

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

v.

SOLUCORP INDUSTRIES LTD., et al.,

Defendants.

99 Civ. 11685 (WCC)

FINAL JUDGMENT AS TO DEFENDANT GLENN R. OHLHAUSER

Plaintiff Securities and Exchange Commission ("SEC") having commenced this action by filings its Complaint, and subsequently filing a First Amended Complaint and Second Amended Complaint ("Complaint"), and Defendant Glenn R. Ohlhauser ("Defendant") having in his Consent and Undertakings of Glenn R. Ohlhauser ("Consent"), which was filed simultaneously with this Final Judgment as to Defendant Glenn R. Ohlhauser ("Judgment") and incorporated herein by reference. (i) entered a general appearance; (ii) consented to the Court's jurisdiction over him and the subject matter of this action; (iii) withdrawn his Answer in this action and, without admitting or denying the allegations of the Complaint, consented to jurisdiction, which he admits, consented to entry of the Judgment without further notice; (iv) waived the entry of findings of fact and conclusions of law pursuant to Fed. R. Civ. Proc. 52; (v) waived any right to appeal from the entry of the Judgment; (vi) acknowledged that the Consent and the Judgment embody the entire agreement resolving this action; (vii) acknowledged that the Consent and the Judgment do not bind any agency of government other than the SEC; and. (viii) consistent with 17 C.F.R. § 202.5(f).

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waiyed any claim of double jeopardy based on settlement of this action, including the imposition of any remedy herein, it is now:

I.

ORDERED, ADJUDGED AND DECREED that Defendant, and Defendant's agents, servants, employees and attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently restrained and enjoined from violating Section 10A of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j-1], thereunder, by, in the course of conducting an audit of an issuer's financial statements required pursuant to 15 U.S.C. §§ 78a *et seq.*, failing to, among other things:

- (a) include procedures that, in accordance with generally accepted auditing standards ("GAAS"), are designed to provide reasonable assurance of detecting illegal acts that would have a direct and material effect on the determination of financial statement amounts; and
- (b) upon detecting or otherwise becoming aware of information indicating that an illegal act has or may have occurred (whether or not perceived to have a material effect on the issuer's financial statements), in accordance with GAAS, (1) determine whether it is likely that an illegal act has occurred and the possible effect of the illegal act on the issuer's financial statements; and (2) as soon as practicable, inform the appropriate level of the issuer's management and assure that the audit committee of the issuer, or the board of directors of the issuer in the

absence of such a committee, is adequately informed. unless the illegal act is clearly inconsequential;

- (c) if the illegal act has a material effect on the issuer's financial statements and management fails to take timely and appropriate remedial action, which failure is reasonably expected to warrant departure from a standard auditor's report or resignation from the audit engagement, report directly to the board of directors; and
- (d) ensure that the SEC is notified of the report to the issuer's board of directors in the time and manner prescribed under Section 10A.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant shall comply with his undertakings, in connection with this action and any related judicial or administrative proceedings or investigation commenced by the SEC or to which the SEC is a party, to: (i) produce documents within his possession, custody or control and provide interviews at the request of the SEC staff; (ii) accept service by mail or facsimile transmission of subpoenas for documents or testimony at depositions, hearings or trials; (iii) in connection with such subpoena, waive the territorial limits on service contained in Fed. R. Civ. Proc. 45 or applicable local rules for such subpoenas, and waive the requirements of Fed. R. Civ. Proc. 28; (iv) appoint Andrew Tretter of the law firm of McDonough Marcus Cohn Tretter Heller & Kanca, L.L.P. as agent to receive

such service; and (v) give truthful and accurate information and testimony and not assert any evidentiary or other privilege other than the attorney-client and work product privileges.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the annexed Consent be, and hereby is, incorporated herein with the same force and effect as if fully set forth herein.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of the Judgment.

There being no just reason for delay, pursuant to Fed. R. Civ. Proc. 54(b), the Clerk is ordered to enter this Judgment forthwith.

Dated: Jan. 10, 2003

William C. Conner
UNITED STATES DISTRICT JUDGE