

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
FORT LAUDERDALE DIVISION**

**CASE NO.: 09-CV-80986-COHN/SELTZER**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**GEOTEC, INC.  
F/K/A GEOTEC THERMAL GENERATORS, INC.,  
BRADLEY T. RAY,  
WILLIAM RICHARD LUECK, and  
STEPHEN D. CHANSLOR,**

**Defendants.**

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**FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF  
AS TO DEFENDANT STEPHEN D. CHANSLOR**

Plaintiff Securities and Exchange Commission commenced this action by filing its Complaint against Defendant Stephen D. Chanslor and others. In its Complaint, the Commission sought, among other relief against Chanslor: (1) a permanent injunction to prohibit violations of Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b) and 78m(b)(5)] and Exchange Act Rules 10b-5, 13a-14, and 13b2-1 [17 C.F.R. §§ 240.10b-5, 240.13a-14, and 240.13b2-1], and aiding and abetting violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act [15 U.S.C. §§ 78m and 78m(a)] and Rules 12b-20 and 13a-13 [17 C.F.R. §§ 240.12b-20, 240.13a-13]; (2) a civil penalty in the amount of \$25,000 under Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]; and (3) an officer-and-director bar.

Chanslor, by virtue of the attached Consent, having entered an appearance and consented to the Court's jurisdiction over him and over the subject matter of this action, has: consented to entry of this Judgment of Permanent Injunction and Other Relief ("Final Judgment") without

admitting or denying the allegations of the Complaint (except as to subject matter and personal jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from the Final Judgment. This Court having accepted such Consent, having jurisdiction over Chanslor and the subject matter of this action:

**I.**

**SECTION 10(b) AND RULE 10b-5 OF THE EXCHANGE ACT**

**IT IS ORDERED AND ADJUDGED** that Chanslor, his officers, agents, servants, representatives, 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) and Rule 10b-5 of the Exchange Act [15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5], 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.**

**SECTION 13(b)(5) AND RULE 13b2-1 OF THE EXCHANGE ACT**

**IT IS FURTHER ORDERED AND ADJUDGED** that Chanslor, his officers, agents, servants, representatives, 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 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] and Rule 13b2-1 promulgated thereunder [17 C.F.R. § 240.13b2-1] by:

(a) falsifying or causing to be falsified any book, record or account subject to Section 13(b)(2)(A) of the Exchange Act; or

(b) knowingly circumventing or knowingly failing to implement a system of internal accounting controls.

**III.**

**RULE 13a-14 OF THE EXCHANGE ACT**

**IT IS FURTHER ORDERED AND ADJUDGED** that Chanslor, his officers, agents, servants, representatives, 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, Rule 13a-14 of the Exchange Act [17 C.F.R. § 240.13a-14], by certifying falsely that to the best of their knowledge there were no untrue statements of material fact or omissions of a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading in any report filed under Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)].

**IV.**

**SECTIONS 13(a), 13(b)(2)(A) AND 13(b)(2)(B)  
AND RULES 12b-20 AND 13a-13 OF THE EXCHANGE ACT**

**IT IS FURTHER ORDERED AND ADJUDGED** that Chanslor, his officers, agents, servants, representatives, 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 aiding and abetting any violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act [15 U.S.C. §§ 78m(a), 78(b)(2)] and Rules 12b-20 and 13a-13 thereunder [17 C.F.R. §§ 240.12b-20 and 240.13a-13], by knowingly providing substantial assistance to an issuer that:

(a) fails, in addition to the information expressly required to be included in a statement or report, to add such further material information as is necessary to make the required statements, in the light of the circumstances under which they were made, not misleading; or

(b) fails to file a quarterly report on the appropriate form authorized or prescribed therefore for each fiscal quarter. Quarterly reports shall be filed within the period specified in the appropriate form.

**V.**

**OFFICER AND DIRECTOR BAR**

**IT IS FURTHER ORDERED AND ADJUDGED** that, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Chanslor is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

**VI.**

**CIVIL PENALTY**

**IT IS FURTHER ORDERED AND ADJUDGED** that Chanslor shall pay a civil penalty in the amount of \$25,000 pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].

**VII.**

**PAYMENT INSTRUCTIONS**

Chanslor shall satisfy this obligation by paying \$12,500 that he has escrowed with his counsel within ten days of entry of this Final Judgment, and an additional \$12,500 within thirty days of entry of this Final Judgment. Chanslor shall pay these sums by sending a U.S. postal money order, certified check, bank cashier's check or bank 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 Chanslor 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 being made on Chanslor's behalf and pursuant to this Final Judgment. Chanslor shall send a copy of the letter and payment form to: Amie Riggle Berlin, Senior Trial Counsel, U.S. Securities and Exchange Commission, Miami Regional Office, 801 Brickell Avenue, Suite 1800, Miami, Florida 33131. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

Chanslor shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any

insurance policy, with regard to any civil penalty amount he pays pursuant to this Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Chanslor further shall not claim, assert, or apply for tax deduction or tax credit with regard to any federal, state, or local tax for any penalty amounts he pays pursuant to this Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

**VIII.**

**INCORPORATION OF CHANSLOR'S CONSENT**

**IT IS FURTHER ORDERED AND ADJUDGED** that the Consent of Chanslor is incorporated herein with the same force and effect as if fully set forth herein, and that Chanslor shall comply with all of the undertakings and agreements set forth therein.

**IX.**

**RETENTION OF JURISDICTION**

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

**X.**

**CERTIFICATION UNDER RULE 54(b)**

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.

**DONE AND ORDERED** this 27<sup>th</sup> day of July, 2010 at Fort  
Lauderdale, Florida.

  
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THE HONORABLE JAMES I. COHN  
UNITED STATES DISTRICT COURT JUDGE

Copies to all counsel and parties of record