

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

SECURITIES AND EXCHANGE
COMMISSION,

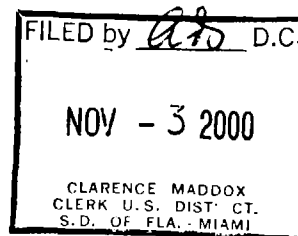
Plaintiff,

v.

UNIQUE FINANCIAL CONCEPTS, INC.,
FREDERICK N. HOLLANDER,
ERNEST J. PATTI, and
NICHOLAS D. DEANGELIS,

Defendants.

Civil Action No.
98- 7147- CIV (HIGHSMITH)



FINAL JUDGMENT AND ORDER AGAINST ERNEST J. PATTI

Plaintiff Securities and Exchange Commission ("SEC"), having requested this Court to issue this Final Judgment and Order ("Final Judgment") as to defendant Ernest J. Patti ("Patti"); and

It appearing to the Court that defendant Patti, without admitting or denying the allegations in the Commission's Complaint, except as to jurisdiction, which he admits, has consented to the entry of this Final Judgment; and

It appearing that defendant Patti has admitted the jurisdiction of the Court over him and over the subject matter of this action, and has acknowledged service of the Summons and Complaint; and

It further appearing that there is no just reason for delay and there is sufficient basis herein for the entry of this Final Judgment;

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IT IS HEREBY ORDERED THAT:

I. Defendant Patti, his agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, are permanently enjoined from, directly or indirectly, making use of any means or instrumentality of interstate commerce, or of the mails, in connection with the offer or sale of any security, to:

- (a) employ any device, scheme or artifice to defraud; or
- (b) obtain 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 the light of the circumstances under which they were made, not misleading; or
- (c) engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon a purchaser;

in violation of Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. 77q(a).

II. Defendant Patti, his agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, are permanently enjoined from, directly or indirectly, making use of any means or instrumentality of interstate commerce, or of the mails, in connection with the offer or sale of any security, to:

- (a) employ any device, scheme or artifice to defraud; or
- (b) make any statement of a material fact or any 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) engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon a purchaser;

in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. 78j(b), or Rule 10b-5, 17 C.F.R. 240.10b-5, thereunder.

III. Defendant Patti, his agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, are permanently enjoined from, directly or indirectly, making use of any means or instrumentality of interstate commerce, or of the mails, to:

- (a) sell any security through the use or medium of any prospectus or otherwise, or carry or cause to be carried any security for the purpose of sale or delivery after sale, unless and until a registration statement has been filed with the Commission and is in effect, or unless a valid exemption from registration is available; or

- (b) offer to sell or offer to buy any security through the use or medium of any prospectus or otherwise, unless and until a registration statement has been filed with the Commission with respect to such security, or unless a valid exemption from registration is available;


in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. 77(e) and 77e(c).

IV. Defendant Patti shall pay disgorgement in the amount of \$123,000, plus prejudgment interest. Based upon Patti's sworn representations in his Statement of Financial Condition submitted to the Commission together with his deposition testimony in this matter, payment of all but \$16,728.55 of that disgorgement and prejudgment interest thereon is waived. In addition, the Court is not ordering Patti to pay a civil penalty pursuant to Section 20(d) of the Securities Act of 1933 or Section 21(d) of the Securities Exchange Act of 1934. The determination to waive part of the disgorgement and prejudgment interest thereon and not to impose a civil penalty is contingent upon the accuracy and completeness of Patti's Statement of Financial Condition and deposition testimony. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Patti'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, petition this Court for an order requiring Patti to pay disgorgement of \$123,000, plus prejudgment interest thereon and a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Patti was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of disgorgement and civil penalties to be imposed. Patti shall pay \$10,000 to the Commission, and such payment shall be: (a) made within 30 days of the date of this order; (b) made by United States postal money order, certified check, bank cashier's check or bank money order; (c) made payable to the Securities and Exchange Commission; (d) mailed to the Comptroller, Securities and Exchange Commission, 6432 General

Green Way, Suite B, Mail stop 0-3, Alexandria, VA 22312; and (e) submitted with a cover letter which identifies Patti as one of the defendants in this case, as well as the case number (98-7147-CIV). A copy of said cover letter and money order or check shall be sent to Ronald C. Long, District Administrator, Securities and Exchange Commission, The Curtis Center, Suite 1005E., 601 Walnut Street, Philadelphia, PA 19106. In addition, all funds located in Patti's checking account no. 001197171631 at Bank of America in Fort Lauderdale, Florida (approximately \$5,511.51) and Patti's checking account no. 3042831006 at First Southern Bank in Boca Raton, Florida (approximately \$1,217.04) shall be transferred by those financial institutions to the Commission within 30 days of the date of this order.

V. This Court shall retain jurisdiction of this action for all purposes, including, but not limited to, implementing and enforcing the terms and conditions of this Final Judgment.

11/3/2000
Date


Hon. Shelby Highsmith
United States District Judge