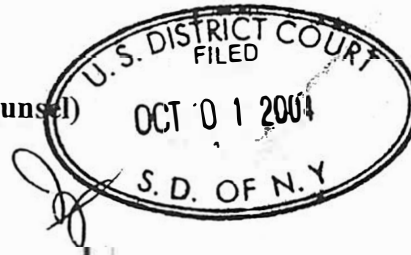
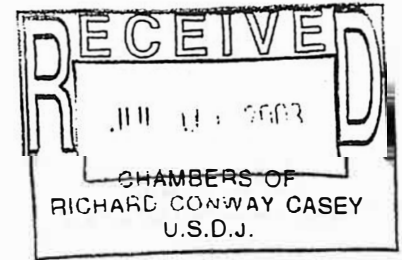


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646-428-1978 (facsimile)



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION, : 99 Civ. 3889 (RCC) (DFE)

Plaintiff,

-against-

JOSEPH SUTTON, et. al.

Defendants.

#04,189

DEFAULT JUDGMENT AND ORDER

The Court having reviewed the Application for Entry of Judgment by Default Against Defendant Joseph Sutton of plaintiff Securities and Exchange Commission (the "Commission"), and having considered all submissions in opposition thereto, and for good cause shown, it is hereby ORDERED, ADJUDGED AND DECREED:

1. The Application is GRANTED;
2. Joseph Sutton, his agents, servants, employees, attorneys, and all persons in active concert or participation with him who receive actual notice of the injunction by personal service or otherwise, each of them, are permanently restrained and enjoined from future violations of

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Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a), and Sections 10(b), 13(a), and 13(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78j(b), 78m(a), and 78m(b), and Rules 10b-5, 12b-20, 13a-1, 13a-13, 13b2-1, and 13b2-2 thereunder, 17 C.F.R. §§ 240.10b-5, 240.12b-20, 240.13a-1, 240.13a-13, 240.13b2-1, and 240.13b2-2;

3. Within thirty (30) days of the date of this Judgment, Joseph Sutton shall pay disgorgement in the amount of \$847,872.25, representing the ill-gotten gain as a result of the conduct alleged in the Commission's complaint and as supported by the additional disgorgement evidence proffered by the Commission in support of the Application, plus prejudgment interest in the amount of \$632,336.78.

4. Within thirty (30) days of the date of this Judgment, Joseph Sutton shall pay a civil money penalty of \$ 10,000, pursuant to Sections 20(d) of the Securities Act and 21(d)(3) of the Exchange Act, 15 U.S.C. §§ 77t(d) and 78u(d)(3).

5. Joseph Sutton shall make the payments described in the above paragraphs 3 and 4 by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payments shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Joseph Sutton as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Default Judgment and Order. Simultaneously with making such payments, copies of the cashier's check, certified check or postal money order, front and back, as well as any accompanying correspondence, shall be transmitted to Jack Kaufman, Esq., Senior Trial

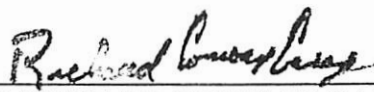
Counsel, U.S. Securities and Exchange Commission, Northeast Regional Office, 233 Broadway, New York, New York 10279. Such transmission shall be made under cover of a letter that identifies defendant Joseph Sutton, the title and civil action number of this litigation, the name of this Court and the Commission case number "NY-6316."

6. Joseph Sutton is permanently enjoined and restrained from, directly or indirectly, singly or in concert, acting as a director or officer of any issuer having a class of securities registered with the Commission pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. §78o(d).

7. There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk of this Court is hereby directed to enter this Judgment forthwith against Joseph Sutton, Inmate Registration Number 46395-054, at Fort Dix Federal Correction Institution at Ft. Dix, N.J.

8. This Court shall retain jurisdiction to address any issues that may arise with regard to the execution upon or enforcement of this Judgment.

Dated: September 30, 2004
New York, New York



HON. RICHARD CONWAY CASEY
United States District Judge

THIS DOCUMENT WAS ENTERED
IN DOCKET ON 10/4/04