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NORTHERN DISTRICT OF CALIFORNIA  
E-MAIL

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UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

CV 08

3416

SECURITIES AND EXCHANGE COMMISSION, Case No.

Plaintiff,

v.

WILLIAM J. RAUCH,

Defendant.

[PROPOSED] FINAL JUDGMENT

The Securities and Exchange Commission having filed a complaint and Defendant William J. Rauch ("Defendant") 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.

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

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

## II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$20,708, representing profits gained as a result of the conduct alleged in the complaint, together with prejudgment interest thereon in the amount of \$2,576.27, for a total of \$23,284.27. Defendant shall make this payment within ten (10) 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 William J. Rauch as the 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. Defendant shall simultaneously transmit photocopies of such payment and letter to the attention of Marc J. Fagel, Regional Director, at the Commission's San Francisco Regional Office, 44 Montgomery Street, Suite 2600, San Francisco, California 94104. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds, and no

1 part of the funds shall be returned to Defendant. Defendant shall pay post-judgment interest on any  
2 delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit the funds paid  
3 pursuant to this paragraph to the United States Treasury.

4 III.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a  
6 civil penalty in the amount of \$20,708 pursuant to Section 21A(a)(1)(A) of the Exchange Act [15  
7 U.S.C. § 78u-1(a)(1)(A)]. Defendant shall make this payment within ten (10) business days after  
8 entry of this final judgment by certified check, bank cashier's check, or United States postal money  
9 order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed  
10 to the Office of Financial Management, Securities and Exchange Commission, Operations Center,  
11 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a  
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15 payment and letter to the attention of Marc J. Fagel, Regional Director, at the Commission's San  
16 Francisco District Office, 44 Montgomery Street, Suite 2600, San Francisco, California 94104.  
17 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.  
18 The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

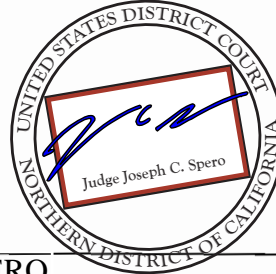
19 IV.

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

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.

Dated: July 23, 2008



JOSEPH C. SPERO  
UNITED STATES ~~DISTRICT~~ JUDGE  
MAGISTRATE

Approved as to form:

Sheldon H. Elsen

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UNITED STATES DISTRICT COURT  
FOR THE  
NORTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

WILLIAM J. RAUCH et al,

Defendant.

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Case Number: CV08-03416 JCS

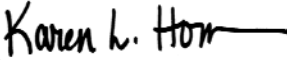
**CERTIFICATE OF SERVICE**

I, the undersigned, hereby certify that I am an employee in the Office of the Clerk, U.S. District Court, Northern District of California.

That on July 23, 2008, I SERVED a true and correct copy(ies) of the attached, by placing said copy(ies) in a postage paid envelope addressed to the person(s) hereinafter listed, by depositing said envelope in the U.S. Mail, or by placing said copy(ies) into an inter-office delivery receptacle located in the Clerk's office.

Sheldon H. Elsen  
Orans Elsen Lupert & Brown LLP  
875 Third Avenue  
New York, NY 10022

Dated: July 23, 2008

  
Richard W. Wieking, Clerk  
By: Karen Hom, Deputy Clerk