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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SEP 27 2001

MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

DOCKETED

SECURITIES AND EXCHANGE COMMISSION, :

FEB 08 2002

Plaintiff, :

CIVIL ACTION
NO. _____

v. :

KULDARSHAN PADDA, :

01C 7463

Defendant. :

JUDGE NORDBERG

MAGISTRATE JUDGE DENLOW

FINAL JUDGMENT AS TO KULDARSHAN PADDA

Defendant Kuldarshan Padda having (i) entered a general appearance; (ii) consented to the Court's jurisdiction over Defendant and the subject matter of this action; (iii) without admitting or denying the allegations of the Complaint, consented to entry of this Final Judgment without further notice; (iv) waived findings of fact and conclusions of law; and (v) waived any right to appeal from this Final Judgment:

I.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that Defendant Padda, and his officers, agents, servants, employees and attorneys, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, are permanently restrained and enjoined from:

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A. violating Section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. §78j(b)) and Rule 10b-5 thereunder (17 C.F.R. §240.10b-5) by, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security, (1) employing any device, scheme or artifice to defraud, (2) making any untrue statement of a material fact or omitting 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 (3) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;

B. violating Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(a)) and Rules 13a-1 and 13a-13 thereunder (15 U.S.C. §240.13a-1 and §240.13a-13), by, directly or indirectly, causing an issuer of a security registered pursuant to Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. §78l) to file with the Commission any annual reports, quarterly reports, or such other information or documents as the Commission shall require containing information that is materially misleading, incomplete, or inaccurate;

C. violating Rule 12b-20 promulgated under the Securities Exchange Act of 1934 (15 U.S.C. §240.12b-20) by, directly or indirectly, causing an issuer required to file statements or reports pursuant to Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. §78m) to file required statements or reports that do not contain, in addition to the information expressly required to be included in such statements or reports, such further

material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they are made not misleading;

D. violating Section 13(b)(2)(A) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(b)(2)(A)) and Rule 13b2-1 thereunder (15 U.S.C. §240.13b2-1) by, directly or indirectly, causing an issuer of a security registered pursuant to Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. §78l) to falsify or cause to be falsified, any book, record, or account subject to Section 13(b)(2)(A) of the Securities Exchange Act of 1934;

E. violating Section 13(b)(2)(B) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(b)(2)(B)) by, directly or indirectly, causing an issuer of a security registered pursuant to Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. §78l) to fail to devise or maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (1) transactions are executed in accordance with management's general or specific authorization; (2) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements; and to maintain accountability for assets; (3) access to assets is permitted only in accordance with management's general or specific authorization; and (4) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;

F. violating Rule 13b2-2 promulgated under the Securities Exchange Act of 1934 (15 U.S.C. §240.13b2-2) by, directly or indirectly, making or causing to be made a

materially false or misleading statement or omitting to state, or causing another person to omit to state, any material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with (1) any audit or examination of the financial statements of any issuer required to file statements or reports pursuant to Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. §78m) or (2) the preparation or filing of any document or report required to be filed with the Commission pursuant to Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. §78m); and

G. violating Section 13(b)(5) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(b)(5)) by, directly or indirectly, knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account described in Section 13(b)(2) of the Securities Exchange Act of 1934 (15 U.S.C. §78m(b)(2)).

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(3) of the Securities Exchange Act of 1934 (15 U.S.C. §78u(d)(3)), Defendant Padda shall pay, within sixty (60) days of entry of this Final Judgment, a civil penalty in the amount of \$125,000.00 to the United States Treasury. Such payment shall be: (A) made by United States postal money order, certified check, bank cashier's check or bank money order; (B) made payable to the United States Securities and Exchange Commission; (C) delivered to the Comptroller, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C.

20549; and (D) submitted under cover letter that identifies Padda as a Defendant in this action, the caption and case number of this action and the name of this Court. Copies of such check and accompanying cover letter shall be simultaneously submitted to Pravin B. Rao, Branch Chief, Division of Enforcement, Securities and Exchange Commission, Midwest Regional Office, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the attached Consent and Stipulation of Defendant Padda be, and hereby is, incorporated herein with the same force and effect as if fully set out herein and that Defendant Padda shall comply with his Consent.

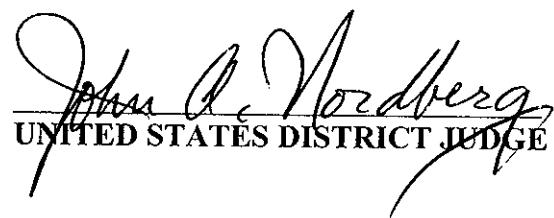
IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that there being no just reason for delay, pursuant to Fed. R. Civ. P. 54(b), the Clerk of the Court is hereby directed to enter this Final Judgment.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this action for all purposes, including enforcement of the Final Judgment of Permanent Injunction and Other Relief.

SO ORDERED:


John A. Nordberg
UNITED STATES DISTRICT JUDGE

Dated: Feb. 7, 2002