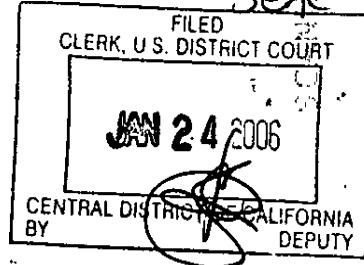


LODGED

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28 JAN 18 AM 11:111  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28 CLERK, U.S. DISTRICT COURT,  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28 JAN

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

JB OXFORD HOLDINGS, INC.,  
NATIONAL CLEARING  
CORPORATION, JAMES G. LEWIS,  
Kraig L. Kibble, and James Y.  
Lin,

Defendants.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

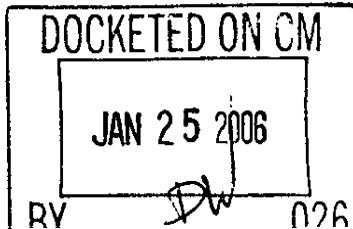
Case No. CV 04-7084 PA (VBK)

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

[PROPOSED] FINAL JUDGMENT  
OF PERMANENT INJUNCTION  
AND OTHER RELIEF AGAINST  
DEFENDANT JAMES Y. LIN

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

The Securities and Exchange Commission ("Commission"), having filed and served upon James Y. Lin ("Lin") a Summons and Complaint ("Complaint") and Lin having entered a general appearance; consented to the Court's jurisdiction over him and the subject matter of this action; consented to the entry of this Final Judgment Of Permanent Injunction And Other Relief Against James Y. Lin ("Final Judgment") 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:



I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Lin and his 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, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- a. employing any device, scheme, or artifice to defraud;
  - b. 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
  - c. engaging in any act, practice, or course of business which would operate as a fraud or deceit upon any person;

II

19 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND  
20 DECREED that Defendant is liable for disgorgement of \$1.00, representing profits  
21 gained as a result of the conduct alleged in the Complaint, and a civil penalty in the  
22 amount of \$35,000 pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C.  
23 § 78u(d)(3). Defendant shall satisfy this obligation by paying \$35,001 within  
24 thirty business days to the Clerk of this Court, together with a cover letter  
25 identifying Lin as a defendant in this action; setting forth the title and civil action  
26 number of this action and the name of this Court; and specifying that payment is  
27 made pursuant to this Final Judgment. Defendant shall simultaneously transmit  
28 photocopies of such payment confirmation from the Clerk of this Court

1 demonstrating receipt of the payment, and letter to the Commission's counsel in  
2 this action. By making this payment, Defendant relinquishes all legal and  
3 equitable right, title, and interest in such funds, and no part of the funds shall be  
4 returned to Defendant. Defendant shall pay post-judgment interest on any  
5 delinquent amounts pursuant to 28 U.S.C. § 1961.

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

15 The Commission may by motion propose a plan to distribute the Fund  
16 subject to the Court's approval. Such a plan may provide that Fund shall be  
17 distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-  
18 Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is  
19 made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall  
20 be treated as penalties paid to the government for all purposes, including all tax  
21 purposes. To preserve the deterrent effect of the civil penalty, Defendant shall not,  
22 after offset or reduction of any award of compensatory damages in any Related  
23 Investor Action based on Defendant's payment of disgorgement in this action,  
24 argue that he is entitled to, nor shall he further benefit by, offset or reduction of  
25 such compensatory damages award by the amount of any part of Defendant's  
26 payment of a civil penalty in this action ("Penalty Offset"). If the court in any  
27 Related Investor Action grants such a Penalty Offset, Defendant shall, within 30  
28 days after entry of a final order granting the Penalty Offset, notify the

1 Commission’s counsel in this action and pay the amount of the Penalty Offset to  
2 the United States Treasury or to a Fair Fund, as the Commission directs. Such a  
3 payment shall not be deemed an additional civil penalty and shall not be deemed to  
4 change the amount of the civil penalty imposed in this Judgment. For purposes of  
5 this paragraph, a “Related Investor Action” means a private damages action  
6 brought against Defendant by or on behalf of one or more investors based on  
7 substantially the same facts as alleged in the Complaint in this action.

III

9       IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Lin's  
10      Consent is incorporated herein with the same force and effect as if fully set forth  
11      herein, and that Lin shall comply with all the undertakings and agreements set  
12      forth therein.

IV

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that during  
15 the pendency of this action against any defendant, Lin shall remain subject to the  
16 discovery provisions of the Federal Rules of Civil Procedure which apply to  
17 parties, and, in addition, that Lin shall appear, without service of a subpoena, for  
18 his deposition or to testify as a witness at any trial of this action or at any other  
19 related proceeding. Failure to comply with the foregoing will subject Lin to the  
20 remedies and sanctions set forth in Rule 37 of the Federal Rules of Civil Procedure  
21 and all other available remedies.

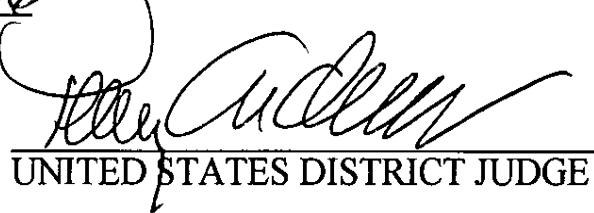
V

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this  
24 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms  
25 of this Final Judgment.

1 VI.  
2  
3  
4

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

5  
6 DATED: January 21, 2006

7  
8   
9 UNITED STATES DISTRICT JUDGE

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

## **CERTIFICATE OF SERVICE**

I, Magnolia M. Marcelo, am over the age of eighteen years, am not a party to this action, and am a citizen of the United States. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. On January 18, 2006, I caused to be served the **[PROPOSED] FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT JAMES Y. LIN** by causing to be mailed true and correct copies thereof in sealed envelopes, postage prepaid, addressed to:

James L. Sanders, Esq.  
McDermott, Will & Emery  
2049 Century Park East, Suite 3400  
Los Angeles, CA 90067-3208  
*Attorney for Defendants JB Oxford Holdings, Inc. and National  
Clearing Corporation*

Jason D. Kogan, Esq.  
Bird, Marella, Boxer, Wolpert, Nesim, Drooks & Lincenberg, PC  
1875 Century Park East, 23rd Floor  
Los Angeles, California 90067-2561  
*Attorney for Defendant James G. Lewis*

Thad Davis, Esq.  
Quinn Emanuel Urquhart Oliver & Hedges LLP  
865 S. Figueroa Street, 10th Floor  
Los Angeles, CA 90017  
*Attorney for Defendant Kraig L. Kibble*

Joel A. Thvedt, Esq.  
Knott & Glazier  
601 S. Figueroa Street, Suite 1950  
Los Angeles, CA 90017  
*Attorney for Defendant Kraig L. Kibble*

Jeffrey H. Rutherford, Esq.  
Lightfoot, Vadelvelde, Sadowsky, Medvene & Levine  
655 S. Hope Street, 13th Floor  
Los Angeles, CA 90017  
*Attorney for Defendant James Y. Lin*

Matthew Dontzin, Esq.  
The Dontzin Law Firm  
6 E. 81st Street  
New York, NY 10028  
*Attorney for Defendant James G. Lewis*

1 Susan E. Brune, Esq.  
2 Theresa Trzaskoma, Esq.  
3 Brune & Richard LLP  
4 80 Broad Street, 30th Floor  
5 New York, NY 10004  
6 ***Attorney for Defendant James Y. Lin***

7  
8 C. Phillip Campbell, Jr., Esq.  
9 Shumaker Loop & Kendrick, LLP  
10 101 East Kennedy Boulevard, Suite 2800  
11 Tampa, FL 33672-0609  
12 ***Attorney for Defendant James G. Lewis***

13 I declare under penalty of perjury that the foregoing is true and correct.

14 DATED: January 18, 2006

15   
16 MAGNOLIA M. MARCELO