

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION,	:	:	
	:	:	
	:	:	
Plaintiff,	:	:	CIVIL ACTION NO. 03-74983
	:	:	
v.	:	:	JUDGE NANCY G. EDMUNDS
	:	:	
DONALD F. CHAMBERLIN and DAVID N. CHAMBERLIN,	:	:	Magistrate Judge Pepe
	:	:	
	:	:	
Defendants.	:	:	

FINAL JUDGMENT AS TO DEFENDANT DAVID N. CHAMBERLIN

The Securities and Exchange Commission having filed a Complaint and Defendant David N. Chamberlin having entered an appearance; consented to the Court’s jurisdiction over Defendant David N. Chamberlin and the subject matter of this action; consented to entry of this Final Judgment as to David N. Chamberlin without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment as to David N. Chamberlin:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that this Final Judgment as to Defendant David N. Chamberlin incorporates by reference the Partial Final Judgment and Order of Injunction and Other Relief previously consented to by David N. Chamberlin on May 17, 2004, and entered by this Court on June 22, 2004 (the “Partial Final Judgment”). Defendant David N. Chamberlin agrees that he and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment as to David N. Chamberlin by personal service or otherwise continue to be permanently restrained and enjoined from violating, directly or indirectly, all provisions set forth in the Partial Final Judgment as described therein, including Sections 10(b), 15(a)(1) f the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78j(b) and 78o(a)(1)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder; and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. §§ 80b-6(1) and 80b-6(2)].

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant David N. Chamberlin is liable for disgorgement of \$5,000, representing profits gained as a result of the conduct alleged in the Complaint,

together with prejudgment interest thereon in the amount of \$2,145.34, and a civil penalty in the amount of \$30,000 pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(5)] and Section 209(e) of the Advisers Act. Defendant David N. Chamberlin shall satisfy this obligation by paying \$37,145.34 within ten business days to the Clerk of this Court, in the form of a cashier's check or money order, together with a cover letter identifying David N. Chamberlin as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment as to David N. Chamberlin. Defendant David N. Chamberlin shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making this payment, Defendant David N. Chamberlin relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendant David N. Chamberlin. Defendant David N. Chamberlin shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

The Clerk shall deposit the funds into an interest bearing account with the registry of the court, or any other type of interest bearing account that is utilized by the Court. These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States.

The payment of the sums identified above fully and finally resolve and satisfy all claims for disgorgement, interest and civil penalties asserted by the Commission against David N. Chamberlin with respect to the matters set forth in the Complaint. The Commission may by motion propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendant David N. Chamberlin shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendant David N. Chamberlin's payment of disgorgement in this action, argue that he is entitled to, nor shall he further benefit by, offset or reduction of such compensatory damages award by the amount of any

part of Defendant David N. Chamberlin's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Defendant David N. Chamberlin shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Defendant David N. Chamberlin by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent signed on December 29, 2005 is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant David N. Chamberlin shall comply with all of the undertakings and agreements set forth therein.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment as to David N. Chamberlin.

V.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment as to David N. Chamberlin forthwith and without further notice.

s/Nancy G. Edmunds
Nancy G. Edmunds
United States District Judge

Dated: February 28, 2006

I hereby certify that a copy of the foregoing document was served upon counsel of record on February 28, 2006, by electronic and/or ordinary mail.

s/Carol A. Hemeyer
Case Manager