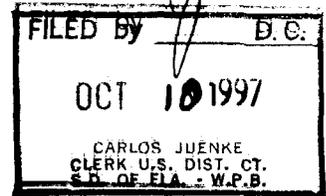


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(West Palm Beach Division)



SECURITIES AND EXCHANGE COMMISSION,)
)
 Plaintiff,)
)
 v.)
)
 JAMES W. HALL,)
)
 Defendant.)

CASE NO. 97-8207-CV-
HURLEY
ORDER OF PERMANANT
INJUNCTION AND
OTHER RELIEF

Plaintiff, Securities and Exchange Commission ("Commis-
sion"), commenced this action by filing its Complaint against
defendant James W. Hall ("Hall"). In its Complaint, the
Commission sought a permanent injunction to prohibit violations
by Hall of Sections 5 and 17 of the Securities Act of 1933
("Securities Act"), 15 U.S.C. §§ 77e and 77q, Section 10(b) of
the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §
78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder. The
Commission also sought other relief in the form of disgorgement
and civil money penalties.

Defendant Hall by the Consent affixed hereto, without
admitting or denying any of the allegations in the Commission's
Complaint or any other paper filed herein, except as to the
jurisdiction of this Court, has agreed to the entry of this Order
of Permanent Injunction and Other Relief ("Order of Permanent
Injunction"). This Court having accepted such Consent and this
Court having jurisdiction over Hall and the subject matter
hereof, and the Court being fully advised of the premises,

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I.

**SALE OF UNREGISTERED SECURITIES IN
VIOLATION OF SECTION 5 OF THE SECURITIES ACT**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that, Hall his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with him, and each of them, be and they hereby are, permanently restrained and enjoined from, directly or indirectly:

a. making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell any securities, in the form of common stock or any other securities, through the use or medium of any prospectus or otherwise, unless and until a registration statement is in effect with the Commission as to such securities;

b. carrying or causing to be carried through the mails or in interstate commerce, by means or instruments of transportation, any securities, in the form of common stock or any other securities, for the purpose of sale or delivery after sale, unless and until a registration statement is in effect with the Commission as to such securities; or

c. making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy any securities, in the form of common stock or any other securities, through the use or medium of any prospectus or otherwise, unless and until a registration statement is filed with the Commission as to such securities, or while a registration statement filed with the

Commission as to such securities is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77h, in violation of Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c). Provided, however, that nothing in the foregoing portion of this Order shall apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act, 15 U.S.C. § 77e.

II.

FRAUD IN VIOLATION OF SECTION 17 OF THE SECURITIES ACT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that, Hall his officers, agents, servants, employees, attorneys in fact, and all persons in active concert or participation with them, and each of them, who receive notice of this Order of Permanent Injunction, by personal service or otherwise, be and they hereby are, permanently restrained and enjoined from, directly or indirectly, in the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails:

- (a) knowingly or recklessly employing any device, scheme or artifice to defraud;
- (b) obtaining money or property by means of any untrue statement of a material fact or omission 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) engaging in any practice, transaction, or course of business which operates or would operate as a fraud or deceit upon the purchaser of any such security, in violation of Sections 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(1), 77q(a)(2) and 77q(a)(3).

III.

**FRAUD IN VIOLATION OF SECTION 10(b) OF
THE EXCHANGE ACT AND RULE 10b-5 THEREUNDER**

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Hall, his officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them and each of them, in connection with the purchase or sale of securities, in the form of common stock or any other securities, by use of any means or instrumentality of interstate commerce, by use of the mails, or by use of any facility of any national securities exchange, be and they hereby are, restrained and enjoined from, directly, indirectly or as a control person under Section 20(a) of the Securities Exchange Act of 1934 ("Exchange Act"):

1. employing any device, scheme, or artifice to defraud;
2. making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or



3. engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person;

in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

IV.

DISGORGEMENT

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Hall shall disgorge all ill-gotten gains that he received as a result of the acts and/or courses of conduct complained of herein, with prejudgment interest. The amount that Hall shall disgorge shall be determined by the Court upon the Commission's motion, without evidentiary hearing; solely for the purposes of this determination, the allegations of the Complaint shall be deemed admitted. All disgorgement shall be paid within thirty days after the amount or amounts are liquidated.

V.

CIVIL PENALTIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the amount of civil penalties, if any, that Hall shall be required to pay pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), in connection with the activities described in the Commission's Complaint, shall be determined by the Court upon the Commission's motion, without evidentiary hearing; solely for the



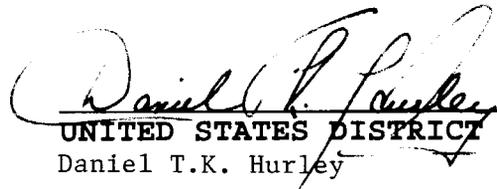
purposes of this determination, the allegations of the Complaint shall be deemed admitted.

VI.

RETENTION OF JURISDICTION

IT IS FURTHER HEREBY ORDERED that, this Court will retain jurisdiction over this matter and Hall in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED at 4:15 o'clock, P m. this 10~~th~~ day of October, 1997, at West Palm Beach, Florida.


UNITED STATES DISTRICT JUDGE
Daniel T.K. Hurley

Copies to:

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