

**ORIGINAL**

FILED '02 OCT 02 08:43 USDC-ORP

REC'D '02 SEP 30 10:06 USDC-ORP

**UNITED STATES DISTRICT COURT  
DISTRICT OF OREGON****SECURITIES AND EXCHANGE  
COMMISSION,**

Plaintiff,

v.

**J.KENNETH STRINGER III, J.  
MARK SAMPER, WILLIAM N.  
MARTIN, and STEVEN R.  
EAGLEBURGER,**

Defendants.

Civil Action No.:

**CV '02 1341 ST  
FINAL JUDGMENT OF  
PERMANENT INJUNCTION  
AND OTHER RELIEF AGAINST  
DEFENDANT STEVEN R.  
EAGLEBURGER**

Plaintiff Securities and Exchange Commission ("Commission"), having filed and served upon Defendant Steven R. Eagleburger ("Eagleburger") a Summons and Complaint in this action; Eagleburger having admitted service upon him of the Summons and Complaint in this action and the jurisdiction of this Court over him and over the subject matter of this action; Eagleburger having been fully advised and informed of his right to a judicial determination of this matter; Eagleburger having waived the entry of findings of fact and conclusions of law as provided by Rule 52 of the Federal Rules of Civil Procedure; Eagleburger having consented to the entry of this Final Judgment Of Permanent Injunction And Other Relief Against Defendant Steven R. Eagleburger ("Final Judgment"), without admitting or denying the allegations in the Complaint, except as specifically set forth in the Consent Of Defendant Steven R. Eagleburger To Entry Of Final Judgment Of Permanent Injunction And Other Relief ("Consent"); no notice of hearing upon the entry of this Final Judgment being necessary; and this Court being fully advised, and there being no just reason for delay:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Eagleburger and his agents, servants, employees, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange:

- A. employing any device, scheme or artifice to defraud;
- B. 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
- C. 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 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.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Eagleburger and his agents, servants, employees, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly:

causing the filing of a required periodic report with the Commission containing any untrue statement of material fact or omitting to state a

material fact required to be stated or necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

in violation of Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20 and 13a-1 thereunder, 17 C.F.R. §§ 240.12b-20 and 240.13a-1.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Eagleburger and his agents, servants, employees, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly:

- A. causing the failure to make and keep accurate books, records and accounts which, in reasonable detail, accurately and fairly reflect financial transactions and disposition of assets;
- B. falsifying, or causing to be falsified books, records or accounts subject to Section 13(b)(2)(A) of the Exchange Act;

in violation of Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A), and Rule 13b2-1 thereunder, 17 C.F.R. § 240.13b2-1.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Eagleburger and his agents, servants, employees, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly:

knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account;

in violation of Section 13(b)(5) of the Exchange Act, 15 U.S.C. § 78(b)(5).

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), Eagleburger, shall pay a civil penalty in the amount of \$25,000. Eagleburger shall pay this penalty by cashier's check, certified check or postal money order within one year of the entry of this judgment. This payment shall be made payable to the United States Treasury and transmitted to the Office of Financial Management, 6432 General Green Way, Stop 0-3, Alexandria, Virginia 22312, under cover of a letter which identifies the defendant, the name and case number of this litigation and the name of the Court. A copy of the cover letter and check shall be simultaneously transmitted to counsel for the Commission at its Los Angeles office, located at 5670 Wilshire Boulevard, 11<sup>th</sup> Floor, Los Angeles, California 90036.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that during the pendency of this action against any defendant, Eagleburger shall remain subject to the discovery provisions of the Federal Rules of Civil Procedure which apply to parties, and, in addition, that Eagleburger agrees and undertakes, without service or a subpoena, to appear for his deposition or to testify as a witness at any trial of this action or at any related proceeding. Failure to comply with the foregoing will subject Eagleburger to the remedies and sanctions set forth in Rule 37 of the Federal Rules of Civil Procedure and all other available remedies.

VII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of the Consent filed concurrently with this Final Judgment are incorporated herein with the same force and effect as if fully set forth herein, and that Eagleburger shall comply with the Consent.

VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this action for all purposes, including to implement, enforce and carry out the terms of this Final Judgment and all other orders and decrees which have been and may be entered herein, and to grant such other relief as the Court may deem necessary and just.

IX.


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

IT IS SO ORDERED.

*October*  
Dated: ~~September~~ 1, 2002

  
UNITED STATES DISTRICT JUDGE

Presented by:

  
Jessica R. Marren  
Attorney for Plaintiff  
Securities and Exchange Commission