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2 Debra M. Patalkis
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8 SECURITIES AND EXCHANGE COMMISSION
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13 Nicolas Morgan (Local Counsel) CA Bar No. 166441
14 Securities and Exchange Commission
15 5670 Wilshire Blvd., 11th Floor
16 Los Angeles, CA 90036-3648
17 (323) 965-3880

FILED
CLERK, U.S. DISTRICT COURT
MAY 25 2004
CENTRAL DISTRICT OF CALIFORNIA
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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Civil Action No.

Plaintiff,

LACV03-6499 (CAS)

vs.

KENNETH P. D'ANGELO and RBF
INTERNATIONAL, INC.,

**PARTIAL JUDGMENT OF
PERMANENT INJUNCTION AND
OTHER RELIEF AS TO DEFENDANTS
KENNETH P. D'ANGELO AND
RBF INTERNATIONAL, INC.**

Defendants.

Plaintiff Securities and Exchange Commission ("Commission"), having
commenced this action by filing its Complaint, and Defendants Kenneth P.
D'Angelo ("D'Angelo") and RBF International, Inc. ("RBF") ("Defendants"),

Judgment of Permanent Injunction
SEC v. Kenneth P. D'Angelo

DOCKETED ON CM
MAY 26 2004
BY *[Signature]* 007

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1 having in the Consent and Undertakings of Kenneth P. D'Angelo and Consent and
2 Undertakings of RBF International, Inc. ("Consents"), which were filed
3
4 simultaneously with this Partial Judgment of Permanent Injunction and Other
5 Relief as to Defendants Kenneth P. D'Angelo and RBF International, Inc. ("Partial
6 Judgment") and incorporated herein by reference, entered general appearances
7 herein, admitted the jurisdiction of this Court over them and over the subject
8 matter of this action, waived service of process, waived the filing of an Answer to
9 the Complaint and the entry of findings of fact and conclusions of law pursuant to
10 Rule 52 of the Federal Rules of Civil Procedure, waived any right they might have
11 to appeal from the entry of this Partial Judgment, and, without admitting or
12 denying any of the allegations of the Complaint, except as to jurisdiction, which
13 they admit, and without trial, argument, or adjudication of any issue of fact or law,
14 having consented to the entry of this Partial Judgment, and it appearing that this
15 Court has jurisdiction over Defendants and the subject matter of this action, and
16 the Court being fully advised in the premises:
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22 **I.**

23
24 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Defendants,
25 their agents, servants, employees, attorneys, and all those persons in active concert
26 and participation with them who receive actual notice of this Judgment by personal
27 service or otherwise, and each of them, be, and they hereby are, permanently
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1 restrained and enjoined from, directly or indirectly, through the use of any means or
2 instruments of transportation or communication in interstate commerce or by use of
3 the mails:
4

- 5 (a) employing any device, scheme, or artifice to defraud,
- 6
- 7 (b) obtaining money or property by means of any untrue statement of a
8 material fact or omitting to state a material fact necessary in order to
9 make the statements made, in light of the circumstances under which
10 they were made, not misleading, or
11
- 12 (c) engaging in any transaction, practice, or course of business which
13 operates or would operate as a fraud or deceit upon the purchaser,
14

15 in the offer or sale of any securities in violation of Section 17(a) of the Securities Act
16 of 1933 (the "Securities Act") [15 U.S.C. §77q(a)].
17

18 **II.**

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
20 Defendants, their agents, servants, employees, attorneys, and all those persons in
21 active concert and participation with them who receive actual notice of this Partial
22 Judgment by personal service or otherwise, and each of them, be, and they hereby
23 are, permanently restrained and enjoined from, directly or indirectly, through the
24 use of any means or instrumentality of interstate commerce or of the mails, or of
25 any facility of a national securities exchange:
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SCANNED

- 1 (a) employing any device, scheme, or artifice to defraud,
- 2
- 3 (b) making any untrue statement of a material fact or omitting to state a
- 4 material fact necessary in order to make the statements made, in the
- 5 light of the circumstances under which they were made, not
- 6 misleading, or
- 7
- 8 (c) engaging in any act, practice, or course of business which operates or
- 9 would operate as a fraud or deceit on any person,
- 10

11 in connection with the purchase or sale of any security, in violation of Section
12 10(b) of the Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §78j(b)] and
13 Rule 10b-5 thereunder [17 C.F.R. §240.10b-5].
14

15 **III.**

16
17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that upon
18 motion by the Commission or at the instance of the Court, the Court will make a
19 determination as to the appropriate amount of disgorgement and civil penalties and
20 order Defendants to disgorge all ill-gotten gains, including prejudgment interest
21 thereon, and to pay civil penalties pursuant to Section 20(d)(2) of the Securities
22 Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C.
23 §78u(d)(3)]. Defendants understand and agree that in connection with the Court's
24 determination of the amounts of disgorgement and civil penalties, they will be
25 precluded from arguing that they did not violate the federal securities laws in the
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1 manner described in the complaint. Defendants further understand and agree that,
2 solely for the purposes of this determination, the allegations of the complaint shall
3 be accepted as and deemed true by the Court, and that they may not challenge the
4 validity of their Consents or this Judgment. Defendants agree that the Court may
5 determine the amount of disgorgement and civil penalties on the basis of affidavits,
6 declarations, deposition excerpts and exhibits, or any other information deemed
7 appropriate by the Court.
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11 **IV.**

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
13 Commission is expressly authorized to engage in continued discovery regarding any
14 unresolved issue in the case with respect to Defendants, which shall include, but is
15 not limited to, discovery for the purposes of determining the amounts of
16 disgorgement and civil penalties that should be obtained from or imposed against
17 Defendants.
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21 **V.**

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
23 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
24 Partial Judgment.
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FILED
U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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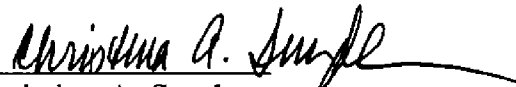
VI.

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

VII.

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

Dated: May 24, 2004
Los Angeles, California


Christina A. Snyder
United States District Judge

CERTIFICATE OF SERVICE

RECEIVED

I Gloria Hyman, am over the age of eighteen years, am not party to this action, and am a citizen of the United States.

My business address is 5670 Wilshire Blvd., 11th Floor, Los Angeles, California. On May 19, 2004, I caused to be served

the Consent and Undertakings of Defendant KENNETH P.

D'ANGELO; Consent and Undertakings of Defendant RBF

INTERNATIONAL, INC., and proposed Partial Judgment of

Permanent Injunction and Other Relief as to Defendants

KENNETH P. D'ANGELO and RBF INTERNATIONAL, INC. by causing

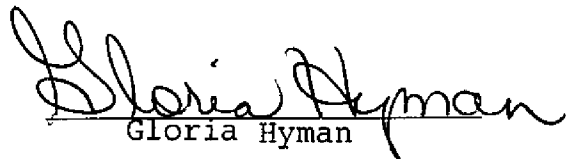
to be mailed a true and correct copy thereof in a sealed

envelope, postage prepaid, addressed to:

Michael D. Wolk
Foley & Lardner
Washington Harbour
3000 K Street, N.W.
Suite 500
Washington, DC 20007-5143
**Counsel for Defendants Kenneth P. D'Angelo
and RBF International, Inc.**

I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 19, 2004


Gloria Hyman

1 Antonia Chion
2 Debra M. Patalkis
3 Scott W. Friestad
4 Howard A. Scheck
5 Robert Long
6 Steven A. Susswein
7 Attorneys for Plaintiff
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vs.

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Defendants.

Civil Action No.

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RBF INTERNATIONAL, INC.**

Plaintiff Securities and Exchange Commission ("Commission"), having
commenced this action by filing its Complaint, and Defendants Kenneth P.
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Judgment of Permanent Injunction
SEC v. Kenneth P. D'Angelo

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1 having in the Consent and Undertakings of Kenneth P. D'Angelo and Consent and
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5 Relief as to Defendants Kenneth P. D'Angelo and RBF International, Inc. ("Partial
6 Judgment") and incorporated herein by reference, entered general appearances
7 herein, admitted the jurisdiction of this Court over them and over the subject
8 matter of this action, waived service of process, waived the filing of an Answer to
9 the Complaint and the entry of findings of fact and conclusions of law pursuant to
10 Rule 52 of the Federal Rules of Civil Procedure, waived any right they might have
11 to appeal from the entry of this Partial Judgment, and, without admitting or
12 denying any of the allegations of the Complaint, except as to jurisdiction, which
13 they admit, and without trial, argument, or adjudication of any issue of fact or law,
14 having consented to the entry of this Partial Judgment, and it appearing that this
15 Court has jurisdiction over Defendants and the subject matter of this action, and
16 the Court being fully advised in the premises:
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22 **I.**

23
24 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Defendants,
25 their agents, servants, employees, attorneys, and all those persons in active concert
26 and participation with them who receive actual notice of this Judgment by personal
27 service or otherwise, and each of them, be, and they hereby are, permanently
28

1 restrained and enjoined from, directly or indirectly, through the use of any means or
2 instruments of transportation or communication in interstate commerce or by use of
3 the mails:
4

- 5 (a) employing any device, scheme, or artifice to defraud,
- 6
- 7 (b) obtaining money or property by means of any untrue statement of a
8 material fact or omitting to state a material fact necessary in order to
9 make the statements made, in light of the circumstances under which
10 they were made, not misleading, or
11
- 12 (c) engaging in any transaction, practice, or course of business which
13 operates or would operate as a fraud or deceit upon the purchaser,
14

15 in the offer or sale of any securities in violation of Section 17(a) of the Securities Act
16 of 1933 (the "Securities Act") [15 U.S.C. §77q(a)].
17

18 **II.**

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
20 Defendants, their agents, servants, employees, attorneys, and all those persons in
21 active concert and participation with them who receive actual notice of this Partial
22 Judgment by personal service or otherwise, and each of them, be, and they hereby
23 are, permanently restrained and enjoined from, directly or indirectly, through the
24 use of any means or instrumentality of interstate commerce or of the mails, or of
25 any facility of a national securities exchange:
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SCANNED

- (a) employing any device, scheme, or artifice to defraud,
- (b) 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, or
- (c) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit on any person,

in connection with the purchase or sale of any security, in violation of Section 10(b) of the Exchange Act of 1934 (the "Exchange Act") [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 upon motion by the Commission or at the instance of the Court, the Court will make a determination as to the appropriate amount of disgorgement and civil penalties and order Defendants to disgorge all ill-gotten gains, including prejudgment interest thereon, and to pay civil penalties pursuant to Section 20(d)(2) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. Defendants understand and agree that in connection with the Court's determination of the amounts of disgorgement and civil penalties, they will be precluded from arguing that they did not violate the federal securities laws in the

1 manner described in the complaint. Defendants further understand and agree that,
2 solely for the purposes of this determination, the allegations of the complaint shall
3 be accepted as and deemed true by the Court, and that they may not challenge the
4 validity of their Consents or this Judgment. Defendants agree that the Court may
5 determine the amount of disgorgement and civil penalties on the basis of affidavits,
6 declarations, deposition excerpts and exhibits, or any other information deemed
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11 **IV.**

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17 Defendants.
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21 **V.**

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
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24 Partial Judgment.
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FILED
U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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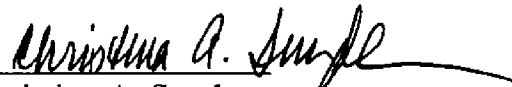
VI.

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

VII.

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

Dated: May 24, 2004
Los Angeles, California


Christina A. Snyder
United States District Judge

CERTIFICATE OF SERVICE

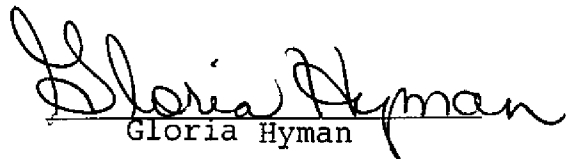
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2 I Gloria Hyman, am over the age of eighteen years, am not
3 party to this action, and am a citizen of the United States.
4 My business address is 5670 Wilshire Blvd., 11th Floor, Los
5 Angeles, California. On May 19, 2004, I caused to be served
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9 Permanent Injunction and Other Relief as to Defendants
10 KENNETH P. D'ANGELO and RBF INTERNATIONAL, INC. by causing
11 to be mailed a true and correct copy thereof in a sealed
12 envelope, postage prepaid, addressed to:
13
14

15 Michael D. Wolk
16 Foley & Lardner
17 Washington Harbour
18 3000 K Street, N.W.
19 Suite 500
20 Washington, DC 20007-5143
21 **Counsel for Defendants Kenneth P. D'Angelo**
22 **and RBF International, Inc.**

23 I declare under penalty of perjury that the foregoing is
24 true and correct.

25 Dated: May 19, 2004

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Gloria Hyman