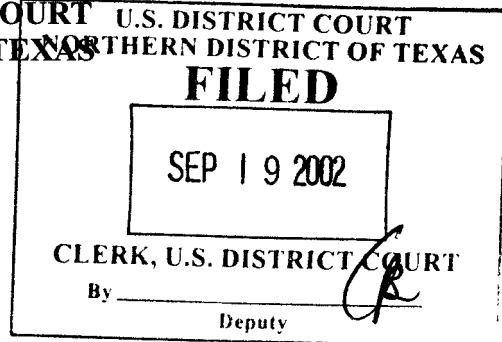


IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION



SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

GERARD CHIARELLA, Individually and d/b/a FREEDOM IN 14 DAYS, WVM FINANCIAL GROUP, and MINDA TRADING GROUP,

Defendant.

Civil Action No. 3:01-CV-2037-G



AMENDED FINAL JUDGMENT AND ORDER OF PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

This matter came before this Court on the motion of Plaintiff Securities and Exchange Commission ("Commission") seeking entry of Amended Final Judgment and providing it with the relief requested in its Complaint against Defendant Gerard Chiarella, individually and d/b/a Freedom in 14 Days, WVM Financial Group, and Minda Trading Group ("Defendant Chiarella"). Defendant Chiarella, having admitted service of the Summons and Complaint in this matter, having admitted the jurisdiction of this Court over him and over the subject matter of this action, having 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 any of the allegations of the Complaint, except as set forth herein, and without trial, argument, or adjudication of any issue of law or fact, having consented to the entry of the Final Judgment and Order of Permanent Injunction and Other Equitable Relief ("Final Judgment") entered by the Court on October 10, 2001, and to this Amended Final Judgment and Order of Permanent Injunction and Other Equitable Relief ("Amended Final Judgment"), and it appearing that this

Court has jurisdiction over the parties and the subject matter of this action, and it appearing that no further notice for the entry of this Amended Final Judgment need be given, and the Court being fully advised in the premises, the Final Judgment is hereby amended to read as follows:

I.

IT IS HEREBY ORDERED, ADJUDGED, and DECREED that Defendant Chiarella and his agents, servants, employees, attorneys-in-fact, and all other persons in active concert or participation with him who receive actual notice of this Amended Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating sections 5(a) and 5(c) of the Securities Act of 1933 [15 U.S.C. §§ 77e(a) and (c)]:

- (A) By making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell or to offer to sell a security through the use or medium of a prospectus or otherwise; or
- (B) By carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, a security for the purpose of sale or for delivery after sale,

unless a registration statement has been filed and is in effect as to the security.

II.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that Defendant Chiarella and his agents, servants, employees, attorneys, and all persons in active concert or participation with them, who receive actual notice of this Amended Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] by the use of any means or instruments of transportation or communication in interstate commerce, or by the use of the mails, directly or

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indirectly, in the offer or sale of any security:

- (A) To employ any device, scheme or artifice to defraud; or
- (B) To 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 light of the circumstances under which they were made, not misleading; or
- (C) To engage in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon the purchaser.

III.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that Defendant Chiarella and his agents, servants, employees, attorneys-in-fact, and all other persons in active concert or participation with him who receive actual notice of this Amended Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating section 10(b) of the Securities Exchange Act of 1934 [15 U.S.C. § 78j(b)], and Commission Rule 10b-5 [17 C.F.R. §240.10b-5], directly or indirectly, in connection with the purchase or sale of a security, by making use of any means or instrumentality of interstate commerce, of the mails, or of any facility of any national securities exchange:

- (A) To use or employ any manipulative or deceptive device or contrivance;
- (B) To employ any device, scheme, or artifice to defraud;
- (C) To 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
- (D) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IV.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that Defendant Chiarella shall make disgorgement to the Securities and Exchange Commission in the amount of \$82,000, together with prejudgment interest thereon of \$7,000.

V.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that Defendant Chiarella shall pay a civil monetary penalty pursuant to the provisions of Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. §78u(d)] in the amount of \$75,000.

VI.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that Defendant Chiarella's Stipulation and Consent filed with the Final Judgment be, and the same is hereby, incorporated herein with the same force and effect as if fully set forth herein, and therefore a breach of the terms of the Stipulation and Consent shall constitute a breach of this Amended Final Judgment.

VII.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that this Court shall retain jurisdiction over this matter and over Defendant Chiarella for purposes of enforcing the terms of this Amended Final Judgment and for all other purposes.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, and DECREED that this Amended Final Judgment may be served upon Defendant Chiarella in person or by mail either by the United States Marshall, the Clerk of the Court, or any member of the staff of the Commission.

IX.

There being no just reason for delay, the Clerk of this Court is hereby directed to enter this Amended Final Judgment and Order of Permanent Injunction and Other Equitable Relief as to Gerard Chiarella pursuant to Rule 54 of the FEDERAL RULES OF CIVIL PROCEDURE.


SIGNED this 19 day of September, 2002.



UNITED STATES DISTRICT JUDGE

Agreed as to Form and Substance:


GERARD CHIARELLA


JARED J. SCHARF
Attorney for Gerard Chiarella