

UNITED STATES DISTRICT COURT  
FOR THE  
DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION  
450 Fifth Street, N.W.  
Washington, D.C. 20549,

Plaintiff,

v.

RONALD R. CHARNOCK,  
MARK C. HYER,  
WALTER WILOWATYJ and  
DONALD C. YOUNT,

Defendants.

Civil Action No. 00-2239

**FILED**

SEP 26 2000

NANCY MAYLE WHITTINGTON, CLERK  
U.S. DISTRICT COURT

**FINAL JUDGMENT OF PERMANENT INJUNCTION  
AND OTHER RELIEF AS TO WALTER WILOWATYJ**

Defendant WALTER WILOWATYJ ("WILOWATYJ") having (i) entered a general appearance; (ii) consented to the Court's jurisdiction over him and the subject matter of this action; (iii) without admitting or denying the allegations of the Complaint, consented to entry of this Judgment without further notice; (iv) waived findings of fact and conclusions of law; and (v) waived any right to appeal from this Judgment, it is now

**ORDERED, ADJUDGED AND DECREED** that WILOWATYJ, and his officers, agents, servants, employees and attorneys, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently restrained and enjoined from:

- (a) violating Section 17(a) of the Securities Act of 1933 ("Securities Act") (15 U.S.C.

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§77q(a)) by, 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, directly or indirectly, (1) employing any device, scheme or artifice to defraud, (2) obtaining money or property by means of any untrue statement of a material fact or any 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 (3) engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any person;

(b) violating Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) (15 U.S.C. §78j(b)) and Rule 10b-5 thereunder (17 C.F.R. §240.10b-5) by, directly or indirectly, by the use of 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, (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 the 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; and

(c) violating Rule 13b2-1 of the Exchange Act (17 C.F.R. § 240.13b2-1) by, directly or indirectly, falsifying or causing to be falsified, any book, record or account subject to Section 13(b)(2)(A) of the Exchange Act.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that WILOWATYJ is liable for \$20,711 in disgorgement and prejudgment interest for ill-gotten gains resulting from the conduct alleged in the Complaint. WILOWATYJ shall satisfy this obligation by paying \$5,000 within 10 business days of the entry of the final judgment and the balance of \$15,711

within six months of the entry of the final judgment plus post-judgment interest calculated pursuant to 28 U.S.C. §1961 from the date of the entry of the final judgment to the actual date of payment of the balance of the disgorgement. Payment shall be made by certified check, U.S. postal money order, bank cashier's check or bank money order payable to "Securities and Exchange Commission." Payment shall be hand-delivered or mailed to the Office of the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312 under cover of a letter identifying WILOWATYJ as the defendant on whose behalf the payment is being made, the caption and case number of this action, the name of this Court, and the SEC's internal file number for this matter (HO-3410). A copy of the cover letter and check or money order shall simultaneously be transmitted to Gregory S. Bruch, Esq., 450 Fifth Street, N.W., Washington, D.C. 20549-0703. By making this payment, WILOWATYJ relinquishes all legal and equitable right, title and interest in such funds, and no part of the funds shall be returned to him.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that WILOWATYJ pay a civil penalty of \$20,000 pursuant to Section 20(d) of the Securities Act (15 U.S.C. §77t(d)) and Sections 21(d)(3) and 21A of the Exchange Act (15 U.S.C. §§78u(d)(3) and 78u-1). WILOWATYJ shall satisfy this obligation by paying \$5,000 within 10 business days of the entry of the final judgment and the balance of \$15,000 within six months of the entry of the final judgment. Payment shall be made as specified above. The SEC shall forward such funds to the U.S. Treasury.

There being no just reason for delay, pursuant to Fed. R. Civ. P. 54(b), the Clerk is ordered to enter this Judgment forthwith and without further notice.

Dated: September 25, 2000



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UNITED STATES DISTRICT JUDGE