

**CLOSED**

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

**FILE**

NOV - 3 2000

CLERK'S OFFICE  
U.S. DISTRICT COURT  
EASTERN MICHIGAN

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**WILLIAM H. MALEK  
DEAN C. TURNER, and  
MICHAEL L. COOPERSTOCK,**

**Defendants.**

**CIVIL ACTION NO. 97-74810  
JUDGE FEIKENS**

**FINAL JUDGMENT AND ORDER OF  
PERMANENT INJUNCTION AGAINST DEAN C. TURNER**

Plaintiff Securities and Exchange Commission ("Commission"), having filed a Complaint in this matter, and Dean C. Turner in his Consent and Stipulation, attached hereto as Exhibit 1 and incorporated herein, having (1) acknowledged receipt of the Complaint and admitted the personal jurisdiction of this Court over him; (2) waived the entry of Findings of Fact and Conclusions of Law in this matter; (3) without admitting or denying the allegations of the Complaint, consented to the entry of this Final Judgment and Order of Permanent Injunction ("Final Judgment"); and (4) waived any right to appeal from this Judgment:

**I.**

**IT IS ORDERED, ADJUDGED AND DECREED** that Defendant Turner, his officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, are permanently restrained and enjoined from:

11

A. Violating Section 5(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77e(a)] by, directly or indirectly:

1. making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell securities through the use or medium of any prospectus or otherwise, unless a registration statement is in effect as to such securities; or

2. carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such securities for the purpose of sale or for delivery after sale, unless a registration statement is in effect as to such securities;

B. Violating Section 5(c) of the Securities Act by, directly or indirectly, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise, any securities, unless a registration statement has been filed as to such securities;

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

1. employing any device, scheme or artifice to defraud;

2. obtaining money or property by means of any untrue statement of 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 are 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 any purchaser;

D. Violating Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §78j(b)] and Rule 10b-5 [17 C.F.R. §240.10b-5] thereunder by, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

1. employing any device, scheme or artifice to defraud;
2. making any untrue statement of 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 are 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 securities,;

E. Violating Section 15(a) of the Exchange Act [15 U.S.C. §78o(a)] by, while acting as a broker or dealer, making use of the mails or any means or instrumentalities of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of any securities, without being registered in accordance with Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)]; and

F. Violating Section 15(c)(1) [15 U.S.C. §78o(c)(1)] of the Exchange Act and Rule 15c1-2 [17 C.F.R. §240.15c1-2] promulgated thereunder by, while acting as a broker, making use of the mails or any means or instrumentalities of interstate commerce, effecting transactions in or inducing or attempting to induce the purchase or sale of any securities by means of manipulative, deceptive or other fraudulent devices or contrivances, including making untrue statements of material facts or omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading,

which such statement or omission is made with knowledge or reasonable grounds to believe that such statements are untrue and misleading.

**II.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant Turner is liable for disgorgement of \$335,136 plus prejudgment interest, representing profits gained, as a result of the conduct alleged in the Complaint. Based on Defendant's demonstrated inability to pay, as shown by a sworn financial statement dated February 8, 2000 and furnished to the Commission by the Defendant, payment of this disgorgement obligation and prejudgment interest is waived. However, if it shall appear that such financial statement was false or incomplete in any material respect when made, Defendant shall, on application by the Commission, be ordered to pay the full amount of disgorgement specified above, plus prejudgment interest.

**III.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the determination not to impose a civil penalty is contingent upon the accuracy and completeness of Defendant Turner's Statement of Financial Condition and that if at any time following the entry of this Final Judgment the Commission obtains information from any source that Defendant Turner's representations to the Commission concerning his assets, income, liabilities, expenses 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 Turner, petition this Court for an order requiring Defendant Turner to pay a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Defendant Turner 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 Turner to pay funds or assets, directing the forfeiture of any assets, and imposing sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Defendant Turner may not, by way of defense to such petition, challenge the validity of the Consent and Stipulation or this Final Judgment, contest the allegations in the Complaint filed by the Commission, the amount of penalties, or assert that the payment of a civil penalty should not be ordered.

**IV.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the attached Consent of Defendant Turner be incorporated herein with the same force and effect as if fully set forth herein.

**V.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that this Court shall retain jurisdiction of this matter for all purposes including, among other things, any further actions to implement and carry out the terms of all orders and decrees that may be entered or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

There being no just reason for delay, the Clerk is ordered to enter this Judgment forthwith and without further notice.

*John Ferhans*  
UNITED STATES DISTRICT JUDGE

DATED: Nov. 3, 2000

NOV 3 2000  
FBI - NEW YORK

NOV 3 2000

NOV 3 2000

NOV 3 2000

NOV 3 2000

NOV 3 2000

NOV 3 2000

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

**FILE**

NOV - 3 2000

CLERK'S OFFICE  
U.S. DISTRICT COURT  
EASTERN MICHIGAN

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

v.

**WILLIAM H. MALEK  
DEAN C. TURNER, and  
MICHAEL L. COOPERSTOCK,**

**Defendants.**

**CIVIL ACTION NO. 97-74810  
JUDGE FEIKENS**

**CONSENT AND STIPULATION  
OF DEFENDANT DEAN C. TURNER**

A. Defendant Dean C. Turner ("Turner"):

1. Acknowledges service upon him of the Complaint ("Complaint") of Plaintiff Securities and Exchange Commission ("Commission") in this action, enters a general appearance, admits the jurisdiction of this Court over him and over the subject matter hereof, and waives the filing of an Answer;

2. Without admitting or denying the allegations of the Complaint, except as to jurisdiction, which is admitted, hereby voluntarily consents to the entry of the attached Final Judgment and Order of Permanent Injunction ("Final Judgment") against him without further notice;

3. Enters into this Consent and Stipulation (“Consent”) voluntarily and acknowledges that no threats, offers, promises or inducements of any kind whatsoever have been made by the Commission or anyone else in consideration of this Consent;

4. Waives any right he may have to appeal from the Final Judgment;

5. Understands that the terms of the Final Judgment are enforceable through contempt proceedings;

6. Agrees that he will not oppose enforcement of the Final Judgment on the ground that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure and waives any objections based thereon;

7. Agrees that he does not and will not oppose the validity of the attached Final Judgment on any jurisdictional ground;

8. Waives service upon him of the Final Judgment and agrees that the entry of the Final Judgment by the Court and filing with the Clerk in the United States District Court for the Eastern District of Michigan will constitute notice to him of the terms and conditions of such Final Judgment; and

9. Agrees that the Court shall retain jurisdiction of this matter for all purposes.

B. Plaintiff and Defendant Turner agree that this Consent shall be incorporated by reference into the Final Judgment with the same force and effect as if fully set forth therein.

C. Plaintiff and Defendant Turner waive the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

D. Defendant Turner acknowledges that he is ordered in the Final Judgment to pay disgorgement of \$335,136 plus prejudgment interest, representing profits gained as a result of the



conduct alleged in the Complaint. Defendant Turner also acknowledges that, based on Defendant's demonstrated inability to pay, as shown by a sworn financial statement dated February 8, 2000 and furnished to the Commission by the Defendant, payment of this disgorgement obligation and prejudgment interest is waived. Defendant Turner also consents that, if it shall appear that such financial statement was false or incomplete in any material respect when made, Defendant shall, on application by the Commission, be ordered to pay the full amount of disgorgement specified above plus prejudgment interest.

E. Defendant Turner acknowledges that the Court is not imposing a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] or Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)] based upon the accuracy and completeness of Defendant Turner's sworn representations to the Commission concerning his assets, income, liabilities, expenses and net worth, as described in his sworn Statement of Financial Condition dated February 8, 2000 and submitted to the Commission. Defendant Turner further consents that if at any time following the entry of the Final Judgment the Commission obtains information indicating that Defendant Turner's representations to the Commission concerning his assets, income, liabilities, expenses 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 Turner, petition the Court for an order requiring Defendant Turner to pay a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Defendant Turner 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 any such petition, the Commission may move the Court to consider all available remedies, including, but not limited to, ordering

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

F. Defendant Turner (i) understands the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint," 17 CFR § 202.5(e); (ii) agrees not to make or permit any public statement directly or indirectly denying the allegations of the Complaint or creating the impression that the Judgment is without factual basis; and (iii) agrees that if Defendant breaches this agreement, the Commission may move the Court to vacate the Judgment and restore this action to its active docket. The parties understand that Turner is currently a defendant or respondent in several other civil proceedings. Nothing in this provision affects Defendant's right to take legal or factual positions in such proceedings or in any other litigation in which the Commission is not a party, or Defendant's testimonial obligations in any other matter.


G. Consistent with the provisions of 17 C.F.R. § 202.5(f), Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein.

H. Defendant Turner agrees that the Final Judgment may be presented by the Commission to the Court for signature and entry without further notice.

Dated: 7-20-00

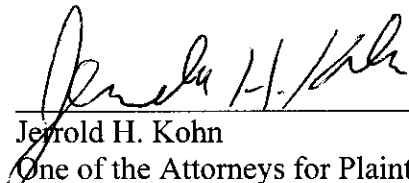
  
\_\_\_\_\_  
Dean C. Turner

Sworn before me this 20th day of July, 2000

  
\_\_\_\_\_  
NOTARY PUBLIC  
State of Ohio  
Columbiana Cty.

My Commission expires: 6/27/2002

Dated: 10/23/00

  
\_\_\_\_\_  
Jayrold H. Kohn  
One of the Attorneys for Plaintiff  
Securities and Exchange Commission  
500 W. Madison St., Suite 1400  
Chicago, Illinois 60661  
(312) 353-7390