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U.S.D.C. - Newnan

APR 1 2004

LUTHER D. THOMAS, Clerk
Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

CDH & AFFILIATES, INC.,
C. DAVID HALLMAN,

Defendants.

Civil Action No. 3:02-CV-017-JTC

FINAL JUDGMENT OF PERMANENT INJUNCTION

This matter having come on for hearing on plaintiff Securities and Exchange Commission's unopposed motion to set disgorgement, and having previously granted plaintiff's motion for summary judgment and enjoined defendants CDH & Affiliates, Inc. ("CDH") and C. David Hallman from future violations of Sections 10(b) and 15(a) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§'s 78jb and 78o(a)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and for good cause shown,

I.

IT IS HEREBY ORDERED THAT, defendants CDH and Hallman, their officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them and each of them, in connection with the purchase or sale of any security by

use of any means or instrumentality of interstate commerce or of the mails, or by use of any facility of any national securities exchange, be and they hereby are, restrained and enjoined from, directly or indirectly, or as a control person under Section 20(a) of the Securities Exchange Act of 1934 ("Exchange Act"):

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 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;

in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

II.

IT IS FURTHER ORDERED THAT, defendants CDH and Hallman, their officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them and each of them, are permanently enjoined from directly or indirectly violating Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)] by using any means or instrumentality of interstate commerce or of the mails, to effect transactions in, or to induce or attempt

to induce the purchase or sale of securities, without registering with the Commission as a broker or dealer.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants CDH and Hallman, jointly and severally, shall pay disgorgement in the amount of \$3,128,000 plus pre-judgment interest thereon in the amount of \$1,079,616.95 for a total of \$4,207,616.95. Such payment shall be paid to the registry of this Court by United States postal money order, certified check, bank cashier's check or bank money order within 30 days from the date of this judgment.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants CDH and Hallman, each, shall pay a civil penalty of \$110,000 pursuant to Section 21(d)(3) of the Exchange Act. Such payment shall be (a) made by United States postal money order, certified check, bank cashier's check or bank money order within 30 days from the date of this judgment; (b) made payable to the Securities and Exchange Commission; (c) hand-delivered or delivered by overnight delivery service to the Comptroller, Securities and Exchange Commission, 6432 General Green Way, Alexandria, VA 22312; and (d) submitted under a cover letter which identifies CDH and/or Hallman as defendants in these proceedings and the civil action number of these proceedings, a

copy of which cover letter and money order or check shall be sent to Alex Rue, Senior Trial Counsel, Securities and Exchange Commission, 3475 Lenox Road, N.E., Suite 1000, Atlanta, Georgia 30326-1232.

v.

IT IS FURTHER ORDERED that this Court will retain jurisdiction over this matter and defendant Hallman for the purpose of enforcing this Final Judgment.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this Final Judgment pursuant to Rules 54(b), 58 and 77(d) of the Federal Rules of Civil Procedure.

Dated this 1 day of April, 2004.

UNITED STATES DISTRICT JUDGE

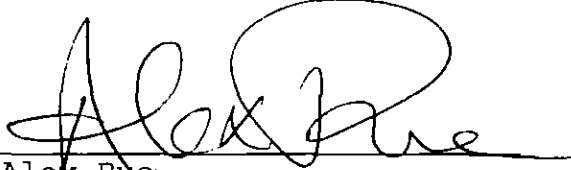
JUDGMENT ENTERED, April 1, 2004.

DEPUTY Clerk

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of March, 2004, I caused copies of the foregoing to be served by mail, in a properly addressed stamped envelope as follows:

Christopher J. Ramig, Esq.
110 Habersham Drive
Suite 206
Fayetteville, GA 30214


Alek Rue

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U.S.D.C. - Newnan

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LUTHER D. THOMAS, Clerk
By: Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION

_____	:	
SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
	:	
	:	
Plaintiff,	:	Civil Action No. 3:02-CV-017-JTC
v.	:	
	:	
	:	
CDH & AFFILIATES, INC.,	:	
C. DAVID HALLMAN,	:	
	:	
	:	
Defendants.	:	
_____	:	

PROPOSED FINAL JUDGMENT OF PERMANENT INJUNCTION

Dated: March 29, 2004
Atlanta, Georgia

Respectfully submitted,



Alex Rue
Senior Trial Counsel

Counsel for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
3475 Lenox Road, N.E., Suite 1000
Atlanta, Georgia 30326
Telephone: (404) 842-7616