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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
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11 SECURITIES AND EXCHANGE COMMISSION,
12 Plaintiff,
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14 vs.
15 CHRISTOPHER F. CRAWFORD and
16 TODD F. KATZ,
17 Defendants.

Civil Action No. C03-0561 SBA

18 **FINAL JUDGMENT AS TO DEFENDANT CHRISTOPHER F. CRAWFORD**

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

25 I.

26 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant, Defendant's
27 agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with
28 them who receive actual notice of this Final Judgment by personal service or otherwise are

1 permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the
 2 Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
 3 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate
 4 commerce, or of the mails, or of any facility of any national securities exchange:

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

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 concert or
 15 participation with them who receive actual notice of this Final Judgment by personal service or
 16 otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section
 17 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] and Rules 13b2-1 and 13b2-2 promulgated
 18 thereunder [17 C.F.R. §§ 240.13b2-1 and 240.13b2-2], with respect to any issuer which has a class of
 19 securities registered pursuant to section 12 of the Exchange Act or any issuer which is required to file
 20 reports pursuant to section 15(d) of the Exchange Act, by

- 21 (a) knowingly circumventing or knowingly failing to implement a system of internal
 22 accounting controls or knowingly falsifying any book, record, or account;
- 23 (b) directly or indirectly, falsifying or causing to be falsified, any book, record or account
 24 subject to Section 13(b)(2)(A) of the Exchange Act.
- 25 (c) directly or indirectly, (i) making or causing to be made a materially misleading
 26 statement, or (ii) omitting to state, or causing another person to omit to state, any
 27 material fact necessary in order to make statements made, in light of the circumstances
 28 under which such statements were made, not misleading to an accountant in

connection with (1) any audit or examination of the financial statements of the issuer required to be made pursuant to Regulation 13A promulgated under Section 13 of the Exchange Act or (2) the preparation or filing of any document required to be filed with the Commission pursuant to Regulation 13A or otherwise.

III.

IT IS HEREBY FURTHER 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 aiding and abetting violation of Sections 13(a) and 13(b)(2)(A) and (B) of the Exchange Act [15 U.S.C. §§ 78m(a), 78m(b)(2)(A) and (B)] and Rules 13a-1 and 13a-13 promulgated thereunder [17 C.F.R. §§ 240.13a-1 and 240.13a-13] by

- (a) any issuer of a security registered pursuant to section 12 of the Exchange Act with respect to any annual or quarterly report filed with the Commission in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security; and
- (b) any issuer which has a class of securities registered pursuant to section 12 of the Exchange Act or any issuer which is required to file reports pursuant to section 15(d) of the Exchange Act with respect to any
 - (A) book, record, or account, which, in reasonable detail, accurately and fairly reflects the transactions and dispositions of the assets of the issuer; or
 - (B) system of internal accounting controls sufficient to provide reasonable assurances that
 - (i) transactions are executed in accordance with managements general or specific authorization;
 - (ii) transactions are recorded as necessary (I) to permit preparation of financial statements in conformity with generally accepted accounting

principles or any other criteria applicable to such statements, and (II) to maintain accountability for assets;

(iii) access to assets is permitted only in accordance with management's general or specific authorization; and

(iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is prohibited, pursuant to Exchange Act Section 21(d)(2) [15 U.S.C. § 78u(d)(2)], for a period of five (5) years from the date of the entry of this Judgment, from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to section 15(d) of the Exchange Act.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$28,981.77, representing unjust compensation received as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$11,077.48, for a total of \$40,059.25. Defendant shall satisfy this obligation by paying \$40,059.25 within ten business days to the Clerk of this Court, together with a cover letter identifying Christopher F. Crawford as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of such payment and letter to the SEC's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendant. The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS"). These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held by the CRIS until further order of the Court. In accordance with the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed,

1 without further order of this Court, to deduct from the income earned on the money in the Fund a fee
2 equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by
3 the Judicial Conference of the United States. The Commission may propose a plan to distribute the
4 Fund subject to the Court's approval.

5 VI.

6 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a
7 civil penalty in the amount of \$30,000 pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C.
8 §78u(d)(3)]. Defendant shall make this payment within ten (10) business days after entry of this
9 Final Judgment by certified check, bank cashier's check, or United States postal money order payable
10 to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office
11 of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General
12 Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter
13 identifying Christopher F. Crawford as a defendant in this action; setting forth the title and civil
14 action number of this action and the name of this Court; and specifying that payment is made
15 pursuant to this Final Judgment.

16 VII.

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

20 VIII.

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

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25 Dated: 3-19-03

/s/ Sandra Brown Armstrong

26 UNITED STATES DISTRICT JUDGE
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