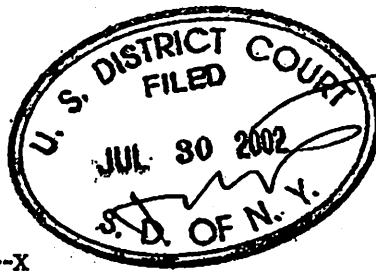


S/HWMTZ 5



**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**LEONARD ALEXANDER RUGE,
RICHARD WOLFF,
MAC BEAGELMAN,
MICHAEL SCOTT SYMONS,
RICHARD BALBER,
STEPHEN EVERS,
EUGENE FLAKSMAN,
MARK FURMAN,
ALEX GRINSHPON,
DANIEL KOLCHKOV,
JEFF SANDERS,
ALEX SOLON,
MARK ZABORSKY, and
JEFFERY STONE**

Defendants.
-----X

97 Civ. 9306 (AGS)

**PARTIAL JUDGMENT
OF PERMANENT
INJUNCTION AND
OTHER RELIEF
AGAINST
MARK FURMAN**

DCG # 52

Plaintiff Securities and Exchange Commission ("Commission"), having commenced this action by filing a Complaint on December 18, 1997 for a permanent injunction and other equitable relief; defendant Mark Furman having been served with a copy of the Complaint and Summons on July 13, 1998 and July 14, 1998; defendant Furman having failed to answer, move, or otherwise respond to the Commission's Complaint as required by Federal Rule of Civil Procedure 12; the Court having provided defendant Furman and the Commission the opportunity to be heard, and having heard any arguments that may have been put forth; and there being no just reason for delaying the entry of this Partial Judgment:

RECORDED
JUL 31 2002
-9 00 AM

I.

IT IS ORDERED, ADJUDGED, AND DECREED that defendant Furman and his officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them, are hereby permanently enjoined and restrained, directly or indirectly, in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, from:

- (1) employing any device, scheme, or artifice to defraud;
- (2) obtaining money or property by means of any untrue statement of 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; and
- (3) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser,

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

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that defendant Furman and his officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them, are hereby permanently enjoined and restrained, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce or the mails, or of any facility of any national securities exchange, from:

- (1) employing any device, scheme, or artifice to defraud;
- (2) 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; and
- (3) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person,

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

III.

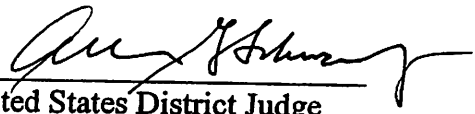
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Furman is ordered to disgorge his ill-gotten gains, together with prejudgment interest thereon, the amount of disbursement and prejudgment interest to be determined by Henry B. Pittman, United States Magistrate. Prejudgment interest on the disbursement to be paid by Furman shall be calculated by using the interest rate used by the Internal Revenue Service to determine the interest due on underpaid taxes, 17 C.F.R. § 201.600(b).

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including the implementation and enforcement of this Partial Judgment.

SO ORDERED:

Date: July 29, 2002
New York, New York


United States District Judge
ms

THIS DOCUMENT WAS FILED
ON THE DOCKET ON 8/1/02