

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION,
450 Fifth Street, N.W.
Washington, D.C. 20549

Plaintiff,

- v -

RICHARD F. RUBIN,
EDWARD T. CREEVY,
RONALD H. HOLLANDSWORTH,
KYMBERLEE W. KULIS,

Defendants,

- and -

RICHARD F. RUBIN, as trustee,
HAZEL RUBIN, individually and as trustee, and
MEADOW LIMITED PARTNERSHIP,

Relief Defendants.

Civil Action No. 99-239
(RCL)

FILED

JUL 31 2002

NANCY MAYER WRIGHT, CLERK
U.S. DISTRICT COURT

**FINAL JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF AS TO DEFENDANT EDWARD T. CREEVY**

Plaintiff Securities And Exchange Commission ("Commission") having commenced this action by filing its Complaint, and subsequently filing an Amended and Supplemental Complaint ("Complaint"), and defendant Edward T. Creevy ("Creevy") having in his Consent and Undertakings of Defendant Edward T. Creevy ("Consent"), which was filed simultaneously with this Final Judgment and incorporated herein by reference, entered a general appearance herein, admitted the jurisdiction of this Court over him and the subject matter of this action, withdrew his Answer, and waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules

of Civil Procedure, and, without admitting or denying the allegations of the Complaint, except as to jurisdiction, which he admits, consented to the entry of this Final Judgment, and it appearing that this Court has jurisdiction over Edward T. Creevy and over the subject matter hereof:

I.

IT IS ORDERED, ADJUDGED AND DECREED that Creevy, his agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)] by, directly or indirectly, using any means or instruments of transportation or communication in interstate commerce or by use of the mails to:

- (1) employ any device, scheme or artifice to defraud;
- (2) 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; or
- (3) engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser,

in the offer or sale of any securities.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Creevy, his agents, servants, employees, attorneys-in-fact, and those persons in active concert or

participation with them who receive actual notice of this Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from violating Section 10(b) of the Securities 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 by, directly or indirectly, using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange to:

- (1) employ any device, scheme or artifice to defraud;
- (2) 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 light of the circumstances under which they were made, not misleading; or
- (3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

in connection with the purchase or sale of any security.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Creevy, his agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from violating Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account subject to Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)].

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Creevy, his agents, employees, servants, attorneys-in-fact, and all those persons in active concert or participation with Creevy who receive actual notice of the Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from violating Rule 13b2-1 of the Exchange Act [17 C.F.R. § 240.13b2-1] by falsifying or causing to be falsified any book, record or account subject to Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)].

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Creevy, his agents, employees, servants, attorneys-in-fact, and all those persons in active concert or participation with Creevy who receive actual notice of the Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from violating Rule 13b2-2 of the Exchange Act [17 C.F.R. § 240.13b2-2] by, as a director or officer of any issuer:

- (1) making or causing to be made a materially false or misleading statement, or
- (2) omitting to state, or causing another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading,

to an accountant in connection with (a) any audit or examination of the financial statements of an issuer required to be made pursuant to the rules and regulations under the Exchange Act [17 C.F.R. §§ 240.0-1 et seq.], or (b) the preparation or filing of any document or report required to be filed with the Commission.

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Creevy, his agents, employees, servants, attorneys-in-fact, and all those persons in active concert or participation with Creevy who receive actual notice of the Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from aiding and abetting the filing with the Commission of any periodic report on behalf of any issuer pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Exchange Act Rules 12b-20, 13a-1 and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-1 and 240.13a-13] promulgated thereunder, which contains any untrue statement of material fact, or which omits 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 which fails to comply in any material respect with the requirements of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the rules and regulations thereunder.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Creevy, his agents, employees, servants, and attorneys-in-fact, and all persons in active concert or participation with Creevy who receive actual notice of the Final Judgment by personal service or otherwise are hereby permanently restrained and enjoined from, directly or indirectly, aiding and abetting the failure of any issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)] to:

- (1) make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of the issuer, as required by Exchange Act Section 13(b)(2)(A) [15 U.S.C. § 78m(b)(2)(A)], or
- (2) devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions are recorded as necessary
 - (a) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and
 - (b) to maintain accountability for assets, as required by Exchange Act Section 13(b)(2)(B) [15 U.S.C. § 78m(b)(2)(B)].

VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Creevy be, and hereby is, permanently restrained and enjoined, 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 of securities that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78I], or that is required to file reports pursuant to Section 15(d) of such Act [15 U.S.C. § 78o(d)].

IX.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court is not ordering Creevy to pay disgorgement, prejudgment interest, or civil monetary penalties, based on the criminal judgment entered against Creevy in U.S. v. Creevy, CR99-13 (E.D.N.Y.), on November 21, 2000, as amended on June 11, 2001, for conspiracy to commit securities fraud, which is based on the same underlying conduct

that is at issue in this civil action, whereby that court sentenced Creevy to five years probation and ordered Creevy to pay \$250,000 restitution and a \$250,000 fine.

X.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the attached Consent and Undertaking of Defendant Edward T. Creevy be, and hereby is, incorporated herein by reference with the same force and effect as if fully set forth herein.

XI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for the purpose of enforcing the terms of this Final Judgment.

XII.

There being no just cause for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this final judgment forthwith.

So ordered, this 31st day of July, 2002 at 4p.m.


UNITED STATES DISTRICT JUDGE