

UNITED STATES DISTRICT COURT  
DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

FRIEDMAN, BILLINGS, RAMSEY &  
CO., INC., et al.,

Defendants.

C.A. No. 06-2160 (RCL)

FINAL JUDGMENT AS TO DEFENDANT  
NICHOLAS J. NICHOLS

The Securities and Exchange Commission having filed a Complaint and Defendant Nicholas J. Nichols ("Nichols") having entered a general appearance; consented to the Court's jurisdiction over Nichols 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.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Nichols, and his 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 permanently restrained and enjoined, as controlling persons pursuant to Section 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C.

§78t(a)], from violating, directly or indirectly, Section 15(f) of the Exchange Act [15 U.S.C. §78o(f)] by failing to establish, maintain and enforce written policies and procedures for a broker or dealer, reasonably designed, taking into consideration the nature of such broker's or dealer's business, to prevent the misuse of material, nonpublic information by such broker or dealer or any person associated with such broker or dealer.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Nichols shall pay, as a controlling person pursuant to Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)], a civil penalty in the amount of \$60,000 pursuant to Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)]. Defendant shall make this payment within thirty (30) business days after entry of this Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Nichols as a defendant in this action, setting forth the title and civil action number of this action and the name of this Court, and specifying that payment is made pursuant to this Final Judgment. A copy of the cover letter and money order or check also shall be sent to Daniel M. Hawke, District Administrator, Securities and Exchange Commission, 701 Market Street, Suite 2000, Philadelphia, PA 19106. Nichols shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit funds paid pursuant to this paragraph to the United States Treasury.

III.

IT IS 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 Nichols shall comply with all of the undertakings and agreements set forth therein.

IV.

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.

V.

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: Dec. 22, 2006

  
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UNITED STATES DISTRICT JUDGE