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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

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FILED  
CLERK, U.S. DISTRICT COURT  
JUL 21 2005  
CENTRAL DISTRICT OF CALIFORNIA  
DEPUTY

U.S. SECURITIES AND  
EXCHANGE COMMISSION,

Plaintiff,

v.

ERNESTO V. SIBAL, DOSEPH J.  
SHIN, ROBERT Y. JOO, CHAE  
HYON CHIN, BENJAMIN Y. CHIU  
AND PEJMAN SABET,

Defendants.

Case No. CV05-3133 BPS (AJW)

FINAL JUDGMENT AS TO  
DEFENDANT DOSEPH J. SHIN

ENTERED  
CLERK, U.S. DISTRICT COURT  
JUL 22 2005  
CENTRAL DISTRICT OF CALIFORNIA  
DEPUTY

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CLERK U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SARCELLES

The Securities and Exchange Commission having filed a Complaint  
and Defendant Doseph J. Shin having entered a general appearance;

consented to the Court's jurisdiction over Defendant and the subject matter  
of this action; consented to entry of this 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. THIS CONSTITUTES NOTICE OF ENTRY  
AS REQUIRED BY FRCP, RULE 77(d).

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED  
that Defendant and Defendant's agents, servants, employees, attorneys, and  
all persons in active concert or participation with them who receive actual  
notice of this Final Judgment by personal service or otherwise are

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1 permanently restrained and enjoined from violating, directly or indirectly,  
2 Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act")  
3 [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. §  
4 240.10b-5], by using any means or instrumentality of interstate commerce,  
5 or of the mails, or of any facility of any national securities exchange, in  
6 connection with the purchase or sale of any security:  
7

8 (a) to employ any device, scheme, or artifice to defraud;

9 (b) to make any untrue statement of a material fact or to omit to  
10 state a material fact necessary in order to make the statements made, in the  
11 light of the circumstances under which they were made, not misleading; or  
12

13 (c) to engage in any act, practice, or course of business which  
14 operates or would operate as a fraud or deceit upon any person.  
15

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17 II.

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND  
19 DECREED that Defendant and Defendant's agents, servants, employees,  
20 attorneys, and all persons in active concert or participation with them who  
21 receive actual notice of this Final Judgment by personal service or otherwise  
22 are permanently restrained and enjoined from violating Section 14(e) of the  
23 Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3]  
24 promulgated thereunder, in connection with any tender offer or request or  
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1 invitation for tenders, from engaging in any fraudulent, deceptive, or  
2 manipulative act or practice, by:

3 (a) purchasing or selling or causing to be purchased or  
4 sold the securities sought or to be sought in such tender offer, securities  
5 convertible into or exchangeable for any such securities or any option or  
6 right to obtain or dispose of any of the foregoing securities while in  
7 possession of material information relating to such tender offer that  
8 Defendant knows or has reason to know is nonpublic and knows or has  
9 reason to know has been acquired directly or indirectly from the offering  
10 person; the issuer of the securities sought or to be sought by such tender  
11 offer; or any officer, director, partner, employee or other person acting on  
12 behalf of the offering person of such issuer, unless within a reasonable time  
13 prior to any such purchase or sale such information and its source are  
14 publicly disclosed by press release or otherwise; or  
15

16 (b) communicating material, nonpublic information  
17 relating to a tender offer, which Defendant knows or has reason to know is  
18 nonpublic and knows or has reason to know has been acquired directly or  
19 indirectly from the offering person; the issuer of the securities sought or to  
20 be sought by such tender offer; or any officer, director, partner, employee,  
21 advisor, or other person acting on behalf of the offering person of such  
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1 issuer, to any person under circumstances in which it is reasonably  
2 foreseeable that such communication is likely to result in the purchase or  
3 sale of securities in the manner described in subparagraph (a) above, except  
4 that this paragraph shall not apply to a communication made in good faith  
5

6 (i) to the officers, directors, partners or employees of  
7 the offering person, to its advisors or to other persons, involved in the  
8 planning, financing, preparation or execution of such tender offer;  
9

10 (ii) to the issuer whose securities are sought or to be  
11 sought by such tender offer, to its officers, directors, partners, employees or  
12 advisors or to other persons involved in the planning, financing, preparation  
13 or execution of the activities of the issuer with respect to such tender offer;  
14

15 or

16 (iii) to any person pursuant to a requirement of any  
17 statute or rule or regulation promulgated thereunder.  
18

19 III.

20  
21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND  
22 DECREED that Defendant is liable for disgorgement of \$965,089.10,  
23 representing profits gained as a result of the conduct alleged in the  
24 Complaint, together with prejudgment interest thereon in the amount of  
25 \$66,478.12, for a total of \$1,031,567.22. Based on Defendant's sworn  
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1 representations in his Statement of Financial Condition dated November 30,  
2 2004, and other documents and information submitted to the Commission,  
3 however, the Court is not ordering Defendant to pay a civil penalty and  
4 payment of all but \$10,000 of the disgorgement and pre-judgment interest  
5 thereon is waived. Defendant shall also pay post-judgment interest on any  
6 delinquent amounts pursuant to 28 U.S.C. § 1961. The determination not to  
7 impose a civil penalty and to waive payment of all but \$10,000 of the  
8 disgorgement and pre-judgment interest is contingent upon the accuracy and  
9 completeness of Defendant's Statement of Financial Condition. If at any  
10 time following the entry of this Final Judgment the Commission obtains  
11 information indicating that Defendant's representations to the Commission  
12 concerning his assets, income, liabilities, or net worth were fraudulent,  
13 misleading, inaccurate, or incomplete in any material respect as of the time  
14 such representations were made, the Commission may, at its sole discretion  
15 and without prior notice to Defendant, petition the Court for an order  
16 requiring Defendant to pay the unpaid portion of the disgorgement, pre-  
17 judgment and post-judgment interest thereon, and the maximum civil  
18 penalty allowable under the law. In connection with any such petition, the  
19 only issue shall be whether the financial information provided by Defendant  
20 was fraudulent, misleading, inaccurate, or incomplete in any material respect  
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1 as of the time such representations were made. In its petition, the  
2 Commission may move this Court to consider all available remedies,  
3 including, but not limited to, ordering Defendant to pay funds or assets,  
4 directing the forfeiture of any assets, or sanctions for contempt of this Final  
5 Judgment. The Commission may also request additional discovery.  
6  
7 Defendant may not, by way of defense to such petition: (1) challenge the  
8 validity of the Consent or this Final Judgment; (2) contest the allegations in  
9 the Complaint filed by the Commission; (3) assert that payment of  
10 disgorgement, pre-judgment and post-judgment interest or a civil penalty  
11 should not be ordered; (4) contest the amount of disgorgement and pre-  
12 judgment and post-judgment interest; (5) contest the imposition of the  
13 maximum civil penalty allowable under the law; or (6) assert any defense to  
14 liability or remedy, including, but not limited to, any statute of limitations  
15 defense.  
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19 Defendant shall satisfy this obligation by paying \$10,000 within ten  
20 business days to the Clerk of this Court, together with a cover letter  
21 identifying Doseph J. Shin as a defendant in this action; setting forth the title  
22 and civil action number of this action and the name of this Court; and  
23 specifying that payment is made pursuant to this Final Judgment. Defendant  
24 shall simultaneously transmit photocopies of such payment and letter to the  
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1 Commission's counsel in this action. By making this payment, Defendant  
2 relinquishes all legal and equitable right, title, and interest in such funds, and  
3 no part of the funds shall be returned to Defendant. Defendant shall pay  
4 post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. §  
5 1961.  
6

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

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


IT IS FURTHER ORDERED, ADJUDGED, AND DECREED

that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VI.

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 forthwith and without further notice.

Dated: 7/21, 2005

  
UNITED STATES DISTRICT JUDGE

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