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CLERK, U.S. DISTRICT COURT
MAR 17 2003
3-17-03
CENTRAL DISTRICT OF CALIFORNIA
BY [Signature] DEPUTY

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

12 NORTH AMERICAN MEDICAL
13 PRODUCTS, INC., ARTHUR
14 GIANAKOS, PAUL WAYNE
15 MASON (a/k/a LOUIS RONNIE
16 SARPY), LAURENCE MARK
ANDERSON (a/k/a RON
LAURENCE), KRISTEN LUCK
EMERY, and NIKO G.
EFSTATHIOU,

Defendants.

NO. CV-03-
SACV03-250 AHS
FINAL JUDGMENT OF
PERMANENT INJUNCTION
AND OTHER RELIEF AS TO
DEFENDANT ARTHUR
GIANAKOS

ENTERED
MAR 18 2003
CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA OFFICE
BY [Signature] DEPUTY

19 The Securities and Exchange Commission having filed a Complaint and
20 Defendant Arthur Gianakos ("Defendant") having entered a general appearance;
21 consented to the Court's jurisdiction over Defendant and the subject matter of this
22 action; consented to entry of this Final Judgment without admitting or denying the
23 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
24 conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant, Defendant's
agents, servants, employees, attorneys, assigns, 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

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CENTRAL DISTRICT OF CALIFORNIA
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1 or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange
2 Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R.
3 § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the
4 mails, or of any facility of any national securities exchange, in connection with the
5 purchase or sale of any security:

- 6 (a) to employ any device, scheme, or artifice to defraud;
- 7 (b) to make any untrue statement of a material fact or to omit to state a
8 material fact necessary in order to make the statements made, in the light of the
9 circumstances under which they were made, not misleading; or
- 10 (c) to engage in any act, practice, or course of business which operates or
11 would operate as a fraud or deceit upon any person.

12 II.

13 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant,
14 Defendant's agents, servants, employees, attorneys, assigns, and all persons in active
15 concert or participation with them who receive actual notice of this Final Judgment by
16 personal service or otherwise are permanently restrained and enjoined from violating
17 Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] in the offer or sale of any
18 security by the use of any means or instruments of transportation or communication
19 in interstate commerce or by use of the mails, directly or indirectly:

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

27 III.

28 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant,

1 Defendant's agents, servants, employees, attorneys, assigns, and all persons in active
2 concert or participation with them who receive actual notice of this Final Judgment by
3 personal service or otherwise are permanently restrained and enjoined from violating
4 Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the
5 absence of any applicable exemption:

6 (a) Unless a registration statement is in effect as to a security, making use of
7 any means or instruments of transportation or communication in interstate
8 commerce or of the mails to sell such security through the use or medium
9 of any prospectus or otherwise;

10 (b) Unless a registration statement is in effect as to a security, carrying or
11 causing to be carried through the mails or in interstate commerce, by any
12 means or instruments of transportation, any such security for the purpose
13 of sale or for delivery after sale; or

14 (c) Making use of any means or instruments of transportation or
15 communication in interstate commerce or of the mails to offer to sell or
16 offer to buy through the use or medium of any prospectus or otherwise
17 any security, unless a registration statement has been filed with the
18 Commission as to such security, or while the registration statement is the
19 subject of a refusal order or stop order or (prior to the effective date of
20 the registration statement) any public proceeding of examination under
21 Section 8 of the Securities Act [15 U.S.C. § 77h].

22 IV.

23 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant,
24 Defendant's agents, servants, employees, attorneys, assigns, and all persons in active
25 concert or participation with them who receive actual notice of this Final Judgment by
26 personal service or otherwise are permanently restrained and enjoined from making use
27 of the mails or any means or instrumentality of interstate commerce to effect any
28 transactions in, or to induce or attempt to induce the purchase or sale of, any security,

1 without being registered as a broker and/or dealer pursuant to Section 15(b) of the
2 Exchange Act, 15 U.S.C. § 78o(b), in violation of Section 15(a)(1) of the Exchange
3 Act, 15 U.S.C. § 78o(a)(1).

4 V.

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Gianakos,
6 be and hereby is permanently barred, pursuant to Section 20(e) of the Securities Act
7 [15 U.S.C. §77t(e)] and Section 21(d)(2) of the Exchange Act [15 U.S.C. §78u(d)(2)]
8 from serving as an officer or director of any issuer that has a class of securities
9 registered with the Commission pursuant to Section 12 of the Exchange Act [15
10 U.S.C. §781], or that is required to file reports with the Commission pursuant to
11 Section 15(d) of the Exchange Act [15 U.S.C. §78o(d)].

12 VI.

13 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
14 is permanently barred from participating in an offering of penny stock, including
15 engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading,
16 or inducing or attempting to induce the purchase or sale of any penny stock. A penny
17 stock is any equity security that has a price of less than five dollars, except as
18 provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. 240.3a51-1].

19 VII.

20 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that based on
21 Defendant's sworn representations in his Statements of Financial Condition dated
22 January 30, 2002 and October 7, 2002, and other documents and information
23 submitted to the Commission, the Court is not ordering Defendant to pay a civil
24 penalty. The determination not to impose a civil penalty is contingent upon the
25 accuracy and completeness of Defendant's Statements of Financial Condition. If at
26 any time following the entry of this Final Judgment the Commission obtains
27 information indicating that Defendant's representations to the Commission concerning
28 his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate, or

1 incomplete in any material respect as of the time such representations were made, the
2 Commission may, at its sole discretion and without prior notice to Defendant, petition
3 the Court for an order requiring Defendant to pay the maximum civil penalty allowable
4 under the law. In connection with any such petition, the only issue shall be whether
5 the financial information provided by Defendant was fraudulent, misleading, inaccurate,
6 or incomplete in any material respect as of the time such representations were made.
7 In its petition, the Commission may move this Court to consider all available remedies,
8 including, but not limited to, ordering Defendant to pay funds or assets, directing the
9 forfeiture of any assets, or sanctions for contempt of this Final Judgment. The
10 Commission may also request additional discovery. Defendant may not, by way of
11 defense to such petition: (1) challenge the validity of this Consent or the Final
12 Judgment; (2) contest the allegations in the Complaint filed by the Commission; (3)
13 assert that payment of a civil penalty should not be ordered; (4) contest the imposition
14 of the maximum civil penalty allowable under the law; or (5) assert any defense to
15 liability or remedy, including, but not limited to, any statute of limitations defense.

16 VIII.

17 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to
18 Defendant's Consent, Defendant shall formally forgive, in the form of a written release,
19 the repayment of all principal and interest of a loan made by him to North American
20 Medical Products, Inc. on April 9, 1994 in the amount of \$354,637 as of December
21 31, 2002 including accrued interest, and to provide copies of the documents forgiving
22 the loan to the Commission and defendant North American Medical Products, Inc.
23 within ten business days of the entry of this Final Judgment by this Court.

24 IX.

25 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
26 agrees in connection with this action and any related judicial or administrative
27 proceeding or investigation commenced by the Commission or other federal, state or
28 local law enforcement, or to which the Commission or other federal, state, or local law

1 enforcement is a party, Defendant (a) will provide interviews and documents at the
2 request of the Commission staff; (b) agrees to provide management and employees
3 to testify in related judicial or administrative proceedings or investigations commenced
4 by the Commission or other federal, state, or local law enforcement on a travel cost
5 reimbursable basis as provided for by applicable federal regulations; (c) will accept
6 service by mail or facsimile transmission of subpoenas for documents or testimony
7 at depositions, hearings, or trials; (d) waives the territorial limits on service contained
8 in Rule 45 of the Federal Rules of Civil Procedure or applicable local rules for such
9 subpoenas; and (e) appoints its undersigned counsel as agent to receive such service.

10 X.

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

15 XI.

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

19 XII.

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

23
24 Dated: MAR 17 2003, _____

25 *William A. Stoltz*
26 UNITED STATES DISTRICT JUDGE
27
28

NOTICE PARTY SERVICE LIST

Case No. SACV 03-250 AHS (ANx) Case Title SEC v North American Medical, etc, etal.
 Title of Document Final Judgment of Perm Injunction Re Def. Arthur Giannakas

Atty Stlmnt Officer
BAP (Bankruptcy Appellate Panel)
Beck, Michael J (Clerk, MDL Panel)
BOP (Bureau of Prisons)
Calderon, Arthur - Warden, San Quentin
CAAG (California Attorney General's Office - Keith H. Borjon, L.A. Death Penalty Coordinator)
CA St Pub Defender (Calif. State PD)
Case Asgmt Admin (Case Assignment Administrator)
Catterson, Cathy (9 th Circuit Court of Appeal)
Chief Deputy Adm
Chief Deputy Ops
Clerk of Court
Death Penalty H/C (Law Clerks)
Dep In Chg E Div
Dep In Chg So Div
<input checked="" type="checkbox"/> Fiscal Section
Intake Supervisor
Interpreter Section
PIA Clerk - Los Angeles (PIALA)
PIA Clerk - Santa Ana (PIASA)
PIA Clerk - Riverside (PIAED)
PSA - Los Angeles (PSALA)
PSA - Santa Ana (PSASA)
PSA - Riverside (PSAED)
Schnack, Randall (CJA Supervising Attorney)
Statistics Clerk
Stratton, Maria - Federal Public Defender

US Attorneys Office - Civil Division -L.A.
US Attorneys Office - Civil Division - S.A.
US Attorneys Office - Criminal Division -L.A.
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JUDGE / MAGISTRATE JUDGE (list below):

Initials of Deputy Clerk *dm*