

**ORIGINAL**

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

United States Court  
Southern District of Texas  
FILED

JUL 27 2000 BT

Michael N. Milby, Clerk

<b>SECURITIES AND EXCHANGE COMMISSION,</b>	)
	)
<b>Plaintiff,</b>	)
	)
<b>v.</b>	)
	)
<b>PETER JOSEPH CAMMARANO and</b>	)
<b>CAMMARANO &amp; ASSOCIATES, INC.,</b>	)
	)
<b>Defendants.</b>	)
	)

**CASE NO.  
H 98-3707**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
ENTERED

AUG 28 2000

Michael N. Milby, Clerk

**FINAL JUDGMENT AS TO DEFENDANTS PETER JOSEPH CAMMARANO AND  
CAMMARANO & ASSOCIATES, INC.**

1. On November 4, 1998, the Commission filed the present action against Cammarano and Cammarano and Associates, Inc. ("CAI") for violations of the antifraud and broker-dealer registration provisions, alleging, among other things, Cammarano and CAI misappropriated client funds.

2. In addition to seeking certain emergency relief, the Commission's Complaint requested that the Court grant the following relief against defendants: (1) permanently enjoin defendants from further violations of the federal securities laws; (2) enter an order requiring Cammarano and CAI to disgorge any monies and other assets received from investors and any income or profits there from, including prejudgment interest; and (3) order Cammarano and CAI to pay civil penalties pursuant to Section 20(d) of the Securities Act of 1933 [15 U.S.C. § 77t(d)] and Section 21(d) of the Securities Exchange Act of 1934 [15 U.S.C. § 79u(d)].

3. Subsequently, the defendants consented to permanent injunctive relief and, on January 19, 1999, the Court entered an Order Of Permanent Injunction And Other Equitable Relief

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Against Peter Joseph Cammarano and Cammarano & Associates, Inc. ("January 19 Order"). The January 19 Order required Cammarano and CAI to pay disgorgement, plus prejudgment interest, and a civil penalty, but stated that the amount of the monetary relief would be determined subsequently by agreement of the parties or on the basis of evidence submitted to the Court.

4. On June 28, 1999, Cammarano pled guilty in the Southern District of Texas to one count of wire fraud based on the same conduct underlying the Commission's civil action. On October 7, 1999, he was sentenced to 46 months in prison and three years of supervised release. As part of his criminal sentence, the Court entered an order requiring Cammarano to pay restitution to his victims in excess of \$2 million. *U.S. v. Peter Joseph Cammarano*, Case No. 4:99CR00098-001 (S.D. Tex.).

5. Based on the forgoing, the Court, on AUGUST 28, 2000, granted the Commission's Motion to dismiss the remaining claims against Cammarano and CAI for disgorgement, plus prejudgment interest, and civil penalties.

**IT IS THEREFORE ORDERED:**

I.

Defendants Cammarano and CAI, and their respective officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined, directly or indirectly, in connection with the purchase or sale of securities, from making use of any means or instrumentalities of interstate commerce, or of the mails or of any facility of a national securities exchange:

- (a) to employ any device, scheme or artifice to defraud; or
- (b) to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person; or
- (c) to make any untrue statement of a material fact or omit 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.

## II.

Defendants Cammarano and CAI, and their respective officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined, in the offer or sale of securities, from making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, directly or indirectly:

- (a) to employ any device, scheme or artifice to defraud;
- (b) to engage in any transactions, practices or courses of business which operate or would operate as a fraud or deceit; or
- (c) to 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.

## III.

Defendants Cammarano and CAI, their respective agents, servants, employees, and all

persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, and each of them, are hereby permanently restrained and enjoined from, directly or indirectly, making use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) unless registered in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

IV.

This Court shall retain jurisdiction of this action for all purposes, including for purposes of entertaining any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court, including but not limited to the relief requested by the Commission in its Complaint in this action.

V.

This Final Judgment As To Defendants Peter Joseph Cammarano and Cammarano & Associates, Inc. may be served upon defendants Cammarano and CAI in person or by mail by the United States Marshal, the Clerk of the Court, or any member of the staff of the Securities and Exchange Commission.

VI.

The Court having concluded that there is no just reason for delay, the clerk is directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment immediately and without further notice.

SO ORDERED THIS 28th day of AUGUST, \_\_\_\_\_.

  
\_\_\_\_\_  
SIMLAKE  
UNITED STATES DISTRICT JUDGE