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Luther D. Thomas, Clerk
By: *B. Hatch*
Deputy Clerk

LUTHER D. THOMAS, Clerk
By: *[Signature]*
Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

JAMES L. GEORGE, PAUL E. BRODHAGEN,
and MICHAEL J. WRIGHT,

Defendants.

CIVIL ACTION FILE NO.
1:02-CV-3310-HTW

**FINAL JUDGMENT INCLUDING ORDER OF PERMANENT INJUNCTION
AND OTHER RELIEF AGAINST JAMES L. GEORGE**

Plaintiff Securities and Exchange Commission ("Commission"), having filed its Complaint herein, and defendant James L. George ("George"), having entered a general appearance, having admitted the in personam jurisdiction of this Court over him and the jurisdiction of this Court over the subject matter of the action, having waived entry of findings of fact and conclusions of law under Rules 52 and 65 of the Federal Rules of Civil Procedure and having waived any right to appeal from this Final Judgment, without admitting or denying the allegations of the Commission's Complaint, except as to jurisdiction and venue which he admits, and having consented to the entry of this Final Judgment and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant George and his agents, servants, employees and attorneys, and those persons in active concert or participation with him who receive actual notice of this Final Judgment, by

personal service or otherwise, and each of them, be and hereby are permanently enjoined and restrained from violating, directly or indirectly, Section 17(a) of the Securities Act of 1933 (“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, by:

1. employing any device, scheme or artifice to defraud;
2. obtaining 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 the light of the circumstances under which they were made, not misleading; or
3. engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser,

in the offer or sale of any security.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant George, and his agents, servants, employees and attorneys, and those persons in active concert or participation with him who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, be and hereby are permanently enjoined and restrained from violating, directly or indirectly, 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], by the use of any means or instrumentality of interstate commerce or of the mails or of any facility of any national securities exchange, by:

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,

in connection with the purchase or sale of any security.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant George and his agents, servants, employees, attorneys and those persons in active concert or participation with him, who receive actual notice of this Final Judgment, by personal service, facsimile or otherwise, and each of them, by use of the mails or any means or instrumentality of interstate commerce, are permanently restrained from directly or indirectly:

(a) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, in the form of common stock or any other security, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such securities;

(b) carrying securities, or causing them to be carried through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities;

(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, any interest in securities, in the form of common stock or any other security;

unless a registration statement is filed with the Commission as to such securities, or while a statement is filed with the Commission as to such security 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. [15 U.S.C. 77h];

in violation of Section 5 of the Securities Act. [15 U.S.C. 77e].

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant George and his agents, servants, employees, attorneys and those persons in active concert or participation with him, who receive actual notice of the Final Judgment, by personal service, facsimile or otherwise, and each of them, by use of the mails or any means or instrumentality of interstate commerce, are permanently restrained from directly or indirectly:

(i) from engaging in the business of effecting transactions in securities for the account of others; (ii) from being persons other than a natural person or a natural person not associated with a broker or dealer which is a person other than a natural person (other than such a broker or dealer whose business is exclusively intrastate and who does not make use of any facility of any national securities exchange); and, (iii) from making use of the mails or any means or instrumentality of interstate commerce to effect 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 in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)];

in violation of Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)].

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant George is liable for disgorgement of \$157,787.64, representing profits gained, as a result of the conduct alleged in the Complaint, together with pre-judgment interest thereon in the amount of \$50,786.65, and a civil penalty in the amount of \$25,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. The total ordered against George for disgorgement, prejudgment interest and civil penalties totals \$233,574.29. Defendant George shall satisfy this obligation by paying \$150,000 within 60 days from the date of the entry of this Final Judgment by cashier's check, certified check, or postal money order made payable to the Clerk, Northern District of Georgia; hand-delivered or delivered by overnight delivery service to the Clerk, United States District Court, Northern District of Georgia, 75 Spring Street, S.W., Atlanta, GA 30303; and submitted under a cover letter which identifies James L. George as a defendant in these proceedings, a copy of which cover letter and money order or check shall be sent to Edward G. Sullivan, Senior Trial Counsel, Securities and Exchange Commission, 3475 Lenox Road, N.E., Suite 1000, Atlanta, Georgia 30326-1232, within 65 days from the entry of this Final Judgment. At each 90-day interval thereafter, George shall pay to the Court registry in the manner (and with the five-day notice) prescribed above, the sum of at least \$28,000 for the following two calendar quarters. George shall make, prior to the one year anniversary of the entry

of the Final Judgment, one balloon payment in the amount of the outstanding balance, such that within one year from the entry of this Final Judgment, the debt of \$233,574.29 in disgorgement, prejudgment interest and the civil penalty has been retired. By making these payments, Defendant George relinquishes all legal and equitable right, title and interest in such funds, and no part of the funds shall be returned to Defendant George. The Court shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS"). These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held by the CRIS until further order of the Court. In accordance with 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 Commission may propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that the 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 Final Judgment shall be treated as penalties paid to the government.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant George shall comply with all of the undertakings and agreements set forth therein.

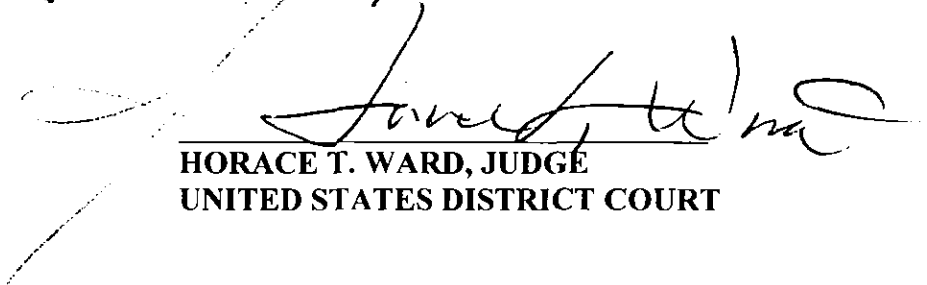
VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this matter for all purposes, including implementing and enforcing the terms of this Final Judgment, and may order other and further relief that this Court deems appropriate under the circumstances.

VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that 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 against George forthwith and without further notice.

SO ORDERED, this 2nd day of December, 2003.



HORACE T. WARD, JUDGE
UNITED STATES DISTRICT COURT

ENTERED ON DOCKET

DEC - 3 2003

By: LUTHER B. THOMAS
Deputy Clerk