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**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA  
(Miami Division)**

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**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**WILLIAM T. CRAIG AND SCOTT R. SIECK,**

**Defendants.**  
\_\_\_\_\_

) **99-6165**  
) **CASE NO.**  
) **CIV - DIMITROULEAS**  
) **AGREED FINAL MAGISTRATE JUDGE**  
) **JUDGMENT AS TO SELTZER**  
) **WILLIAM T. CRAIG**  
)  
)  
)

This is an agreed final judgment based upon the Consent of William T. Craig.

Plaintiff Securities and Exchange Commission ("Commission"), having filed against defendant William T. Craig ("Craig") a Complaint for Permanent Injunction and Other Relief (the "Complaint") in this Action; Craig, being represented by counsel and having waived service upon him of the Summons and Complaint and admitted the jurisdiction of this Court over him and over the subject matter of this action; having been fully advised and informed of his right to a judicial determination of this matter; having waived findings of fact and conclusions of law as provided by Rule 52 of the Federal Rules of Civil Procedure; having consented to the entry of Agreed Final Judgment as to William T. Craig ("Final Judgment"), without admitting or denying any of the allegations in the Complaint except as set forth in his Consent; no notice of hearing upon the entry of this Final Judgment being necessary; and the Court being fully advised in the premises:

*(Handwritten mark)*

**I.**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Craig and his officers, agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, are permanently enjoined from violating Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a) and 77e(c)] by, directly or indirectly, unless a registration statement is in effect as to a security;

(a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise; or

(b) carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale.

**II.**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Craig and his officers, agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, are permanently enjoined from violating Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5] by:

(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 connection with the purchase or sale of the securities of any issuer, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange.

### III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Craig, his agents, servants, employees, attorneys-in-fact and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] by, in the offer or sale of any securities, using any means or instruments of transportation or communication in interstate commerce, or using the mails, directly or indirectly to:

(a) employ any device, scheme, or artifice to defraud;

(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.

**IV.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Craig, his agents, servants, employees, attorneys-in-fact and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating or aiding and abetting violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 13a-1, 13a-13, and 12b-20 thereunder [17 C.F.R. §§ 240.13a-1, 240.13a-13, and 240.12b-20] promulgated thereunder, by directly or indirectly causing any issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to file with the Commission such accurate and complete information, reports, and documents as are required to be filed with the Commission pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the Commission's Rules thereunder, including but not limited to, annual reports on Form 10-K [17 C.F.R. § 249.310] as prescribed by Commission Rule 13a-1 [17 C.F.R. § 240.13a-1] and quarterly reports on Form 10-Q [17 C.F.R. § 249.308a] as prescribed by Commission Rule 13a-13 [17 C.F.R. § 240.13a-13], such information and documents to contain, in addition to such information as is expressly required to be included in a statement or report to the Commission, such further material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they were made, not misleading, as prescribed by Commission Rule 12b-20 [17 C.F.R. § 240.12b-20].

**V.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Craig, his agents, employees, servants, attorneys-in-fact, and those persons in active concert or participation with them, and each of them, be and they hereby are permanently enjoined and restrained from violating or aiding and abetting violations of Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] by causing any issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to make or keep books, records or amounts, which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer.

**VI.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Craig and his officers, agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, are permanently enjoined from, directly or indirectly, violating Section 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)(B)] by causing any issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:

(a) transactions are executed in accordance with management's general or specific authorization;

(b) transactions are recorded as necessary (i) to permit preparation of financial statements in conformity with generally accepted accounting principals or any other criteria applicable to such statements, and (ii) to maintain accountability for assets;

(c) access to assets is permitted only in accordance with management's general or specific instructions; and

(d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

## VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Craig, his agents, employees, servants, attorneys-in-fact, and those persons in active concert or participation with them, and each of them, be and they hereby are permanently enjoined and restrained from violating Section 16(a) of the Exchange Act [15 U.S.C. § 78p(a)] and Rules 16a-2 and 16a-3 thereunder [17 C.F.R. §§ 240.16a-2 and 240.16a-3] by directly or indirectly, with respect to any non-exempt equity security, when he is directly or indirectly the beneficial owner of more than 10 per cent of any class of such security, or a director or an officer of the issuer of such security, by failing to file, at the time of the registration of such security on a national securities exchange or by the effective date of a registration statement filed pursuant to Section 12(g) of the Exchange Act [15 U.S.C. § 78l(g)] , or within ten days after he becomes such beneficial owner, director, or officer, a statement with the Commission (and, if such security is registered on a national securities exchange, also with the exchange) of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten days after the

close of each calendar month thereafter, if there has been a change in such ownership during such month, failing to file with the Commission (and if such security is registered in a national securities exchange, also with the exchange) a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such calendar month.

**VIII.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Craig be permanently barred from 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)].

**IX.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Craig pay disgorgement in the amount of \$149,200.00, representing his gains from the conduct alleged in the Complaint, plus pre-judgment interest thereon in the amount of \$59,999.84. Based upon Craig's sworn representations in his Statement of Financial Condition dated January 1, 1998, as supplemented by his affidavit dated November 5, 1998 ("Statement of Financial Condition"), and submitted to the Commission, payment of the disgorgement and pre-judgment interest thereon is waived. This waiver 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 Craig'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 Craig's, petition this Court for an order requiring Craig to pay disgorgement and pre-judgment and post-judgment interest thereon. In connection with any such petition, the only issue shall be whether the financial information provided by Craig was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Craig 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. Craig 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, contest the amount of disgorgement and interest, or assert that disgorgement should not be ordered.

**X.**

It is further ORDERED that the provisions of the Consent filed concurrently with this Final Judgment are incorporated herein with the same force and effect as if fully set forth herein and that Craig shall comply with his Consent.

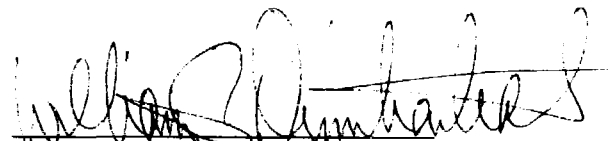


**XI.**

It is further ORDERED that the Court shall retain jurisdiction of this action for all purposes, including implementation and enforcement of this Final Judgment.

There being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.

SO ORDERED, this 11 day of February, 1999.

  
United States District Judge  
WILLIAM P. DIMITROFF

Richard C. Sauer  
Thomas C. Newkirk  
Antee W. Wampler  
Scott Sieck  
S.F.C.