

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

NATIONAL INSTITUTE COMPANIES  
OF AMERICA, et al.

Defendants.

Civil Action No.

00-1216

**ORDER OF PERMANENT INJUNCTION AND OTHER RELIEF  
(RESERVING THE ISSUES OF DISGORGEMENT AND CIVIL PENALTIES)  
AS TO DEFENDANT RAYMOND P. SOBIERALSKI**

Plaintiff Securities and Exchange Commission, having requested this Court to issue by default this Order of Permanent Injunction and Other Relief (Reserving the Issues of Disgorgement and Civil Penalties) ("Order") as to defendant Raymond P. Sobieralski ("Sobieralski"); and

It appearing to the Court that the plaintiff has effected service of process upon Sobieralski, that Sobieralski has failed to appear and has not responded to the complaint in this action, and that, on October 10, 2001, the Clerk of Court entered a default against Sobieralski pursuant to Fed. R. Civ. P. 55(a); and

It further appearing that there is no just reason for delay and there is sufficient basis herein for the entry of this Order:

IT IS HEREBY ORDERED THAT:

I. Sobieralski, his agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise, and each of them, are permanently enjoined from, directly or indirectly, making use of any means or instruments of transportation or communication in interstate commerce, or any means or instrumentality of interstate commerce, or the mails, or any facility of any national securities exchange, in connection with the offer, purchase or sale of any security, to:

- (a) employ any devices, schemes or artifices to defraud;
- (b) obtain money or property by means of, or make, any untrue statement of a material fact or 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) engage in any act, transaction, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

in violation of Section 17(a) of the Securities Act of 1933, 15 U.S.C. 77q(a), Section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. 78j(b), and Rule 10b-5, 17 C.F.R. 240.10b-5, thereunder.

II. Sobieralski, his agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them, directly or indirectly, singly or in concert, who receive actual notice of this Order by personal service or otherwise, are permanently enjoined from making use of any means or instruments of transportation or communication in interstate commerce, or the mails, to:

(a) sell any security through the use or medium of any prospectus or otherwise, or carry or cause to be carried any security for the purpose of sale or delivery after sale, unless and until a registration statement has been filed with the Commission and is in effect, or unless a valid exemption from registration is available; or

(b) offer to sell or offer to buy any security through the use or medium of any prospectus or otherwise, unless and until a registration statement has been filed with the Commission with respect to such security, or unless a valid exemption from registration is available;

in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. 77e(a) and 77e(c).

III. Sobieralski, his agents, officers, servants, employees, attorneys, and those persons in active concert or participation with them, directly or indirectly, singly or in concert, who

receive actual notice of this Order by personal service or otherwise, are permanently enjoined from violating Section 15(a)(1) of the Exchange Act, 15 U.S.C. 78o(a)(1), by making use of the mails or any means or instrumentality of interstate commerce, to effect any transaction in, or induce or attempt to induce the purchase or sale of any security, unless registered with the Commission as a broker or dealer in accordance with Section 15(b) of the Exchange Act, 15 U.S.C. 78o(b).

IV. Sobieralski is barred from serving as an officer or director of any issuer that has a class of securities registered with the Commission pursuant to Section 12 of the Exchange Act, 15 U.S.C. 781, or that is required to file reports with the Commission pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. 78o(d).

V. This Court shall reserve the questions of the amount of any disgorgement to be paid by defendant Sobieralski, as well as the amount of any civil penalties to be imposed on him.

Dec. 14, 2001  
Date

Robert J. Gundlach  
United States District Judge

cm: All parties of record *[Signature]*