

USDC SCAN INDEX SHEET



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3:98-CV-01072 SECURITIES AND V. GLOBAL TIMBER CORP

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JGM.

ORIGINAL

1 VALERIE CAPRONI, Cal. Bar # _____
SANDRA J. HARRIS, Cal. Bar # 134153
2 AIMEE DOMINGUEZ SILVERS, Cal. Bar # 145106
JAMES H. DAVIS, Cal. Bar # 175729

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3 Attorneys for Plaintiff
4 Securities and Exchange Commission
5670 Wilshire Boulevard, 11th Floor
5 Los Angeles, California 90036-3648
Telephone: (213) 965-3998
6 Facsimile: (213) 965-3908

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8 UNITED STATES DISTRICT COURT
9 SOUTHERN DISTRICT OF CALIFORNIA

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11 SECURITIES AND EXCHANGE COMMISSION
12 Plaintiff,
13 vs.
14 GLOBAL TIMBER CORPORATION, et al.,
15 Defendants.

Case No. 98 CV 1072^{TW}~~X~~ RBB
FINAL JUDGMENT OF PERMANENT
INJUNCTION AND OTHER RELIEF
AGAINST DEFENDANT STEPHEN J.
SAND

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18 Plaintiff Securities and Exchange Commission ("Commission"),
19 having filed and served upon Defendant Stephen J. Sand ("Sand") a
20 Summons and Complaint in this matter and Sand having admitted
21 service upon him of the Summons and Complaint in this action and the
22 jurisdiction of this Court over him and over the subject matter of
23 this action; having been fully advised and informed of his rights to
24 a judicial determination of this matter; having waived the entry of
25 findings of fact and conclusions of law as provided by Rule 52 of
26 the Federal Rules of Civil Procedure; having consented to the entry
27 of this Final Judgment of Permanent Injunction and Other Relief
28 Against Defendant Stephen J. Sand ("Final Judgment") without

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1 admitting or denying the allegations in the Complaint, except as
2 specifically set forth in the Consent of Defendant Stephen J. Sand
3 to Entry of Final Judgment of Permanent Injunction and Other Relief
4 ("Consent"); and it appearing that no notice of hearing upon the
5 entry of this Final Judgment being necessary; and the Court being
6 fully advised in the premises, and there being no just reason for
7 delay:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant Sand
10 and his agents, servants, employees and attorneys, and all persons
11 in active concert or participation with any of them, who receive
12 actual notice of this Final Judgment, by personal service or
13 otherwise, and each of them, are permanently restrained and enjoined
14 from, directly or indirectly, by the use of any means or
15 instrumentality of interstate commerce, or of the mails, or of any
16 facility of any national securities exchange:

- 17 A. employing any device, scheme, or artifice to defraud;
- 18 B. making any untrue statement of a material fact or omitting
19 to state a material fact necessary in order to make the
20 statements made, in the light of the circumstances under
21 which they were made, not misleading; or
- 22 C. engaging in any act, practice, or course of business which
23 operates or would operate as a fraud or deceit upon any
24 person, in connection with the purchase or sale of any
25 security;

26 in violation of Section 10(b) of the Securities Exchange Act of 1934
27 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17
28 C.F.R. § 240.10b-5].

1 II.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that based upon
3 Sand's sworn financial statement, the Court is not ordering Sand to
4 pay a civil penalty under the Securities Enforcement and Penny Stock
5 Reform Act of 1990 pursuant to Section 20(d) of the Securities Act
6 [15 U.S.C. Section 77t(d)] and Section 21(d)(3) of the Exchange Act
7 [15 U.S.C. Section 78(d)(3)]. The determination not to impose a
8 civil penalty against Sand is contingent upon the accuracy and
9 completeness of Sand's financial statement.

10 III.

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if at any time
12 following the entry of this Final Judgment the Commission obtains
13 information indicating that Sand's representations in the sworn
14 financial statement concerning its assets, income, liabilities, or
15 net worth were fraudulent, misleading, inaccurate or incomplete in
16 any material respect as of the time such representations were made,
17 the Commission may, at its sole discretion and without prior notice
18 to Sand, petition this Court for an order requiring Sand to pay a
19 civil penalty. In connection with any such petition, the only issue
20 shall be whether the financial statement provided by Sand was
21 fraudulent, misleading, inaccurate or incomplete in any material
22 respect as of the time such representations were made, and the
23 amount of civil penalty to be imposed against Sand. In its
24 petition, the Commission may move this Court to consider all
25 available remedies, including, but not limited to, ordering Sand to
26 pay funds or assets, directing the forfeiture of any assets, or
27 sanctions for contempt of the Final Judgment, and the Commission may
28 also request additional discovery. Sand may not, by way of defense

1 to such petition, challenge the validity of the Consent or this
2 Final Judgment, contest the allegations in the Complaint filed by
3 the Commission, or the payment of a civil penalty should not be
4 ordered.

5 IV.

6 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions
7 of the Consent filed concurrently with this Final Judgment are
8 incorporated herein with the same force and effect as if fully set
9 forth herein and that Sand shall comply with his Consent.

10 IV.

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court
12 shall retain jurisdiction over this action to implement and enforce
13 the terms of the Final Judgment and other decrees that may be
14 entered herein and to grant such other relief as the Court may deem
15 necessary and just.

16 * * *

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

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22 DATED: 11/12, 1998


UNITED STATES DISTRICT JUDGE

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CERTIFICATE OF SERVICE BY FEDERAL EXPRESS

1
2 I, Magnolia M. Marcelo, am over the age of 18 years, not a
3 party to the within action, and a citizen of the United States. My
4 business address is the Securities and Exchange Commission, 5670
5 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. I am
6 readily familiar with the practice at my place of business for the
7 collection and processing of correspondence by Federal Express.
8 Such correspondence is deposited Federal Express on the same day in
9 the ordinary course of business. On November 6, 1998, at the
10 direction of a member of the bar of this Court, I caused to be
11 served the **FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF**
12 **AGAINST DEFENDANT STEPHEN J. SAND** by placing true and correct copies
13 thereof in a sealed envelope for each addressee named below:

SEE ATTACHED SERVICE LIST

14
15
16 and by sealing the envelope and placing it in the appropriate
17 location at my place of business for collection with postage fully
18 prepaid in accordance with ordinary business practice. I declare
19 under penalty of perjury under the laws of the United States of
20 America that the foregoing is true and correct and that I am
21 employed in the office of a member of the bar of this Court at whose
22 direction the service was made.

23 Executed on November 6, 1998, at Los Angeles, California.

24
25 Magnolia M. Marcelo
Print or Type Name

Magnolia M. Marcelo
Signature

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SEC v. GLOBAL TIMBER, et al.

Case No. 98 CV 1072J RBB
United States District Court - Southern District of California
LA-846

SERVICE LIST

Gregory P. Tosi, Esq.
LAW OFFICES OF GREGORY P. TOSI
964 Fifth Avenue, Suite 214
San Diego, CA 92101
Tel.: (619) 699-5911

Co-Counsel for Defendants
Jonathon Bentley-Stevens,
David Kirk, and Global Timber
Corporation

Carmine Bua, Esq.
LAW OFFICES OF CARMINE BUA
3838 Camino Del Rio North
San Diego, CA 92108
Tel.: (619) 280-8000
Fax: (619) 280-8001

Co-Counsel for Defendants
Jonathon Bentley-Stevens,
David Kirk, and Global Timber
Corporation

Booker T. Evans, Esq.
STREICH LANG
Two N. Central Avenue
Phoenix, Arizona 85004
Tel.: (602) 229-5200
Fax: (602) 229-5690

Counsel for Defendants
Pamela Vega and Stephen Sand

J. Peter Gyben, Esq.
SMITH, ARNOLD & GYBEN LLP
2301 Dupont Drive
Irvine, CA 92612
Tel.: (714) 955-3322
Fax: (714) 955-0137

Counsel for Defendant
Jose Fernando Garcia

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