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3:03-CV-02178 SECURITIES V. MUTH
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CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

BY: *[Signature]* DEPUTY

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

BY FAX

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

STEVEN E. MUTH and DOOR CHAIR,
LTD,

Defendants.

Case No. 03 CV 2178 WQH (JFS)
**[AMENDED PROPOSED] FINAL
JUDGMENT OF DISGORGEMENT
AND IMPOSING A CIVIL
PENALTY AGAINST STEVEN E.
MUTH**

TO DEFENDANT STEVEN E. MUTH:

Pursuant to the Court's Order Granting Plaintiff Securities And Exchange
Commission's Motion For Summary Judgment Of Disgorgement And Imposing A
Civil Penalty Against Defendant Steven E. Muth:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Muth is
liable for disgorgement of \$1,497,343, together with prejudgment interest thereon
in the amount of \$545,214, totaling \$2,042,557, and a third tier civil penalty of
\$110,000 pursuant to Section 20(d)(3) of the Securities Act,

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ENTERED ON 11/4/05

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1 15 U.S.C. § 77t(d)(3). Muth shall satisfy this obligation by paying \$2,152,557
2 within ten days of the date of entry of this Final Judgment in the form of a
3 cashier's check, certified check or postal money order payable to the Treasury of
4 the United States, together with a cover letter that identifies the defendant, the
5 name and case number of this litigation and the court. A copy of the cover letter
6 shall be simultaneously transmitted to counsel for the Commission in this action at
7 the Commission's Pacific Regional Office in Los Angeles, California. By making
8 this payment, Muth relinquishes all legal and equitable right, title, and interest in
9 such funds, and no part of the funds shall be returned to Muth.

10 **II.**

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the
12 Commission may propose a plan to distribute funds paid by the Defendant in
13 satisfaction of this Final Judgment subject to the Court's approval. Such a plan
14 may provide that the funds shall be distributed pursuant to the Fair Fund
15 provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of
16 whether any such Fair Fund distribution is made, the amounts ordered to be paid
17 as a civil penalty pursuant to this Final Judgment shall be treated as a penalty paid
18 to the government for all purposes, including all tax purposes.

19 **III.**

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this
21 Court shall retain jurisdiction over this action for all purposes, including to
22 implement and enforce the terms of this Final Judgment and all other orders and
23 decrees which have been and may be entered in this case, and to grant such other
24 relief as this Court may deem necessary and just.

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IV.

There being no just reason for delay, the Clerk of the Court is directed, pursuant to Fed. R. Civ. P. 54(b), to enter this Final Judgment.

DATED: 11/1/05

William O. Hayes
HONORABLE WILLIAM O. HAYES
UNITED STATES DISTRICT JUDGE

Submitted by: *Marianne Wisner*
Marianne Wisner
Attorney for Plaintiff
Securities and Exchange Commission

PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648
Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908.

On September 20, 2005, I caused to be delivered the document entitled **[AMENDED PROPOSED] FINAL JUDGMENT OF DISGORGEMENT AND IMPOSING A CIVIL PENALTY AGAINST STEVEN E. MUTH** upon the party to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am 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.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee.

FEDERAL EXPRESS :By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

FAX (BY AGREEMENT ONLY): By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

(Federal) I declare that I am employed in the office of a member of the bar of this Court, at whose direction the service was made. I declare under penalty of perjury that the foregoing is true and correct.

Date: September 20, 2005

Magnolia M. Marcelo
MAGNOLIA M. MARCELO

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SEC v. STEVEN E. MUTH, et al.
United States District Court - Southern District of California
Case No. 03-CV-2178 WQH (JFS)
(LA-2362)

SERVICE LIST

Steven E. Muth (served by Federal Express and U.S. Mail)
Door Chair, Ltd.
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Aurora, CO 80013
Pro Se