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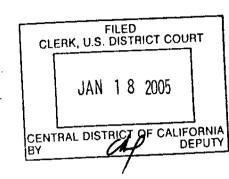
MICHAEL A. PIAZZA, pro hac vice JOSE F. SANCHEZ, Cal. Bar No. 161362 NICOLAS MORGAN, Cal. Bar No. 166441

ANDREW J. DUNBAR, Cal. Bar No. 203265 ELIZABETH P. SMITH, Cal. Bar No. 210732 KAROL L. K. POLLOCK, Cal. Bar No. 77009 ROBERT H. CONRRAD, Cal. Bar No. 199498 Priority Send Closed JS-5/**JS-6** JS-2/JS-3 Scan Only

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UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff.

VS.

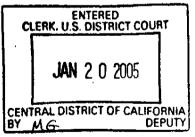
HENRY C. YUEN, ELSIE M. LEUNG, JONATHAN B. OKLICK, and CRAIG M. WAGGY.

Defendants.

from this Final Judgment:

Case No. CV 03-4376 MRP (PLAx)

FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AS TO DEFENDANT JONATHAN B. ORLICK



The Securities and Exchange Commission having filed a Third Amended Complaint ("Complaint") and Defendant Jonathan B. Orlick ("Orlick") having entered a general appearance; consented to the Court's jurisdiction over Orlick 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

THIS CONSTITUTES NOTICE OF ENTRY

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I.

IT IS ORDERED, ADJUDGED, AND DECREED that Orlick and his 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.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Orlick and his 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 knowingly circumventing or knowingly failing to implement a system of internal accounting controls, or by knowingly falsifying any book, record or account required to be kept by an issuer, in violation Section 13(b)(5) of the Exchange Act, 15 U.S.C. § 78m(b)(5).

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III.

and his 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 Exchange Act Rule 13b2-2, 17 C.F.R. § 240.13b2-2, by, in connection with audits or examinations of financial statements and the preparation and filing of financial statements and reports required to be filed with the Securities and Exchange Commission ("Commission"), directly or indirectly making or causing to be made materially false or misleading statements to accountants, or by directly or indirectly omitting to state or causing another person to omit to state to accountants material facts necessary in order to make statements made to the accountants, in light of the circumstances under which such statements were made, not misleading.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Orlick and his 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 aiding and abetting an issuer's filing of annual reports with the Commission on Forms 10-K and quarterly reports with the Commission on Forms 10-Q that fail to contain material information necessary to make the required statements in the Forms 10-K or 10-Q, in light of the circumstances under which they are made, not misleading, in violation of Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1, and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13.

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V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Orlick and his 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 aiding and abetting any violation of Section 13 (b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A), and Rule 13-b2-1 thereunder, 17 C.F.R. § 240.13b2-1, by knowingly providing substantial assistance to an issuer that failed to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the issuer.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Orlick is prohibited for ten years following the date of entry of this Final 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, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Orlick is liable for disgorgement of \$150,000.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$5,510.62, and a civil penalty in the amount of \$150,000.00 pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). Orlick shall satisfy this obligation by (i) paying \$155,510.62 within 10 days of the date of this Final Judgment, and (2) paying \$150,000.00 within six months of the date of this Final Judgment. Each payment shall be submitted to the Clerk of this Court together with a cover letter identifying Orlick as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and

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specifying that payment is made pursuant to this Final Judgment. Orlick shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making these payments, Orlick relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Orlick. Orlick shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

The Clerk shall deposit the funds into an interest bearing account. These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held by in such account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States.

The Commission may by motion propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Orlick shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Orlick's payment of disgorgement in this action, further benefit by offset or reduction of such compensatory damages award by the amount of any part of Orlick's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Orlick shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset

payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Orlick by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

VIII.

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 Orlick shall comply with all of the undertakings and agreements set forth therein.

IX.

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.

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: January 18,2005

IONORABLE MARIANA ROPFAELZER

UNITED STATES DISTRICT JUDGE

PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address in 2 3 U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648 4 Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908. 5 On January 14, 2005, I caused to be delivered the document entitled FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AS 6 7 TO DEFENDANT JONATHAN B. ORLICK upon the party to this action addressed as stated on the attached service list: 8 [X]**OFFICE MAIL:** By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am 9 readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business. 10 11 **PERSONAL DEPOSIT IN MAIL:** By placing in sealed envelope(s), which I personally deposited with the U.S. Postal 12 Service. Each such envelope was deposited with the U.S. Postal 13 Service at Los Angeles, California, with first class postage thereon fully prepaid. 14 [] **EXPRESS U.S. MAIL:** Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of 15 Express Mail at Los Angeles, California, with Express Mail postage 16 paid. [] 17 **HAND DELIVERY:** I caused to be hand delivered each such envelope to the office of the addressee. 18 FEDERAL EXPRESS: By placing in sealed envelope(s) designated by [] 19 Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a 20 Federal Express courier, at Los Angeles, California. 21 **ELECTRONIC MAIL:** By transmitting the document by electronic mail ſl to the electronic mail address as stated on the attached service list. 22 [] FAX (BY AGREEMENT ONLY): By transmitting the document by facsimile transmission. The transmission was reported as complete and 23 without error. 24 [X](**Federal**) I declare that I am employed in the office of a member of the bar 25 of this Court, at whose direction the service was made. I declare under penalty of perjury that the foregoing is true and correct. 26 MAGNOLIA M. MARCELO 27 Date: January 14, 2005 28

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SCANNER

United States District Court - Central District of California Case No. CV 03-4376 MRP (PLAx) (LA-2590)

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