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11 UNITED STATES DISTRICT COURT
12 NORTHERN DISTRICT OF CALIFORNIA
13 SAN JOSE DIVISION

14 SECURITIES AND EXCHANGE COMMISSION,
15 Plaintiff,
16 v.
17 THOMAS A. SKOULIS, PETER M. FRANKL,
18 ALAN B. LEFKOF and WILLIAM D. BAKER,
19 Defendants.

Civil Action No. C-06-02239-JF

[PROPOSED] FINAL JUDGMENT OF
PERMANENT INJUNCTION AND OTHER
RELIEF AGAINST DEFENDANT PETER M.
FRANKL

20 Plaintiff United States Securities and Exchange Commission ("Commission") has filed its
21 Complaint for Permanent Injunction and Other Relief ("Complaint") in this action. Defendant Peter M.
22 Frankl ("Frankl"), who was represented by counsel, has submitted the Consent of Peter M. Frankl to
23 entry of Final Judgment of Permanent Injunction and Other Relief ("Consent"), which was filed
24 simultaneously with this [Proposed] Final Judgment of Permanent Injunction and Other Relief Against
25 Defendant Peter M. Frankl ("Final Judgment") and incorporated herein by reference. In the Consent,
26 Frankl acknowledged service of the Summons and the Complaint, admitted the jurisdiction of this Court
27 over him and over the subject matter of this action, admitted that he was fully advised and informed of
28 the right to a judicial determination of this matter, waived findings of fact and conclusions of law as
provided by Rule 52 of the Federal Rules of Civil Procedure, consented to the entry of this Final
Judgment, without admitting or denying any of the allegations in the Complaint except as set forth in the

1 Consent, and waived notice of hearing upon the entry of this Final Judgment. The Court, being fully
2 advised, orders as follows:

3 I.

4 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Frankl and his agents,
5 servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of
6 them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of
7 them, are permanently enjoined and restrained from, directly or indirectly, violating Section 10(b) of
8 the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 [17
9 C.F.R. § 240.10b-5] thereunder by:

- 10 1. employing any device, scheme, or artifice to defraud;
- 11 2. making any untrue statement of a material fact or omitting to state a material fact
12 necessary in order to make the statements made, in the light of the circumstances
13 under which they were made, not misleading; or
- 14 3. engaging in any act, practice, or course of business which operates or would operate
15 as a fraud or deceit upon any person,
16 in connection with the purchase or sale of the securities of any issuer, by the use of any means or
17 instrumentality of interstate commerce, or of the mails, or of any facility of any national securities
18 exchange.

19 II.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Frankl and his agents,
21 servants, employees and attorneys-in-fact, and all persons in active concert or participation with any
22 of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each
23 of them, are permanently enjoined and restrained from aiding and abetting any violation of Section
24 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1 and 13a-13 promulgated
25 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1] by knowingly providing substantial assistance to an
26 issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15
27 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] in failing to file with the
28 Commission such accurate and complete information, reports, and documents as are required to be

1 filed with the Commission pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and
2 the Commission's Rules thereunder, including but not limited to, quarterly reports on Form 10-Q [17
3 C.F.R. § 249.308a] as prescribed by Commission Rule 13a-13 [17 C.F.R. § 240.13a-13], annual
4 reports on Form 10-K [17 C.F.R. § 249.308] as prescribed by Commission Rule 13a-1 [17 C.F.R. §
5 240.13a-1], such information and documents to contain, in addition to such information as is
6 expressly required to be included in a statement or report to the Commission, such further material
7 information, if any, as may be necessary to make the required statements, in the light of the
8 circumstances under which they are made, not misleading, as prescribed by Commission Rule 12b-20
9 [17 C.F.R. § 240.12b-20].
10

11 III.

12 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Frankl and his agents,
13 servants, employees and attorneys-in-fact, and all persons in active concert or participation with any
14 of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each
15 of them, are permanently enjoined and restrained from aiding and abetting any violation of Section
16 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] by causing any issuer which has a class
17 of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d)
18 of the Exchange Act [15 U.S.C. § 78o] to fail to make or keep books, records or accounts, which, in
19 reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the
20 issuer.

21 IV.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Frankl and his agents,
23 servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of
24 them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of
25 them, are permanently enjoined and restrained from, directly or indirectly, violating Section 13(b)(5)
26 of the Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing or failing to implement a
27 system of internal accounting controls or knowingly falsifying any book, record, or account described
28 in Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Frankl and his agents, servants, employees and attorneys-in-fact, and all persons acting in 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 enjoined and restrained from, directly or indirectly, violating Rule 13b2-1 under the Exchange Act [17 C.F.R. § 240.13b2-1] by falsifying or causing to be falsified any book, record or account subject to Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)].

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Frankl shall pay a civil penalty in the amount of \$25,000 pursuant to Section 21(d)(3) of the Exchange Act. Defendant shall make this payment pursuant to the terms of the payment schedule set forth in paragraph VII below 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 Frankl 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 payment shall be simultaneously transmitted to the attention of the Regional Director at the Commission's San Francisco Regional Office, 44 Montgomery Street, Suite 1100, San Francisco, CA 94104. Frankl shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

VII.

Frankl shall pay \$25,000 in three installments according to the following schedule: (1) \$5,000 within 60 days of entry of this Final Judgment; (2) \$10,000 within 195 days of entry of this Final Judgment; and (3) \$10,000 within 360 days of entry of this Final Judgment.

1 If Frankl fails to make any payment by the date agreed and/or in the amount agreed according
2 to the schedule set forth above, all outstanding payments under this Final Judgment minus any
3 payments made, shall become due and payable immediately without further application to the Court.

4 VIII.

5
6 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
7 incorporated herein with the same force and effect as if fully set forth herein, and that Frankl shall
8 comply with all of the undertakings and agreements set forth therein.

9 IX.

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

X.

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.

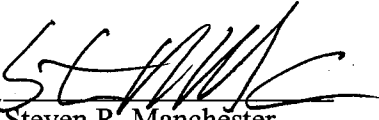
PRESENTED BY:



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APPROVED AS TO FORM:



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Counsel for Defendant Peter M. Frankl

Dated this 23rd day of January, 2008-----2007


Jeremy Fogel
UNITED STATES DISTRICT JUDGE