

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 05-80312-CIV-JOHNSON

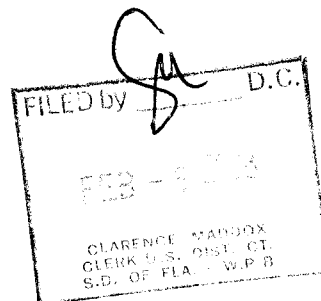
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

PETER KRIEGER,  
SHELDON KRIEGER,  
and JOHN MADEY,

Defendants.



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**FINAL JUDGMENT OF DISGORGEMENT AGAINST DEFENDANT JOHN MADEY**

Plaintiff Securities and Exchange Commission ("Commission") commenced this action by filing its Complaint against, among others, Defendant John Madey. In its Complaint, the Commission sought, among other relief, a permanent injunction to prohibit violations by Madey of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 ("Advisers Act"); an order providing for disgorgement and prejudgment interest, and imposition of a civil money penalty against Madey pursuant to Section 20(d) of the Securities Act, Section 21(d) of the Exchange Act, and Section 209(e) of the Advisers Act.

Madey previously consented to the entry of a permanent injunction against violations of the federal securities laws and requiring him to pay disgorgement and a civil penalty in amounts to be determined upon motion of the Commission [D.E. 25, 31]. Now,

by the attached Consent, having entered a general appearance and consented to the Court's jurisdiction over him and the subject matter of this action, Madey has: consented to entry of this Final Judgment of Disgorgement ("Final Judgment") against him 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. This Court having accepted such Consent, and having jurisdiction over Madey and the subject matter of this action:

I.

**DISGORGEMENT**

**IT IS ORDERED AND ADJUDGED** that Madey is liable for disgorgement of \$223,094.90, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$48,224.80, for a total of \$271,319.70. Madey shall pay the amount due under this Final Judgment within ten days of entry with a certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission and delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, with a cover letter identifying Madey as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Madey shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. Madey relinquishes all legal and equitable right, title, and interest in such payments and no part of the funds shall be returned to him. Madey shall pay post-judgment interest on any delinquent amounts

pursuant to 28 U.S.C. § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

II.

**DISMISSAL OF PLAINTIFF'S CIVIL PENALTY CLAIM**

**IT IS FURTHER ORDERED AND ADJUDGED** that the Commission's civil penalty claim against Madey is dismissed with prejudice.

III.

**INCORPORATION OF CONSENT**

**IT IS FURTHER ORDERED AND ADJUDGED** that Madey shall comply with the provisions of the attached Consent, and that such Consent is incorporated by reference as if fully set forth herein.

IV.

**RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED AND ADJUDGED** that this Court shall retain jurisdiction over this matter and Madey in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

V.

**CERTIFICATION UNDER RULE 54(b)**

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

**DONE AND ORDERED**, in Chambers, at West Palm Beach, Florida, this 6<sup>th</sup> day  
of February, 2008.

  
**LINNEA R. JOHNSON**  
**UNITED STATES MAGISTRATE JUDGE**

Copies to:

All counsel of record

John Madey, *pro se*, 18978 S.E. Loxahatchee River Rd., Jupiter, Florida 33458

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 05-80312-CIV-MIDDLEBROOKS/JOHNSON

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SECURITIES AND EXCHANGE COMMISSION,	)
	)
Plaintiff,	)
	)
v.	)
	)
PETER KRIEGER,	)
SHELDON KRIEGER,	)
and JOHN MADEY,	)
	)
Defendants.	)
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CONSENT OF DEFENDANT JOHN MADEY

1. Defendant John Madey acknowledges having previously waived service of a summons and the Complaint in this action, entered a general appearance, and admitted the Court's jurisdiction over him and over the subject matter of this action.

2. Without admitting or denying the allegations of the Complaint (except as to personal and subject matter jurisdiction, which he admits), Madey consents to the entry of the Final Judgment of Disgorgement (the "Final Judgment") in the form attached hereto and incorporated by reference herein, which, among other things, orders him to pay disgorgement in the amount of \$223,094.90, plus prejudgment interest in the amount of \$48,224.80, for a total of \$271,319.70.

3. Madey waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

4. Madey waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

5. Madey enters into this Consent voluntarily and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to him or to anyone acting on his behalf to induce him to enter into this Consent.

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

7. Madey 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.

8. Madey agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice. Madey 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 him of its terms and conditions. Madey 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 he has received and read a copy of the Final Judgment.

9. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Madey in this civil proceeding. Madey 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

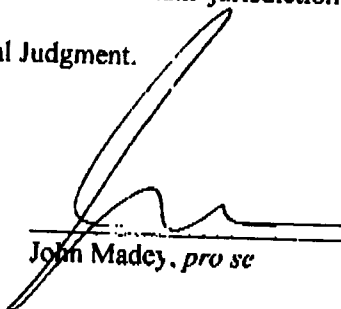
facts underlying this action or immunity from any such criminal liability. Madey waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein.

10. Madey 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, Madey 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, Madey hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Complaint. If Madey breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Madey's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

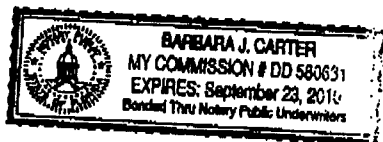
11. Madey hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Madey to defend against this action. For these purposes, Madey agrees that he is not the prevailing party in this action since the parties have reached a good faith settlement.

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

Dated: 2/4/08

  
\_\_\_\_\_  
John Macey, *pro se*

On Feb 2, 2008, John Macey,  a person known to me OR presenting Florida Driver's License \_\_\_\_\_ as identification, personally appeared before me and acknowledged executing the foregoing Consent.



Barbara J. Carter  
\_\_\_\_\_  
Notary Public  
Commission expires: