

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

Case No. 99-8694-CIV-RYSKAMP/VITUNAC

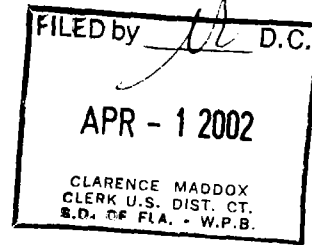
UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Plaintiff,

v.

SCOTT K. GINSBURG,
MARK J. GINSBURG, and
JORDAN E. GINSBURG,

Defendants.



FINAL JUDGMENT AGAINST MARK J. GINSBURG

Plaintiff Securities and Exchange Commission ("SEC"), having filed a Complaint in this action; and the Defendant Mark J. Ginsburg having acknowledged service of process; having entered a general appearance; having consented to venue of this action; having admitted 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of this action; having been fully advised and informed of his right to a judicial determination of this action; having withdrawn his answer and waived the entry of findings of fact and conclusions of law as provided by Rule 52 of the Federal Rules of Civil Procedure; having waived any right he may have to appeal from the entry of this Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"); having consented to the entry of this Final Judgment without admitting or denying any of the allegations in the Complaint, except as specifically set forth in the Consent and Undertaking of Mark J. Ginsburg ("Consent"); it appearing that no notice of hearing upon entry of this Final

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[signature]

Judgment being necessary; and the Court being fully advised in the premises;

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Mark J. Ginsburg, his agents, servants, employees, and attorneys-in-fact, and those persons in active concert or participation with any of them, 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 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] promulgated thereunder, directly or indirectly, by, through the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- 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.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Mark J. Ginsburg, his agents, servants, employees, and attorneys-in-fact, and those persons in active concert or participation with any of them, 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 14(e) of the Securities Exchange Act of 1934 and Rule 14e-3 thereunder, if any person has taken a substantial step or steps to commence or has commenced a tender offer, by:

(A) purchasing or selling or causing to be purchased or sold the securities sought or to be sought in such tender offer or securities convertible into or exchangeable for any such securities or any option or right to obtain or dispose of any of the foregoing securities, while in possession of material information relating to such tender offer which they know or have reason to know is nonpublic and which they know or have reason to know was acquired directly or indirectly from:

- (1) the offering person,
- (2) the issuer of the securities sought or to be sought by such tender offer, or
- (3) any officer, director, partner, employee or other person acting on behalf of the offering person or such issuer,

unless within a reasonable time prior to any such purchase or sale such information and its source are publicly disclosed; or they purchase any such security while acting in the capacity of a broker or agent on behalf of the offering person; or they sell any such security to the offering person; or

(B) communicating material, nonpublic information relating to a tender offer, which information they know or have reason to know was acquired directly or indirectly from:

- (1) the offering person,
- (2) the issuer of the securities sought or to be sought in the tender offer, or

(3) any person acting on behalf of the offering person or such issuer, to any other person under circumstances in which it is reasonably foreseeable that such communication is likely to result in the purchase or sale of securities in the manner described in Paragraph II(A), above, of this Final Judgment, provided however, that this paragraph shall not apply to a communication made in good faith to:

- (a) the officers, directors, partners or employees of the offering person, to its advisors or to other persons, involved in the planning, financing, preparation or execution of such tender offer;
- (b) the issuer whose securities are sought or to be sought by such tender offer, to its officers, directors, partners, employees or advisors or to other persons, involved in the planning, financing, preparation or execution of the activities of the issuer with respect to such tender offer; or
- (c) any person pursuant to a requirement of any statute or rule or regulation promulgated thereunder.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Mr. Ginsburg shall pay disgorgement in the amount of \$1,393,224, representing gains from the conduct alleged in the Complaint, plus prejudgment interest thereon in the amount of \$703,017, and a civil penalty of \$1,599,661 pursuant to Section 21A(a) of the Exchange Act [15 U.S.C. § 78u-1(a)] for a total of \$3,695,902.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that within ten (30) business days of the entry of this Final Judgment, Mr. Ginsburg shall deliver a check in the amount of \$1,599,661 payable to the "Securities and Exchange Commission" and bearing on its face the caption "SEC v. Scott K. Ginsburg, et al.," representing the payment of Mr. Ginsburg's civil penalty described in Section II of this Final Judgment, to the Office of the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312 under cover of a letter that identifies the name and civil action number of this litigation, and the Court in which it was brought. Copies of the cover letter and payment shall be sent to Luis R. Mejia, Assistant Chief Litigation Counsel, 450 Fifth Street, N.W., Washington, D.C. 20549-0911. No part of the funds paid under this Section shall be returned to Mr. Ginsburg, his heirs, successors, or assigns.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that within ten (10) business days of the entry of this Final Judgment, Mr. Ginsburg shall deliver a check in the amount of \$2,096,241 payable to "Clerk, United States District Court, Southern District of Florida" and delivered to the Clerk of the Court, United States District Court, Southern District of Florida, West Palm Beach Division, 701 Clematis Street, Room 402, West Palm Beach, Florida 33401, representing the disgorgement and prejudgment interest described in Section II of this Final Judgment. The check shall bear on its face the caption "Securities and Exchange Commission v. Scott K. Ginsburg, et al.," and be transmitted to the Clerk under cover of a letter that identifies Mark J. Ginsburg, the caption and case number of this action, and the name of this Court. Copies of the cover letter and payment

shall be sent to Luis R. Mejia, Assistant Chief Litigation Counsel, 450 Fifth Street, N.W.,
Washington, D.C. 20549-0911.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Clerk of this Court, or the Financial Deputy Clerk, is hereby directed to deposit the check specified in Section IV of this Final Judgment into an interest bearing account for this case with the Court Registry Investment System (the "C.R.I.S. account"). In accordance with the guidelines set by the Director of the Administrative Office of the United States Court, the Clerk of the Court is directed, without further order of this Court, to deduct from the income earned on the funds deposited a fee, not exceeding that authorized by the Judicial Conference of the United States, equal to ten (10) percent of the income earned on these funds. Funds in the C.R.I.S. account shall be held until further order of this Court, and shall thereafter be distributed pursuant to a plan for disposition of disgorgement funds, to be filed by the SEC with the Court. Mr. Ginsburg shall not be entitled to service of the plan proposed by the SEC, and shall not have the right to be heard with respect to the Court's consideration of such plan. In no event shall any of the funds paid into the Registry of the Court revert, directly or indirectly, to Mr. Ginsburg, his heirs, successors, or assigns.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that upon receipt of the funds from Mr. Ginsburg specified in Section III of this Final Judgment, the Comptroller, Securities and Exchange Commission, shall promptly remit the funds to the United States Treasury.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of the

Consent are incorporated herein with the same force and effect as if fully set forth herein and that Mr. Ginsburg shall comply with his Consent.

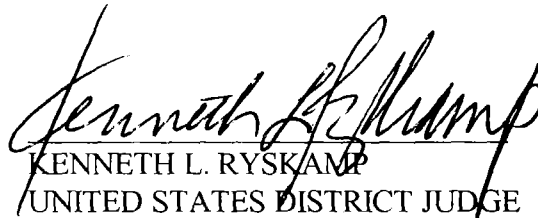
IX.

IT IS FURTHER ORDERED, that this Court shall retain jurisdiction over this action for the purpose of enforcing this Final Judgment.

X.

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 and without further notice.

DATED: March 30, 2002


KENNETH L. RYSKAMP
UNITED STATES DISTRICT JUDGE