

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

SECURITIES AND EXCHANGE COMMISSION,)	
)	
PLAINTIFF,)	
)	
v.)	1:03-cv-1659-LJM-WTL
)	
PATRICK BALLINGER, et al.)	
)	
DEFENDANTS.)	

FINAL JUDGMENT AS TO DEFENDANT PATRICK BALLINGER

The Securities and Exchange Commission (“Commission”) having filed a Complaint and Defendant Patrick Ballinger (“Defendant Ballinger”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant Ballinger and the subject matter of this action; and upon the joint motion by both parties:

I.

**[PERMANENT INJUNCTION PROHIBITING VIOLATIONS
OF SECTION 10(b) OF EXCHANGE ACT AND RULE 10b-5 THEREUNDER]**

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Ballinger and Defendant Ballinger’s 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.

**[PERMANENT INJUNCTION PROHIBITING VIOLATIONS
OF SECTION 17(a) OF SECURITIES ACT]**

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Ballinger and Defendant Ballinger's 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 Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements

made, in light of the circumstances under which they were made, not misleading;
or

- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

III.

[PERMANENT INJUNCTION PROHIBITING VIOLATIONS OF SECTION 5 OF SECURITIES ACT]

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Ballinger and Defendant Ballinger's 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 Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use

or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding of examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

IV.

[DISGORGEMENT AND CIVIL PENALTIES]

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that the Commission's claims for disgorgement and penalties in this action are hereby dismissed.

V.

[INCORPORATION OF CONSENT OF DEFENDANT BALLINGER]

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Consent of Defendant Ballinger filed in connection with the Commission's motion for entry of the Order of Permanent Injunction are incorporated in this Final Judgment with the same force and effect as if fully set forth herein, and that Defendant Ballinger shall comply with all of the undertakings and agreements set forth therein.

VI.

[RETENTION OF JURISDICTION]

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including for the purposes of enforcing the

terms of this Final Judgment as to Defendant Ballinger.

VII.

[PROVISION FOR IMMEDIATE ENTRY OF ORDER]

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that there being no just reason for delay, the Clerk of the Court is hereby directed to enter this Final Judgment.

SO ORDERED:

Laura A. Briggs, Clerk

BY: 

Deputy Clerk, U.S. District Court

DISTRIBUTION:

All Counsel of Record

All Individual Parties of Record
whose current mailing address
is known.