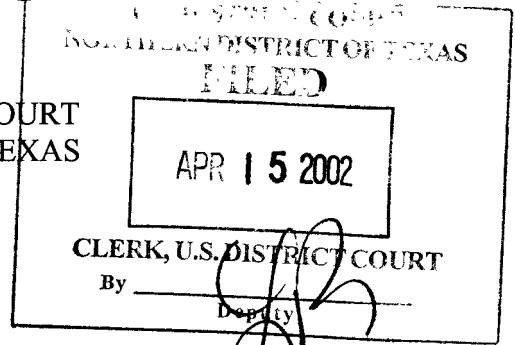


IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

TERRY DON RADER, et al.,

Defendants.

§
§
§
§
§
§
§
§
§
§

No. 3:01-CV-0788-P



FINAL JUDGMENT

Pursuant to the Court's orders of October 29, 2001, and April 15, 2002, the Court enters judgment as follows:

1. Plaintiff's Motion for Judgment on the Pleadings is granted.
2. Defendant's "counterclaim" against Susan Slovak, Garry Weber, and Glenn Nowlin is dismissed;
3. It is ORDERED that Defendant Terry Don Rader and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violation section 17(a) of the Securities Act of 1933, as amended, 15 U.S.C. § 77q(a), in the offer or sale of securities from making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, by directly or indirectly:
 - (a) employing any device, scheme or artifice to defraud;
 - (b) 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; and/or

- (c) engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser.

It is further ORDERED that Defendant Terry Don Rader and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, be and hereby are permanently restrained and enjoined from violating section 10(b) of the Securities Exchange Act of 1934, as amended, 15 U.S.C. § 78j(b), and Commission Rule 10b-5, 17 C.F.R. § 240.10b-5, by directly or indirectly, in connection with the purchase or sale of securities from making any use or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange:

- (a) using or employing any manipulative or deceptive device, scheme, or contrivance;
- (b) employing any artifice to defraud;
- (c) 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; and/or
- (d) engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

It is further ORDERED that Defendant Terry Don Rader and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual

notice of this order by personal service or otherwise, be and hereby are permanently restrained and enjoined from aiding and abetting violations of sections 15(c)(3) and 17(a) of the Securities Exchange Act of 1934, as amended, 15 U.S.C. §§ 78o(c)(3) and 78q(a), and of Commission Rules 15c3-1, 17a-3, and 17a-4, 17 C.F.R. §§ 240.15c3-1, 240.17a-3, and 240.17a-4 by

- (a) the broker's or dealer's making use of the mails or any means or instrumentality of interstate commerce to effect any transaction in or to induce or attempt to induce the purchase or sale of any security in contravention of the rules and regulations as the Securities and Exchange Commission has prescribed or may prescribe as necessary or appropriate in the public interest or for the protection of investors to provide safeguards with respect to the financial responsibility and related practices of brokers and dealers including, but not limited to, to acceptance of custody and use of customers' securities and the carrying and use of customers' deposits or credit balances;
- (b) the broker's or dealer's failing to make and keep for prescribed periods such records of a broker and/or dealer, to furnish copies thereof and to make and disseminate such reports as the Securities and Exchange Commission, by rule, prescribes as necessary or appropriate in the public interest, for the protection of investors, or otherwise;
- (c) the broker's or dealer's failing to have and maintain at all times net capital no less than the greater of the highest minimum requirement to its required ratio;
- (d) the broker's or dealer's failing to keep current the following books and


- records relating to the broker's or dealer's business, including blotters containing an itemized daily record of all purchases and deliveries of securities, ledgers reflecting all assets and liabilities, income and expenses and capital accounts, ledger accounts itemizing separately as to each cash and margin account of every customer and every member, ledgers reflecting securities in transfer, dividends and income received, securities borrowed and securities loaned, monies borrowed and monies loaned, securities failed to receive and failed to deliver, all long and all short securities, repurchase and reverse repurchase agreements, securities record or ledger, memorandum of each brokerage order, memorandum of each purchase and sale of securities, copies of confirmations, a record of each cash margin account, a record of all puts, calls, spreads, straddles and other options, a record of the proof of money balances, a questionnaire or application for employment executed by each associated person and other records required to be maintained; and
- (e) the member's, broker's and/or dealer's failing to preserve records, including checkbooks, bank statements, canceled checks, cash reconciliations, bills receivable or payable, communications received and sent, trial balances, computations of aggregate indebtedness and net capital, financial statements, branch office reconciliations, internal audit papers, guarantees of accounts and powers of attorney, written agreements, money balance positions and account cards.

It is further ORDERED that at the request of Plaintiff Securities and Exchange Commission

the United States Marshal for any district in which Defendant Terry Don Rader resides or may be found is authorized and directed to serve a copy of this judgment on Defendant Terry Don Rader.

It is so ordered.

Signed this 15th day of April, 2002.



JORGE A. SOLIS
UNITED STATES DISTRICT JUDGE