

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v

MICHAEL J GARZONI,

Defendant

Civil No 96-74813
Hon AVERN COHN

JUN 16 3 20 PM '00
CLERK
U.S. DISTRICT COURT
EAST DIST MICH
DETROIT

FILED

JUDGMENT AS TO DEFENDANT MICHAEL J. GARZONI

Defendant Michael J Garzoni ("Defendant") having (i) entered a general appearance, (ii) consented to the Court's jurisdiction over Defendant and the subject matter of this action, (iii) admitted the allegations of the Complaint, consented to entry of this Judgment without further notice, (iv) waived findings of fact and conclusions of law, and (v) waived any right to appeal from this Judgment, it is now

ORDERED, ADJUDGED AND DECREED that Defendant, and Defendant's officers, agents, servants, employees and attorneys, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently restrained and enjoined from violating **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) by, directly or indirectly, by the use of 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, (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, or (3) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person

ORDERED, ADJUDGED AND DECREED that Defendant is liable for disgorgement of \$115,759 65, representing profits gained as a result of the conduct alleged in the Complaint Based on Defendant's demonstrated inability to pay, as shown by a sworn financial statement furnished to the SEC, payment of \$115,759 65 of this disgorgement obligation is waived However, if it shall appear that such financial statement was false or incomplete in any material respect when made, Defendant shall, on application by the SEC, be ordered to pay the full amount of disgorgement specified above

ORDERED, ADJUDGED AND DECREED that based on Defendant's demonstrated inability to pay, as shown by a sworn financial statement furnished to the SEC, the Court is not directing Defendant to pay a civil penalty pursuant to Section 21A of the Securities Exchange Act of 1934 (15 U S C §78u-1) However, if it shall appear that such financial statement was false or incomplete in any material respect when made, Defendant shall, on application by the SEC, be ordered to pay a penalty in an amount to be set by the Court

There being no just reason for delay, the Clerk is ordered to enter this Judgment forthwith and without further notice

Dated JUN 16 2000 000



UNITED STATES DISTRICT JUDGE