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ENTERED

CLERK, U.S. DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA
 EASTERN DIVISION

DEPUTY

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

EASTERN DIVISION

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 CENTRAL DISTRICT COURT
 LOS ANGELES CALIFORNIA

12 SECURITIES AND EXCHANGE COMMISSION, : Civil Action No.

ED CV 00-439 (VAP) (CWx)

13 Plaintiff, : [PROPOSED] FINAL
 14 v. : JUDGMENT OF PERMANENT
 15 TELSYS COMMUNICATIONS, INC., HOME : INJUNCTION AND OTHER
 16 SHOPPING PARTNERS; AND : RELIEF AGAINST
 17 ELEAZAR I. HERACLEOPOLIS, : DEFENDANTS TELSYS
 18 Defendants. : COMMUNICATIONS, INC.
 19 : HOME SHOPPING PARTNERS
 20 : AND ELEAZAR I.
 21 : HERACLEOPOLIS

22 Docketed
 Copies / NTC Sent
 JS-5/JS-6
 Whereas: JS-2/JS-3
 CLSD
 23 1. On November 27, 2000, the Plaintiff Securities and
 24 Exchange Commission filed and served upon Defendants TELSYS
 25 COMMUNICATIONS, INC. ("Telsys"), HOME SHIPPING PARTNERS ("HSP"),
 26 and ELEAZAR I. HERACLEOPOLIS ("Heracleopolis") a Motion for
 27 Summary Judgment filed against these Defendants pursuant to Rule
 28 56, Fed.R.Civ.P. and Local Rule 7.14.

HEARING
 DATE: December 18, 2000
 TIME: 10:00 A.M.
 PLACE: Courtroom 45
 (Judge Phillips)

ENTER ON ICMS

DEC 22 2000
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1 2. The Court, having considered the Commission's Motion for
2 Summary Judgment, the Statement of Uncontroverted Facts and
3 Conclusions of Law, the Memorandum of Points and Authorities, the
4 Declarations of Gregory C. Glynn, William S. Fiske, Rabia Cebeci
5 and Pamela v. Chattoo, filed in support of the Motion, including
6 Exhibits filed in Four Volumes, and all other evidence, Memoranda
7 and arguments presented in favor of and in opposition to the
8 Commission's Motion;

9 NOW THEREFORE,

10 I.

11 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the
12 Commission's Motion for Summary Judgment is hereby GRANTED.

13 II.

14 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
15 Defendants Telsys, HSP and Heracleopolis and their agents,
16 servants, employees, and attorneys, and all persons acting in
17 active concert or participation with any of them, who receive
18 actual notice of this Final Judgment by personal service or
19 otherwise, and each of them, are permanently restrained and
20 enjoined from, directly or indirectly:

21 A. making use of any means or instruments of
22 transportation or communication in interstate commerce
23 or of the mails to sell the securities of any issuer,
24 through the use or medium of any prospectus or
25 otherwise, unless and until a registration is in effect
26 as to such securities;

27 B. carrying or causing to be carried through the mails or
28 in interstate commerce, by any means or instruments of

transportation, for the purpose of sale or for delivery after sale, the securities of any issuer, unless and until a registration statement is in effect as to such securities; and

C. making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of any prospectus or otherwise, the securities of any issuer, unless and until a registration statement has been filed with the Commission as to such securities, or while a registration statement as to such securities is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act of 1933 [15 U.S.C. § 77h];

in violation of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a) & 77e(c)].

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants Telsys, HSP and Heracleopolis and their agents, servants, employees, and attorneys, and all persons acting in active concert or participation with any of them, who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly, in the offer or sale of the securities of any issuer, by the use of any means or instruments of

1 transportation or communication in interstate commerce or by the
2 use of the mails:

- 3 A. employing any device, scheme, or artifice to defraud;
- 4 B. obtaining money or property by means of any untrue
5 statement of a material fact or any omission to state a
6 material fact necessary in order to make the statements
7 made, in the light of the circumstances under which
8 they were made, not misleading; or
- 9 C. engaging in any transaction, practice, or course of
10 business which operates or would operate as a fraud
11 or deceit upon the purchaser;

12 in violation of Section 17(a) of the Securities Act [15 U.S.C. §
13 77q(a)].

14 IV.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants
16 Telsys, HSP and Heracleopolis and their agents, servants,
17 employees, and attorneys, and all persons acting in active
18 concert or participation with any of them, who receive actual
19 notice of this Final Judgment by personal service or otherwise,
20 and each of them, are permanently restrained and enjoined from,
21 directly or indirectly, in connection with the purchase or sale
22 of the securities of any issuer, by the use of any means or
23 instrumentality of interstate commerce, or of the mails, or of
24 any facility of any national securities exchange:

- 25 A. employing any device, scheme, or artifice to defraud;
- 26 B. making any untrue statement of a material fact or
27 omitting to state a material fact necessary in order
28 to make the statements made, in the light of the

circumstances under which they were made, not misleading; or

C. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

V.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants Telsys and Heracleopolis and their agents, servants, employees and attorneys, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from making use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) without being registered as a broker and/or dealer pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act) [15 U.S.C. § 78o(b)] or becoming associated with a registered broker and/or dealer, in violation of Section 15(a) (1) of the Exchange Act [15 U.S.C. §78o(a) (1)].

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Heracleopolis shall pay disgorgement in the amount of \$502,812.67 representing his gains from the conduct alleged in the Complaint.

1 plus pre-judgment interest thereon in the amount of \$38,630.40,
2 calculated as of December 18, 2000 and \$70.49 for each day
3 thereafter, prior to entry of the Final Judgment, compounded on
4 an annual basis. Defendant Heracleopolis shall make the payment
5 of disgorgement and prejudgment interest, by cashier's check,
6 certified check or postal money order within thirty days of entry
7 of this Final Judgment. The disgorgement and prejudgment interest
8 shall be payable to the United States Securities and Exchange
9 Commission, Comptroller, Operations Center, 6432 General Green
10 Way, Stop 0-3, Alexandria VA 22312, under cover of a letter that
11 identifies the defendant, the name and case number of this
12 litigation, and the Court. A copy of such cover letter and a
13 photocopy of the check shall be simultaneously transmitted to
14 Counsel for the Commission in this action at its Los Angeles
15 Office.

16 VII.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
18 Heracleopolis is also ordered to pay a Civil Money Penalty
19 pursuant to Section 20(d) of the Securities Act, 15 U.S.C.
20 Section 77t(d), and Section 21(d)(3) of the Exchange Act, 15
21 U.S.C. Section 78u(d)(3) in the amount of \$110,000.00. This civil
22 money penalty: (1) shall be paid by United States Postal Money
23 Order, Certified Check, bank cashier's check or bank money order;
24 (2) shall be made payable to the **United States Treasury**; (3)
25 shall be hand-delivered or Mailed to the Comptroller, Securities
26 and Exchange Commission, Operations Center, 6432 General Green
27 Way, Stop 0-3, Alexandria, VA 22312, and (4) shall be submitted
28 under a cover letter that identifies Defendant Heracleopolis as a

1 Defendant in these proceedings, and states the file number of
2 these proceedings. A copy of this cover letter and cashier's
3 check or money order shall be sent to Trial Counsel for the
4 Commission at the Pacific Regional Office, Securities and
5 Exchange Commission 5670 Wilshire Boulevard, 11th Floor, Los
6 Angeles, California 90036.

7 VIII.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
9 shall retain jurisdiction over this action to implement and to
10 enforce the terms of this Final Judgment and all other orders and
11 decrees that may be entered herein, and to grant such other
12 relief as the Court may deem necessary and just.

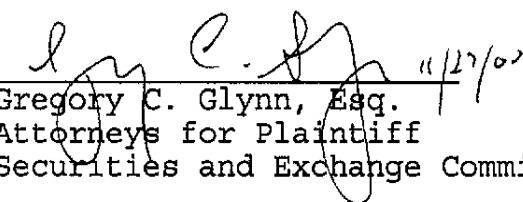
13 * * * * *

14 There being no just reason for delay, the Clerk of the Court
15 is hereby directed, pursuant to Rule 54(b) of the Federal Rules
16 of Civil Procedure, to enter this Final Judgment forthwith.

17
18 DATED: 12/18/00

19
20 
21 VIRGINIA A PHILLIPS, JUDGE
22 UNITED STATES DISTRICT COURT

23 Presented by:

24 
25 Gregory C. Glynn, Esq.
26 Attorneys for Plaintiff
27 Securities and Exchange Commission