. If at any time following the entry of this Final Judgment the SEC obtains information indicating that Defendants' representations to the SEC concerning their 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 SEC may, at its sole discretion and without prior notice to Defendants, petition this Court for an order requiring

Defendants to pay the disgorgement, pre-judgment and post-judgment interest thereon, and a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Defendants was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. For the purposes of any such petition, the allegations of the Complaint in this matter shall be deemed to be true. Such petition shall be determined without an evidentiary hearing. In its petition, the SEC may move this Court to consider all available remedies, including, but not limited to, ordering Defendants to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the SEC may also request additional discovery. Defendants may not, by way of defense to such petition, challenge the validity of this Consent or the Final Judgment, contest the allegations in the Complaint filed by the SEC, the amount of disgorgement and interest, or assert that disgorgement or the payment of a civil penalty should not be ordered.

V.

**IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED** that this Court shall retain jurisdiction over this matter and Defendants Diversified and Lorie for all purposes and will order other and further relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED a 11 o'clock 9 .m. this 30th day of September, 1997 at Miami, Florida.

  
UNITED STATES DISTRICT JUDGE

copies furnished to:

Christian R. Bartholomew, Esq.

Frederick M. Lehrer, Esq.

Attorneys for Plaintiff

Securities and Exchange Commission

Leonard Bloom, Esq.

Attorney for Defendants