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**FILED**

MAY 22 1998

**RECEIVED**

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

JAN 20 1998

RICHARD W. WIEKING  
CLERK, U.S. DISTRICT COURT,  
NORTHERN DISTRICT OF CALIFORNIA

9 UNITED STATES DISTRICT COURT  
10 NORTHERN DISTRICT OF CALIFORNIA  
11 SAN FRANCISCO DIVISION

*FMS*  
**CAE**

**C. 98-0197**

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14 SECURITIES AND EXCHANGE COMMISSION, )  
15 )  
16 Plaintiff, )  
17 )  
18 v. )  
19 )  
20 \_\_\_\_\_ )  
21 RUSSELL C. FAUST, )  
22 )  
23 Defendant. )

Civil No.

~~PROPOSED~~ *Jmo* *10*  
FINAL JUDGMENT OF  
PERMANENT INJUNCTION  
AND OTHER LEGAL AND  
EQUITABLE RELIEF

24 ENTERED IN CIVIL DOCKET MAY 26 1998  
25 19

26 Plaintiff Securities and Exchange Commission (the  
27 "Commission"), has filed its Complaint for Permanent Injunction  
28 and Other Legal and Equitable Relief ("Complaint") in this action  
against Defendant Russell C. Faust ("Faust"). Faust's Consent to  
the Entry of Permanent Injunction and Other Legal and Equitable  
Relief ("Consent") was filed simultaneously with this Final  
Judgment of Permanent Injunction and Other Legal and Equitable  
Relief ("Final Judgment") and incorporated herein by reference.  
Faust, who is represented by counsel, has admitted service of the

FINAL JUDGMENT

COPIES MAILED TO SUBMITTING COUN

1 Summons and the Complaint, has admitted the jurisdiction of this  
2 Court over him and over the subject matter of this action, has  
3 been fully advised and informed of the right to a judicial  
4 determination of this matter, has waived findings of fact and  
5 conclusions of law as provided by Rule 52 of the Federal Rules of  
6 Civil Procedure, having consented to the entry of this Final  
7 Judgment, without admitting or denying any of the allegations in  
8 the Complaint except as set forth in the Consent, and has waived  
9 notice of hearing upon the entry of this Final Judgment. The  
10 Court being fully advised in the premises, states:

11 I.

12 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Faust and  
13 his agents, servants, employees and attorneys, and all persons  
14 acting in concert or participation with any of them, who receive  
15 actual notice of this Final Judgment, by personal service or  
16 otherwise, and each of them, are permanently enjoined and  
17 restrained from, directly or indirectly, violating Section 17(a)  
18 of the Securities Act of 1933 ("Securities Act") [15 U.S.C.  
19 § 77q(a)] by:

- 20 A. employing any device, scheme or artifice to defraud;  
21 B. obtaining money or property by means of any untrue  
22 statement of a material fact or any omission to state a  
23 material fact necessary in order to make the statements  
24 made, in the light of the circumstances under which  
25 they were made, not misleading; or  
26 C. engaging in any transaction, practice, or course of  
27 business which operates or would operate as a fraud or  
28 deceit upon the purchaser,

1 in the offer or sale of the securities of any issuer, by the use  
2 of any means or instruments of transportation or communication in  
3 interstate commerce or by the use of the mails.

4 II.

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

13 A. employing any device, scheme, or artifice to defraud;

14 B. making any untrue statement of a material fact or  
15 omitting to state a material fact necessary in order to  
16 make the statements made, in the light of the  
17 circumstances under which they were made, not  
18 misleading; or

19 C. engaging in any act, practice, or course of business  
20 which operates or would operate as a fraud or deceit  
21 upon any person,

22 in connection with the purchase or sale of the securities of any  
23 issuer, by the use of any means or instrumentality of interstate  
24 commerce, or of the mails, or of any facility of any national  
25 securities exchange.

26 III.

27 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust and  
28 his agents, servants, employees and attorneys, and all persons

1 acting in concert or participation with any of them, who receive  
2 actual notice of this Final Judgment, by personal service or  
3 otherwise, and each of them, are permanently enjoined from,  
4 directly or indirectly, violating Section 13(b)(5) of the  
5 Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing  
6 or failing to implement a system of internal accounting controls  
7 or knowingly falsifying any book, record, or account described in  
8 Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

9 IV.

10 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust and  
11 his agents, servants, employees and attorneys, and all persons  
12 acting in concert or participation with any of them, who receive  
13 actual notice of this Final Judgment, by personal service or  
14 otherwise, and each of them, are permanently enjoined from,  
15 directly or indirectly, violating Rule 13b2-2 under the Exchange  
16 Act [17 C.F.R. § 240.13b2-2] by making or causing to be made a  
17 materially false or misleading statement or omitting to state, or  
18 causing another person to omit to state, any material fact  
19 necessary in order to make statements made, in light of the  
20 circumstances under which such statements were made, not  
21 misleading to an accountant in connection with (A) any audit or  
22 examination of the financial statements of an issuer required to  
23 be made pursuant to the federal securities laws or (B) the  
24 preparation or filing of any document or report required to be  
25 filed with the Commission pursuant to the federal securities laws  
26 or otherwise.

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1 V.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust shall  
3 pay disgorgement in the amount of \$158,647, plus prejudgment  
4 interest of \$38,638.

5 VI.

6 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that  
7 disgorgement and interest paid pursuant to Section V. shall be  
8 paid within sixty (60) days of entry of this Final Judgment in  
9 the following manner:

10 A. such monies shall be paid into this Court's registry by  
11 certified check or money order drawn to the order of  
12 "Clerk, United States District Court, Northern District  
13 of California," whereupon the Clerk of this Court, or  
14 the Clerk's Financial Administrator, is hereby directed  
15 to deposit said certified check or money order into an  
16 interest bearing account ("Account") with the Court  
17 Registry Investment System ("CRIS");

18 B. simultaneously with payment, the defendant shall send  
19 copies of any certified check or money order to the San  
20 Francisco District Office of the Commission, under  
21 cover of a letter addressed to David B. Bayless,  
22 District Administrator, identifying the paying  
23 defendant, the case number of the action, the name of  
24 the Court, and the Commission's internal case number  
25 (LA-726);

26 C. the Account shall be held by the CRIS until further  
27 order of the Court, and distributed pursuant to a Court  
28 approved plan to be proposed by the Commission, but in

1 no event shall the monies disgorged revert, directly or  
2 indirectly, to the defendant, or his heirs or assigns;

3 D. interest earned on the Account shall be credited to the  
4 Account and shall thereafter be treated in the same  
5 manner as the principal; and

6 E. the Clerk of the Court is directed to deduct from the  
7 income earned on the investment a fee, not exceeding  
8 that authorized by the Judicial Conference of the  
9 United States and set by the Director of the  
10 Administrative Office, at or equal to 10% of the income  
11 earned in the investment so held and without further  
12 order of the Court.

13 VII.

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust pay  
15 \$158,647 in civil penalties under the Insider Trading and  
16 Securities Fraud Enforcement Act of 1988, as amended [15 U.S.C. §  
17 78u-1(a)].

18 VIII.

19 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust pay  
20 third-tier civil penalties pursuant to Section 21(d) of the  
21 Exchange Act [15 U.S.C. § 78u(d)] in the amount of \$200,000.

22 IX.

23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all  
24 penalties paid pursuant to Sections VII. and VIII. shall be paid  
25 by Faust within sixty 60 days of the Entry of Final Judgment by  
26 certified check payable to "Securities and Exchange Commission."  
27 The payment shall be sent to the Comptroller of the Securities  
28 and Exchange Commission, SEC Operations Center, 6432 General

1 Green Way, Stop 0-3, Alexandria, VA 22312, under cover of a  
2 letter that identifies the defendant in this action, the civil  
3 action number assigned to the Complaint, the District Court in  
4 which the Complaint, Consent and Final Judgment were filed, and  
5 the Commission's internal case number (LA-726). A copy of the  
6 cover letter shall be simultaneously transmitted to the  
7 Commission's San Francisco District Office to the attention of  
8 David B. Bayless, District Administrator.

9 X.

10 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust is  
11 hereby prohibited from serving, at any time in the future, as an  
12 officer or director of any issuer of a security registered  
13 pursuant to Section 12 or Section 15(d) of the Exchange Act.

14 XI.

15 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Faust shall  
16 cooperate with investigations, administrative proceedings and  
17 litigation conducted by the Commission and its staff relating to  
18 the transactions, events and people at the former Media Vision  
19 Technologies, Inc.

20 XII.

21 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the  
22 Consent, filed concurrently with this Final Judgment, is  
23 incorporated herein with the same force and effect as if fully  
24 set forth herein and that Faust shall fully comply with all of  
25 the undertakings and agreements incorporated herein.

26 XIII.

27 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court  
28 shall retain jurisdiction over this action for the purposes of

1 implementing and carrying out the terms of all orders and decrees  
2 which may be entered herein and to entertain any suitable  
3 application or motion for additional relief within the  
4 jurisdiction of this Court.

5 There being no just reason for delay, the Clerk of the Court  
6 is hereby directed, pursuant to Rule 54(b) of the Federal Rules  
7 of Civil Procedure, to enter this Final Judgment forthwith.

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9 Dated: May 22, 1998

  
United States District Judge

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