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

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS

RT FILED

SEP 2 2 2005

CLERK, U.S. DISTRICT COURT

By

Deputy

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

VS.

Civil Action No. 3:02-CV-0282-P

LARRY W. TYLER and ADVANCED FINANCIAL SERVICES, INC.,

Defendants,

and

GRANBURY PLAZA, LTD., BENBROOK LAKE, L.P., and FWLT HOLDING COMPANY,

Relief Defendants.

## AGREED FINAL JUDGMENT

The Securities and Exchange Commission having filed a Complaint and Defendant Larry W. Tyler ("Defendant") having entered a general appearance; consented to the Court=s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or

SEC v. Larry W. Tyler, et al. Agreed Final Judgment Page - 1 participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, 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;
- (b) Unless a registration statement is in effect as to a security, 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
- (c) 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 with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding of examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities

Act [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

III.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using 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:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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

(c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IV.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, any term of the Cease and Desist Order entered by the Securities and Exchange Commission on May 17, 2001, including, but not limited to, violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Sections 10(b), 15(b)(7) and 17(a) of the Exchange Act and Rules 10b-5, 15b7-1 and 17a-3 thereunder.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$5,232,099 representing benefits received a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$750,672, for a total of \$5,982,771. Based on the Defendant's criminal conviction and sentence in *U.S. v. Larry Tyler*, Cause No. 3-04-CR-145-H, in the United States District Court for the Northern District of Texas, the Court is not ordering Defendant to pay a civil penalty and payment of all but \$1,796,000 of the disgorgement and pre-judgment interest thereon is waived.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall satisfy the obligation to disgorge \$1,796,000 by releasing and disclaiming any interest in any Receivership Asset currently in the possession or under the control of the Receiver appointed

in this cause. Defendant, having represented that he has agreed to release and disclaim any interest in any Receivership Asset, the Court hereby declares that any interest Defendant may have in any Receivership Asset is hereby terminated and Defendant's disgorgement obligation is satisfied. All right title and interest in the assets released and disclaimed by the Defendant is hereby vested in the Court appointed Receiver to hold in trust in this cause pending a plan to distribute these assets to Defendant's investors. In addition, the Court has relied on good faith estimates of the value of certain Receivership Assets in order to calculate the amount of disgorgement ordered to be satisfied by the Defendant. In the event that the amounts realized from the liquidation of the Receivership Assets exceed the amount of disgorgement owed by the Defendant, these sums shall be held by the Receiver pending a plan of distribution to be approved by the Court and Defendant shall have no interest in or claim to any funds realized in excess of the estimated value of these assets, and similarly, neither shall the Defendant be liable for any shortage.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

IX.

IT IS FURTHER ORDERED that the Commission's Claims against Advanced Financial Services, Inc. and Relief Defendants Granbury Plaza, Ltd., Benbrook Lake, L.P. and FWLT Holding Company, Inc. are hereby dismissed.

X.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: September 21, 2005

UNITED STATES DISTRICT JUDGE

Approved as to form:

By:

Larry W. Týler

By:

John W. Sweeny, Jr.

MEADOWS, OWENS, COLLIER, REED,

COUSINS & BLAU, L.L.P.

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Attorney for Defendant Tyler