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3 4 <sub>1</sub>	AT SEATTLE CLERK U.S. DISTRICT COURT WESTERN DISTRICT OF WASHINGTON DEPUTY BY	The Honorable Marsha J. Pechman
5 6 7 8	UNITED STATES DI WESTERN DISTRICT	
9 10 11	SECURITIES AND EXCHANGE COMMISSION,	: Case No. CV03-0683P :
12	Plaintiff,	: FINAL JUDGMENT OF
3	٧.	: INJUNCTION
4	ROBERT PAPALIA and	: AGAINST HUNTER
15	DAVID HUNTER	1
l6 l7	Defendants.	: :
18 19	The Securities and Exchange Commission	filed a complaint on March 18, 2003
20	requesting the entry of permanent injunction again	st defendant David Lynn Hunter to prohibit
21	him from violating the anti-fraud provisions of Sec	tion 10(b) of the Securities Exchange Act of
22	1934, and Rule 10b-5.	
23	The Commission has now moved for entry	of a permanent injunction against Hunter
24	based upon his consent, in which he agrees, withou	at admitting or denying the allegations in the
25	Complaint, to entry of a permanent injunction which	ch enjoins him from violating the provisions of
26	Section 10(b) of the Securities Exchange Act of 19	34, and Rule 10b-5. He also agrees to entry
27	of an order to be barred from acting as an officer o	r director of a public company for five years.
	!	<b>5 44       50    50    5  0             </b>     <b>5  44                          </b>     60683-0RD

1	The Court finds that it has jurisdiction over the subject matter of this action and personal
2	jurisdiction over the defendant Hunter, based on his admission of jurisdiction in his Consent.
3	The Court finds that Hunter has waived service of the Complaint pursuant to Rule 4(d) of
4	the Federal Rules of Civil Procedure, the right to present evidence at trial, and findings of fact and
5	conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.
6	The Court finds that there is a reasonable likelihood that, unless enjoined, Hunter will
7	engage in acts in violation of the anti-fraud provisions of Section 10(b) of the Securities Exchange
8	Act of 1934 and Rule 10b-5.
9	Now, therefore,
10	I.
11	IT IS HEREBY ORDERED that David Lynn Hunter and his affiliates, agents, servants,
12	employees, and those persons in active concert or participation with him who receive actual notice
13	of this order by personal service or otherwise, and each of them, are enjoined and restrained from
14	directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of
15	the mails or of any facility of any national securities exchange in connection with the purchase or
16	sale of any security: (1) employing any device, scheme, or artifice to defraud; (2) making any
17	untrue statement of a material fact or to omit to state a material fact necessary in order to make
18	the statements made, in the light of the circumstances under which they were made, not
19	misleading; or (3) engaging in any act, practice, or course of business which operates or would
20	operate as a fraud or deceit upon any person in violation of Section 10(b) of the Securities
21	Exchange Act of 1934 and Rule 10b-5 [15 U.S.C. § 78j(b) and 17 C.F.R. § 240,10b-5].
22	

2	IT IS FURTHER ORDERED that, pursuant to Section 21(d)(2) of the Exchange Act [15
3	U.S.C. § 78u(d)(2)], David Lynn Hunter is prohibited for five years from the date of entry of this
4	Order from acting as an officer or director of any issuer that has a class of securities registered
5	pursuant to Section 12 of the Exchange Act [15 U.S.C. § 781] or that is required to file reports
6	pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

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David L. Hunter's sworn representations in his Statement of Financial Condition dated

September 30, 2003, and other documents and information submitted to the Commission, the

Court is not ordering Defendant to pay a civil penalty. The determination not to impose a civil
penalty is contingent upon the accuracy and completeness of Defendant's Statement of Financial

Condition. If at any time following the entry of this Final Judgment the Commission obtains
information indicating that Defendant's representations to the Commission concerning his assets,
income, liabilities, or net worth were fraudulent, misleading, inaccurate, or incomplete in any
material respect as of the time such representations were made, the Commission may, at its sole
discretion and without prior notice to Defendant, petition the Court for an order requiring

Defendant to pay the maximum civil penalty allowable under the law. In connection with any
such petition, the only issue shall be whether the financial information provided by Defendant
was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such
representations were made. In its petition, the Commission may move this Court to consider all
available remedies, including, but not limited to, ordering Defendant to pay funds or assets,

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,	directing the forfeiture of any assets, or sanctions for contempt of this rinar Judgment. The
2	Commission may also request additional discovery. Defendant may not, by way of defense to
3	such petition: (1) challenge the validity of his Consent or the Final Judgment; (2) contest the
4	allegations in the Complaint filed by the Commission; (3) assert that payment of a civil penalty
5	should not be ordered; (4) contest the imposition of the maximum civil penalty allowable under
6	the law; or (5) assert any defense to liability or remedy, including, but not limited to, any statute
7	of limitations defense.
8 9	IV.
10	IT IS FURTHER ORDERED that David Lynn Hunter shall sign an affidavit
11	acknowledging receipt of this Final Judgment within twenty days of its receipt of the Final
12	Judgment and promptly return the affidavit to Plaintiff's counsel of record for filing with this Court.
13	${f V}.$
I4	IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for
15	purposes of implementing and enforcing the terms and conditions of the Final Judgment.
16	VI.
17	IT IS FURTHER ORDERED that there being no just reason for delay, the Clerk of the
18	Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure to enter this
19	Final Judgment forthwith and without further notice.
20	

1	The Clerk of the Court is directed to send a copy of this order to all counsel of
2	record.
3	Dated this 12 day of March , 2004.
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7	Would Peca-
8	Marsha J. Pechman
9	UNITED STATES DISTRICT JUDGE
10	

1	Send Copies to:
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