

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(Fort Lauderdale Division)

SECURITIES AND EXCHANGE COMMISSION,)

Plaintiff,)

v.)

GUIDO VOLANTE, and)
MIRIAM MERCADO,)

Defendants.)

Case No.

97-9724-CIV-GRAHAM

8724
FINAL JUDGMENT

OF PERMANENT

INJUNCTION AND OTHER

RELIEF AS TO GUIDO

VOLANTE

OCT 1 1998

Defendant Guido Volante ("Volante"), by the Consent annexed hereto, without admitting or denying any of the allegations in the Commission's Complaint, except that he is admitting the allegation as to the jurisdiction over him of this Court, has agreed to the entry of this Final Judgment Of Permanent Injunction And Other Relief ("Final Judgment"). This Court having accepted such Consent and having jurisdiction over Volante and the subject matter hereof, and the Court being fully advised in the premises,

I.

FRAUD IN VIOLATION OF SECTION 10(b) OF
THE EXCHANGE ACT AND RULE 10b-5, THEREUNDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Volante, his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, and each of them, who receive notice of this Final Judgment, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means

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or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- (a) employing any device, scheme or artifice to defraud;
- (b) 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
- (c) engaging in any act, 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 Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, promulgated thereunder.

II.

CAUSING AN ISSUER TO FILE FALSE AND MISLEADING, AND TO FAIL TO FILE, FORMS 10-K AND 10-Q IN VIOLATION OF SECTION 13(a) OF THE EXCHANGE ACT AND RULES 12b-20, 13a-1 AND 13a-13 THEREUNDER

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Volante, his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, and each of them, who receive notice of this Final Judgment, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined, directly or indirectly or as a control person under Section 20(a) of the Exchange Act, from causing an issuer to file false and misleading Forms 10-K and 10-Q, failing to include such further material information in Forms 10-K and 10-Q necessary to make the required statements, in light of the

circumstances under which they were made, not misleading, or failing to file Forms 10-K and 10-Q, in violation of Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1 and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-20, 240.13a-1 and 240.13a-13 thereunder.

III.

**CAUSING AN ISSUER TO FAIL TO MAKE
AND KEEP REQUIRED BOOKS, RECORDS, AND ACCOUNTS
IN VIOLATION OF SECTION 13(b)(2)(A) OF THE EXCHANGE ACT**

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Volante, his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, and each of them, who receive notice of this Final Judgment, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined, directly or indirectly or as a control person under Section 20(a) of the Exchange Act, from causing an issuer to fail to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflected its transactions and its dispositions of assets as required by Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A) in violation of Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A).

IV.

**CIRCUMVENTING OR FAILING TO IMPLEMENT A SYSTEM
OF INTERNAL ACCOUNTING CONTROLS AND FALSIFYING
REQUIRED BOOKS, RECORDS, AND ACCOUNTS AND MAKING FALSE
STATEMENTS TO AN AUDITOR IN VIOLATION OF SECTION 13(b)(5)
OF THE EXCHANGE ACT AND RULES 13b2-1 and 13b2-2 THEREUNDER**

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Volante, his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, and each of them, who receive notice of this Final Judgment, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined from, 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, material facts necessary in order to make statements made, in light of the circumstances under which they were made, not misleading to an accountant in connection with (1) audits or examinations of financial statements required pursuant to Section 13(b)(2) of the Exchange Act, 15 U.S.C. § 78m(b)(2), or (2) the preparation or filing of documents or reports required to be filed with the Commission in violation of Section 13(b)(5) of the Exchange Act, 15 U.S.C. § 78m(b)(5), and Rules 13b2-1 and 13b2-2 promulgated thereunder, 17 C.F.R. § 240.13b2-1 and 240.13b2-2.

V.

OFFICER AND DIRECTOR BAR

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Volante is hereby permanently barred from acting as an officer or director of any issuer that has a class of securities

registered with the Commission pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 781, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

VI.

CIVIL MONEY PENALTIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that based upon Defendant Volante's sworn representations in his Statement of Financial Condition submitted to the Commission, the Court is not ordering him to pay a civil penalty pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The determination not to impose a civil penalty is contingent upon the accuracy and completeness of his Statement of Financial Condition. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Defendant Volante'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 Volante, petition this Court for an order imposing a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Defendant Volante 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. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Defendant Volante to pay funds or assets,

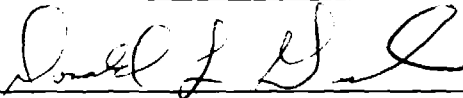
directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Defendant Volante may not, by way of defense to such petition, challenge the validity of his Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, or assert that payment of a civil penalty should not be ordered.

VII.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court retains jurisdiction over this matter and Volante for all purposes and will order other and further relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED at 10:45 o'clock a.m. this 19th day
of October, 1998 in chambers at Miami, Florida.


UNITED STATES DISTRICT JUDGE

Copies provided to:

Mitchell E. Herr, Esq.
Regional Trial Counsel
SECURITIES AND EXCHANGE COMMISSION
1401 Brickell Avenue, Suite 200
Miami, Florida 33131
(Attorneys for Plaintiff)

James M. Kaplan, Esq.
Wilson, Elser, Moskowitz,
Edelman & Dicker
3800 International Place
100 S.E. 2nd Street
Miami, Florida 33131
(Attorney for Guido Volante)

Eugene M. Kennedy, Esq.
517 S.W. First Avenue
Fort Lauderdale, Florida 33301
(Attorney for Miriam Mercado)