



DIVISION OF  
ENFORCEMENT

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE II

HAND DELIVERY

Mr. Ivan F. Boesky  
650 Fifth Avenue  
New York, New York 10019

Re: HO-1850

Dear Mr. Boesky:

You and the United States Securities and Exchange Commission (the "Commission") hereby enter into the following agreement (the "Agreement"):

1. (a) The Commission will file a civil complaint alleging that you violated Sections 10(b) and 14(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and Rules 10b-5 and 14e-3 thereunder. Without admitting or denying the allegations of the complaint, you agree to consent to the entry of a permanent injunction, as defined by Rule 65(d), Federal Rules of Civil Procedure, enjoining you from future violations of those statutes and rules.

(b) In connection with the civil action referred to in paragraph 1(a), above, you have agreed, by reason of your direct and indirect control (through The Ivan F. Boesky Corporation and IFB Management Corporation) over the securities transactions of The Ivan F. Boesky Corporation, Cambrian & General Securities, plc, Farnsworth and Hastings Limited, Northview Corporation, and their respective parents, affiliates, subsidiaries and predecessors, to pay \$50,000,000 in cash or cash equivalents representing disgorgement of profits (the "Cash Payment") allegedly derived by such entities from the acts giving rise to this Agreement. The Cash Payment will be distributed pursuant to a plan to be submitted to the Court by the Commission regarding which you and your counsel will have prior notice and the right to be heard. Such plan shall provide: (i) for payments to persons who have claims under the federal securities laws by reason of the securities transactions alleged in the complaint by entities over which you exercise or have exercised investment or operational control; and (ii) if any funds remain, for payments to persons

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who have other claims under the federal securities laws or other claims arising out of securities transactions by entities over which you exercise or have exercised investment or operational control. In addition to the Cash Payment, you shall transfer additional assets having an estimated aggregate value of \$50,000,000 to the Treasury of the United States of America (the "Treasury") as a penalty under Section 21(d)(2)(A) of the Exchange Act (the "Penalty"), as set forth below. Your obligation to pay the Penalty shall be deemed to be fulfilled if you transfer the following assets to the Treasury: (a) ordinary and capital shares of Cambrian & General Securities, plc (to wit, 5,786,712 ordinary shares valued as of

8,482,371 capital shares valued as of

(b) 193,827 shares of common stock of Northview common stock

In your discretion, you may transfer other assets in lieu of any or all of the foregoing enumerated assets in fulfillment of your obligation to pay the Penalty; provided, however, that in the event of such substitution of assets, the readily realizable value of the assets substituted shall not be less than the stated value of the assets for which they are substituted as of the date of the Agreement.

2. Simultaneous with the entry of the injunction referred to in paragraph 1(a) above, the Commission will institute an administrative proceeding pursuant to the Exchange Act, based solely upon the entry of such injunction. You will consent to the entry of an order by the Commission barring you from association with any broker, dealer, investment adviser, investment company, or municipal securities dealer, provided, however, that the bar provided for under such order will be stayed to permit you to continue to operate, manage and control or otherwise remain associated with any broker or dealer with which you are presently associated, solely, and for the period of time necessary, to preserve the assets of your present businesses and avoid a default under any instrument or security pertaining to any of those businesses. This stay shall expire on April 1, 1988, or at such earlier time as the Commission shall prescribe consistent with the purposes of this paragraph and the administrative proceeding referred to herein. Your activities during the period of this stay will be monitored by a special compliance agent, to be appointed by order of the Commission. The special compliance agent, who shall not be deemed a receiver or custodian of any

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entity, shall monitor your compliance with the federal securities laws.

3. You shall truthfully disclose all information with respect to your activities and activities of others about which the Commission or its staff may inquire. You will testify in all investigations, administrative and judicial proceedings at which the Commission or its staff requests your testimony. You will make yourself available for whatever debriefings may be required by the staff of the Commission, will produce any and all documents within your possession, custody or control, domestic or foreign, which are requested by the Commission or its staff, and shall assist in analyzing documents when requested by the Commission or its staff. At any debriefing you may be accompanied by counsel of your choice. At all times, you must give complete, truthful and accurate information and testimony, and any intentional failure on your part to give complete, truthful and accurate information and testimony will be a violation of this Agreement. You further agree not to assert any evidentiary or other privilege, other than the attorney-client or applicable doctor-patient privileges, and the attorney workproduct doctrine applicable to work done by or for your attorneys, in response to any questions posed or document requested by the Commission or its staff in said interviews, depositions or testimony.

4. You agree that the Commission may institute the civil injunctive action referred to in paragraph 1 above and the administrative proceeding referred to in paragraph 2 above at such time as it deems appropriate. The Commission agrees that it will notify your counsel prior to the time that either or both of the proceedings are instituted. You further agree that the cooperation described in paragraph 3 above shall commence immediately upon the signing of this Agreement and the execution of an agreement between you and the United States Attorney's Office for the Southern District of New York referred to in paragraph 10 below.

5. You agree that, upon the earlier of December 31, 1986, or as soon as practicable after the entry of the injunction referred to in paragraph 1(a) or the receipt of a demand from the Commission, you will make the Cash Payment and deliver the Penalty referred to in paragraph 1 above, to an escrow agent acceptable to the staff of the Commission pursuant to an escrow agreement satisfactory to the Commission,

You further agree that, except as provided in paragraph 10, below,

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in no event, will the cash or any of the other assets referred to in paragraph 1 above be returned to you, your heirs, successors or assigns.

6. In connection with this Agreement, you have provided the Commission with a written proffer of certain facts about which you will testify and state in interviews with the staff of the Commission. You understand and agree that this Agreement is expressly conditioned upon the accuracy in all material respects of the proffer.

7. You agree not to reveal, directly or indirectly, the existence and terms of this Agreement, and the activities to which it relates, except as provided in paragraph 15, below, or as otherwise may be required by a court of competent jurisdiction.

8. The Commission agrees that, with the exception of the proceedings referred to in paragraphs 1 and 2, above, the Commission shall not institute any action or proceeding, or seek any relief, against you under the securities laws (as that term is defined in Section 21(g) of the Exchange Act) or any other law, nor will the Commission recommend any action against you to any foreign or United States federal, state, local or self-regulatory agency or body, for any conduct occurring prior to the date of this Agreement. The Commission further agrees that it will not institute any civil proceedings against or seek recovery of disgorgement or civil penalties from your wife, Seema S. Boesky, your children, William, Marianne, Theodore and Jonathan, or trusts, listed on Schedule 1 attached, for their benefit or any of their respective benefits, based on conduct occurring before the date of this Agreement. In addition, with the exception of the proceedings referred to in paragraphs 1 and 2 above, and the Cash Payment and the Penalty referred to in paragraph 1, above, the Commission agrees not to bring any civil proceedings against or seek any relief, including but not limited to recovery of disgorgement or civil penalties, from any entity over which you have exercised, directly or indirectly, principal investment or operational control based on information which relates to conduct occurring before the date of this Agreement.

9. In the event that you are charged with any crime which relates to conduct occurring before the date of this Agreement, the Commission will, should you so request, advise any domestic or foreign prosecuting authority or court of the nature and extent of your cooperation pursuant to this Agreement.

10. The Commission understands and agrees that your entry into this Agreement is conditioned upon, and subject to, your execution of an appropriate agreement regarding possible criminal prosecution with the United States Attorney's Office for the Southern District of New York (the "SDNY") and, as contemplated in that agreement, with the subsequent agreement of the United States Attorney's Offices for the District of Columbia ("DDC") and the Central District of California ("CDC"). In that context, it is understood that you have the right to rescind your agreement with the SDNY should the agreement of either the CDC or the DDC not be obtained prior to December 31, 1986. Should you determine to rescind your agreement with the SDNY, it is expressly agreed and understood that you may continue this Agreement in effect, or you may rescind this Agreement, at your sole election. Should you elect to rescind this Agreement under those circumstances, it is expressly agreed that you will promptly notify the Commission of your election in writing and that, upon the receipt of that notification, the Cash Payment and the Penalty referred to in paragraph 1, above, (if already paid) will be returned to you, along with all documents and testimony received from you. You expressly agree, however, that the Commission reserves the right, in such a circumstance, to proceed against you on the basis of information and documents in its possession prior to the date of this Agreement and/or other evidence derived from such information or documents, or obtained subsequent to the rescission of this Agreement. It is expressly agreed that, should the Commission proceed against you after your rescission of this Agreement pursuant to this paragraph, the Commission will not use any of the documents, testimony or information obtained from you pursuant to this Agreement, directly or indirectly, with the exception that such documents and testimony may be used for impeachment. You agree, however, that nothing in the foregoing will preclude the Commission or its staff from pursuing leads derived from the proffer referred to in paragraph 6, above, or from making any decision or adjudication based upon the knowledge that you were prepared to and did, at one time, enter into this Agreement. Finally, the Commission expressly agrees that it will not file or otherwise make public either the injunctive action or administrative proceeding referred to in paragraphs 1 and 2, above, until the SDNY has, in the manner provided in your agreement with that Office, made an effort to obtain the agreement of both the CDC and the DDC, and you have had an opportunity to decide whether to rescind your agreement with the SDNY and/or this Agreement in the event no agreement is reached with either or both the CDC and the DDC.

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11. If you should breach this Agreement, the Commission reserves all arguments and rights it may have available to it against you and any other person or entity, whether or not identified in this Agreement, including the right to offer any statement made by you to the Commission or its staff, other than the proffer referred to in paragraph 6, above, as evidence in any proceeding. It is expressly understood that your failure to comply with any provision of this Agreement due to any order by a court of competent jurisdiction which was not procured or requested, directly or indirectly, by you or any entities acting under your control, or any other persons acting on your behalf, shall not constitute a breach within the meaning of this paragraph and shall not otherwise relieve either party of its rights and obligations under this Agreement, provided however, that you will promptly take all action reasonably calculated to relieve you of such order to the extent necessary to effect compliance with this Agreement. If the Commission should fail to comply with this Agreement, then you reserve all arguments and rights as you may have available to you.

12. (a) In the event that the Commission shall determine that you are not in compliance with the terms of this Agreement, other than those contained in paragraph 3, above, the Commission shall give notice of such non-compliance and afford you an opportunity to cure your non-compliance with the terms of this Agreement.

(b) This Agreement is entered into for settlement purposes only. Neither this Agreement nor the proffer referred to in paragraph 6, above, nor any statement made in connection with those documents by you or your counsel prior to the execution of this Agreement, shall constitute, or be offered as an admission or any evidence in any proceeding, provided, however, that nothing herein shall prevent the introduction of this Agreement or the above-mentioned proffer into evidence in support of a claim or defense to enforce compliance with the mutual promises contained herein.

(c) This Agreement may be modified, amended or supplemented only by written agreement between you and the Commission.

(d) All pleadings and other papers filed in connection with any proceedings contemplated herein, or Orders issued in connection with such proceedings, shall be served, and shall be deemed served, upon you if delivered personally or mailed by certified mail (return receipt requested) to the undersigned counsel at the address set forth below, or such

other counsel as may be representing you. All other notices herein shall be in writing and shall be deemed given if delivered personally or mailed by registered or certified mail (return receipt requested) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(1) if to the Commission:  
450 Fifth Street, N.W.  
Washington, D.C. 20549  
Attention: Director of the  
Division of Enforcement

(2) if to you:

Ivan F. Boesky  
650 Fifth Avenue  
New York, New York 10019

With copies to:

Harvey L. Pitt, Esq.  
Fried, Frank, Harris,  
Shriver & Jacobson  
1001 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

and:

Theodore A. Levine, Esq.  
Wilmer, Cutler & Pickering  
2445 M Street, N.W.  
Washington, D.C. 20037

13. Except to the extent otherwise agreed upon, the civil complaint filed pursuant to paragraph 1(a), above, shall make such allegations as were known to representatives of the Commission before the date of this Agreement.

14. The Commission agrees to treat as confidential and to maintain the confidentiality (under the Freedom of Information Act and the Privacy Act and otherwise) of personal and personal financial information provided by you except to the extent that the Commission or its staff determines disclosure is necessary in furtherance of the above-captioned or any other Commission investigation, any litigation arising

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out of or relating to such investigation, inter-governmental and intra-governmental cooperation or as otherwise required by law or by judicial or legislative processes.

15. It is understood that you will cooperate with the Commission as set forth in this Agreement. As part of such cooperation, you shall take such steps as are within your reasonable capacity to cause to be made and filed with the Commission as soon as practicable after the entry of the injunction and administrative order described in paragraphs 1 and 2, above, such amendments as may be necessary or appropriate to filings previously made with the Commission.

\* \* \*

The signature below evidences the agreement of the Commission to the terms of this Agreement. The signatures of your attorneys represent that they have read this Agreement and agree as to form. Please sign and return the enclosed copy of this letter to evidence your agreement.

Very truly yours,

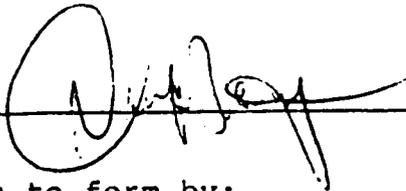
For the Commission:

  
Gary Lynch  
Director  
Division of Enforcement

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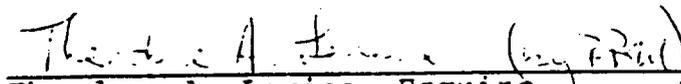
The foregoing is understood, acknowledged and agreed  
to:

  
\_\_\_\_\_

Agreed as to form by:

  
\_\_\_\_\_

Harvey L. Pitt, Esquire  
Fried, Frank, Harris, Shriver & Jacobson  
Attorneys for Ivan F. Boesky

  
\_\_\_\_\_

Theodore A. Levine, Esquire  
Wilmer, Cutler & Pickering  
Attorneys for Ivan F. Boesky

Schedule 1

Trusts for the benefit of the children of Ivan F. Boesky,  
including:

Trust F/B/O William Boesky U/I/D 1/25/70

Trust F/B/O Marianne Boesky U/I/D 1/25/70

Trust F/B/O Theodore Boesky U/I/D 11/30/76

Trust F/B/O Jonathan Boesky U/I/D 11/30/76

Trust F/B/O Jonathan Boesky U/I/D 11/30/76

Trust F/B/O Theodore Boesky U/I/D 11/30/76

Trust F/B/O Boesky Children U/I/D 12/12/83

Trust U/W Ben L. Silberstein F/B/O Marianne Boesky

Trust U/W Ben L. Silberstein, F/B/O Jonathan Boesky

Trust U/W Ben L. Silberstein, F/B/O William Boesky

Trust U/W Ben L. Silberstein, F/B/O Theodore Boesky

Trusts F/B/O Theodore Boesky, Marianne Boesky, William Boesky  
and Jonathan Boesky U/I/D 1/22/80

Trusts F/B/O Theodore Boesky, Marianne Boesky, William Boesky  
and Jonathan Boesky U/I/D 10/18/81