

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

**FILED**

OCT 11 2001

NANCY MAYER WHITTINGTON CLERK  
U.S. DISTRICT COURT

_____	)	
SECURITIES AND EXCHANGE COMMISSION,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. 98-1106 (RMU)
	)	
TRACY A. BRAIME,	)	
	)	
Defendant.	)	
_____	)	

**FINAL JUDGMENT  
AS TO TRACY A. BRAIME**

Plaintiff Securities and Exchange Commission ("Commission") having filed its Complaint and defendant Tracy A. Braime ("Braime") in her attached and herein incorporated Consent of Tracy A. Braime ("Consent"), having admitted the Court's jurisdiction over her and over the subject matter of this action, having withdrawn her answer, having waived the entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure, having waived any right he may have to appeal from the entry of this Final Judgment as to Tracy A. Braime ("Final Judgment"), and without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, which she admits, having consented to the entry of this Final Judgment, and it further appearing that this Court has jurisdiction over defendant Braime and the subject matter hereof, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Braime, her agents, servants, employees and attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e(a) and 77e(c)] by, directly or indirectly:

- 1) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- 2) carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- 3) 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 through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed as to such security, or while the registration 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 [15 U.S.C. § 77h].

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Braime pay disgorgement in the amount of \$368,000, for which she and Edward R. Showalter shall be jointly and severally liable, representing her gains derived from the conduct alleged in the Complaint, plus prejudgment interest in the amount of \$145,969.98, for which she and Edward R. Showalter shall be jointly and severally liable. Based upon Braime's sworn representations in her Statement of Financial Condition, dated July 17, 2001 ("Statement of Financial Condition"), and submitted to the Commission, payment by Braime of the disgorgement and prejudgment interest thereon is waived.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that based upon Braime's sworn representations in her Statement of Financial Condition, and submitted to the Commission, the Court is not ordering her to pay a civil penalty pursuant to Section 20(d)(2) of the Securities Act [15 U.S.C. § 77t(d)(2)], or requiring her to pay disgorgement and prejudgment interest thereon. The determination not to impose a civil penalty and to waive her payment of the disgorgement and prejudgment interest thereon is contingent upon the accuracy and completeness of Braime's Statement of Financial Condition. If at any time following the entry of this Final Judgment, the Commission obtains information indicating that Braime's representations to the Commission concerning her assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Braime, petition this Court

for an order requiring Braime to pay disgorgement of \$368,000, prejudgment interest of \$145,969.98, post-judgment interest thereon, and a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Braime was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Braime to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Braime may not, by way of defense to such petition, challenge the validity of her Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, contest the amount of disgorgement and interest, or assert that disgorgement or the payment of a civil penalty should not be ordered.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the attached Consent be, and the same hereby is, incorporated as if fully set forth herein and that Braime shall comply in all respects with the terms of her Consent.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this action for all purposes, including the implementation and enforcement of this Final Judgment.

\* \* \*

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

SO ORDERED, this 10 day of October, 2001.



---

Ricardo M. Urbina  
United States District Judge