

**FILED**  
IN CLERK'S OFFICE  
U.S. DISTRICT COURT OF E.D. N.Y.

★ DEC 29 2009

BROOKLYN OFFICE

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

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

v.

**STEVEN WOGHIN,**

**Defendant.**

04 Civ. 4087 (ILG)

**FINAL JUDGMENT IMPOSING  
A PERMANENT INJUNCTION AND OTHER  
EQUITABLE RELIEF BY CONSENT AGAINST  
DEFENDANT STEVEN WOGHIN**

The Securities and Exchange Commission having filed a Complaint and Defendant Steven Woghin ("Defendant") having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to the entry of the Partial Judgment entered September 30, 2004, without admitting or denying the allegations of the Complaint (except as to jurisdiction); consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

**I.**

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or

otherwise are, and continue to be, permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using 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) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to 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; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

**II.**

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

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

- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

### III.

#### **IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED** that

Defendant and Defendant's agents, servants, employees, attorneys, and all people in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are, and continue to be, permanently restrained and enjoined from aiding and abetting any violation of Section 13(a) and of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20, 13a-1, and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-13] promulgated thereunder, by knowingly providing substantial assistance to any issuer failing to file with the Commission, in accordance with such rules and regulations as the Commission may prescribe:

- (a) information and documents (and copies thereof) as the Commission shall require to keep reasonably current the information and documents required to be included in or filed with an application or registration statement filed pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l;

- (b) annual reports (and such copies thereof), certified if required by the rules and regulations of the Commission by independent public accountants, and such quarterly reports (and such copies thereof) as the Commission may prescribe; and
- (c) further material information as may be necessary to make the required statements made, in the light of the circumstances in which they are made, not misleading, unless Defendant acts in good faith and does not directly or indirectly induce the act or acts constituting the violation.

**IV.**

**IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED** that Defendant and Defendant's agents, servants, employees, attorneys, and all people in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are, and continue to be, permanently restrained and enjoined from violating Section 13(b)(5) of the Exchange Act and violating, or aiding and abetting the violation of, Section 13(b)(2) of the Exchange Act [15 U.S.C. §§ 78m(b)(5), 78m(b)(2)], and violating Rule 13b2-1 [17 C.F.R. § 240.13b2-1] thereunder by:

- (a) falsifying or causing to be falsified, any book, record or account subject to Section 13(b)(2)(A) [15 U.S.C. § 78m(b)(2)] of the Exchange Act; and
- (b) knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account described in Section 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

**V.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Defendant is, and continues to be, prohibited from acting as an officer or director of any issuer that has a class of securities registered 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)].

**VI.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that based on the relief imposed against Defendant in the criminal action United States v. Steven Woghin, No. Cr.-04-0847 (ILG), this Court does not impose any disgorgement obligation or civil penalty against Defendant Woghin in this action.

**VII.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

**VIII.**

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that this Court shall retain jurisdiction of this matter for all purposes.

**IX.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that, there being no just reason for delay, the Clerk of the Court is hereby directed to enter this Final Judgment forthwith without further notice.

Dated: *Brooklyn, New York*  
*December 28, 2009*

*[Signature]*  
s/ILG

*[Signature]*  
\_\_\_\_\_  
UNITED STATES DISTRICT JUDGE

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

<hr/>		:
<b>SECURITIES AND EXCHANGE COMMISSION,</b>		:
		:
<b>Plaintiff,</b>		:
		:
	<b>04 Civ. 4087 (ILG)</b>	:
		:
<b>v.</b>		:
		:
<b>STEVEN WOGHIN,</b>		:
		:
<b>Defendant.</b>		:
<hr/>		:

**CONSENT OF DEFENDANT STEVEN WOGHIN**

**I.**

Defendant Steven Woghin (“Defendant”) acknowledges that, together with his attorneys, he has reviewed the Complaint in this action and waives service of the Complaint in this action, enters a general appearance, and admits the Court’s jurisdiction over himself and over the subject matter of this action.

Without admitting or denying the allegations of the complaint (except as to personal and subject matter jurisdiction, which Defendant admits), Defendant hereby consents to the entry of the Final Judgment Imposing A Permanent Injunction And Other Equitable Relief By Consent Against Defendant Steven Woghin (“Final Judgment”) in the form attached hereto and incorporated by reference herein, which, among other things:

- a) Permanently restrains and enjoins Defendant from violating, or aiding and abetting violations of, Section 17(a) of the Securities Act of 1933 (“Securities

Act”) [15 U.S.C. § 77q(a)], Section 10(b) of the 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; Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)] and Rule 13b2-1 [17 C.F.R. § 240.13b2-1] promulgated thereunder; and Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)],

- b) Permanently restrains and enjoins Defendant from aiding and abetting any issuer’s violation of Section 13(a) of the Exchange [15 U.S.C. § 78m(a)], and Rules 12b-20, 13a-1, and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-11, 240.13a-13] promulgated thereunder; and
- c) prohibits Defendant, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], from acting as an officer or director of any issuer that has a class of securities registers pursuant to Section 12 of the Exchange Act [15 U.S.C. § 781], or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 780(d)].

## II.

Defendant waives entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and hereby consents to the entry of the Final Judgment without further notice.

## III.

Defendant waives the right, if any, to appeal from the entry of the Final Judgment.



**IV.**

Defendant enters into this Consent voluntarily and represents that no threats, promises, offers, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Defendant to enter into this Consent.

**V.**

Defendant agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

**VI.**

Defendant will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection based thereon.

**VII.**

Defendant waives service of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions. Defendant further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Defendant has received and read a copy of the Final Judgment.

**VIII.**

Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent or representative of

the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Defendant understands that he shall not be permitted to contest the factual allegations of the complaint in this action.

**IX.**

Defendant understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegation in the complaint or order for proceedings." 17 C.F.R. § 202.5. In compliance with this policy, Defendant agrees: (i) not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or creating the impression that the complaint is without factual basis; and (ii) that upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Complaint. If Defendant breaches this agreement, the Commission

may petition the Court to vacate the Final Judgment and restore this action to its active docket for all purposes. Nothing in this paragraph affects Defendant's (i) testimonial obligations; or (ii) right to take legal or factual positions in defense of litigation or other legal proceedings in which the Commission is not a party.

**X.**

Defendant hereby waives any rights in the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to pursue reimbursement of attorney's fees or other fees, expenses, or costs expended by Defendant to defend this action. For these purposes, Defendant agrees that he is not the prevailing party in this action since the parties have reached a good faith settlement.

**XI.**

In connection with this action and any related judicial or administrative proceeding or investigation commenced by the Commission or to which the Commission is a party, Defendant (i) agrees to appear and be interviewed by Commission staff at such times and places as the staff requests upon reasonable notice; (ii) will accept service by mail or facsimile transmission of notices or subpoenas issued by the Commission for documents or testimony at depositions, hearings or trials, or in connection with any related investigation by Commission staff; (iii) appoints Defendant's undersigned attorney as agent to receive service of such notices and subpoenas; (iv) with respect to such notices and subpoenas, waives the territorial limits on service contained in Rule 45 of the Federal Rules of Civil Procedure and any applicable local rules, provided that the party requesting the testimony reimburses Defendant's travel lodging, and subsistence expenses at the then-prevailing U.S. Government per diem rates; and (v)

consents to personal jurisdiction over Defendant in any United States District Court for purposes of enforcing any such subpoena.

XII.

Defendant agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice.

XIII.

Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

Steven Woglin  
Steven Woglin

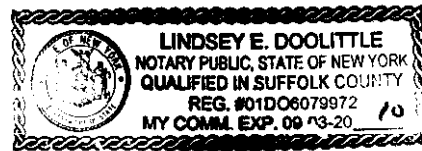
State of New York  
County of Suffolk ) ss.:

On 12/11 2009, Steven Woglin, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.

Lindsey Doolittle  
Notary Public  
Commission expires: 7/3/2010

Approved as to form:

Matthew Justice  
Attorney





UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NEW YORK REGIONAL OFFICE  
3 World Financial Center, Suite 400  
NEW YORK, N.Y. 10279

RECEIVED  
12/28/09  
Chambers of  
I. Leo Glasser  
U.S.D.J.  
DIRECT DIAL NUMBER  
(212) 336-0178

December 24, 2009

**VIA Federal Express**

The Honorable I. Leo Glasser  
U.S. District Court  
Eastern District of New York  
225 Cadman Plaza East  
Brooklyn, NY 11201

**Re: SEC v. Steven Woghin, 04 Civ. 4087 (E.D.N.Y.) (ILG) (RER)**

Dear Judge Glasser:

I write to you on behalf of the staff of the Securities and Exchange Commission ("Commission") to report that a proposed final settlement has been reached with defendant Steven Woghin. The Commission's acceptance of the settlement offer from Mr. Woghin is contingent on Mr. Woghin being subject to a restitution judgment of \$7.986 million in the criminal action United States v. Steven Woghin, 04 Cr. 847 (ILG) ("Criminal Action"). The Commission staff understands that contemporaneous with this submission a proposed resolution of Mr. Woghin's restitution obligation is being submitted to the Court by the parties in the Criminal Action. The enclosed proposed final judgment and consent by Mr. Woghin (the original sent by Federal Express), provides that no disgorgement obligation or civil penalty will be imposed in this action, based on the relief imposed by Your Honor in the Criminal Action. The proposed final judgment also includes the permanent injunctions and officer and director bar that the Court previously imposed against defendant Mr. Woghin in a partial judgment on consent. If Your Honor imposes a restitution judgment of \$7.986 million on Mr. Woghin in the Criminal Action, the Commission staff and defendant Mr. Woghin respectfully request that the Court enter the accompanying proposed final judgment.

If the Court has any questions regarding this proposal or any other matter, I can be reached at (212) 336-0178.

Respectfully submitted,  
  
Alexander Vasilescu

Encls.

Cc: Matthew E. Fishbein, Esq.  
Wendy B. Reilly, Esq.  
The Honorable Ramon E. Reyes, Jr.