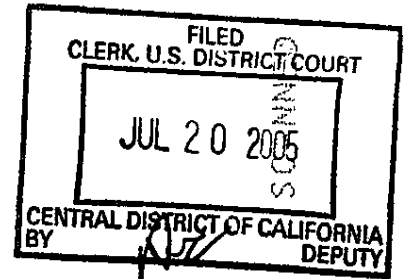
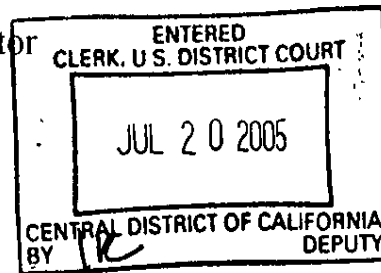


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10
 11 UNITED STATES DISTRICT COURT
 12 FOR THE CENTRAL DISTRICT OF CALIFORNIA
 13 WESTERN DIVISION

14
 15 SECURITIES AND EXCHANGE
 COMMISSION,

16 Plaintiff,

17 vs.

18 PETER F. PAUL, STEPHEN M.
 19 GORDON and JEFFREY L.
 PITTSBURG,

20 Defendants.

Case No. CV 04-6613 SVW (SSx)

~~PROPOSED~~ FINAL
 JUDGMENT OF PERMANENT
 INJUNCTION AND OTHER
 RELIEF AGAINST DEFENDANT
 PETER F. PAUL

THIS CONSTITUTES NOTICE OF ENTRY
 AS REQUIRED BY FRCP, RULE 77(d).

22 Plaintiff Securities and Exchange Commission ("Commission"), having
 23 filed and served upon Peter F. Paul ("Paul") a Summons and Complaint
 24 ("Complaint") and Paul having entered a general appearance; consented to the
 25 Court's jurisdiction over him and the subject matter of this action; consented to
 26 the entry of this Final Judgment Of Permanent Injunction And Other Relief
 27 Against Peter F. Paul ("Final Judgment") without admitting or denying the
 28 allegations of the Complaint (except as to jurisdiction); waived findings of fact

SCANNED

1 and conclusions of law; and waived any right to appeal from this Final
2 Judgment:

3 I.

4 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Paul and
5 his agents, servants, employees and attorneys, and all persons in active concert
6 or participation with any of them who, receive actual notice of this Final
7 Judgment by personal service or otherwise, and each of them, are permanently
8 restrained and enjoined from, directly or indirectly, in the offer or sale of any
9 securities, by the use of any means or instruments of transportation or
10 communication in interstate commerce or by use of the mails:

- 11 1. employing any device, scheme or artifice to defraud;
 - 12 2. obtaining money or property by means of any untrue statement of a
13 material fact or any omission to state a material fact necessary in
14 order to make the statements made, in the light of the
15 circumstances under which they were made, not misleading; or
 - 16 3. engaging in any transaction, practice, or course of business which
17 operates or would operate as a fraud or deceit upon the purchaser;
- 18 in violation of Section 17(a) of the Securities Act of 1933, 15 U.S.C. § 77q(a).

19 II.

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Paul
21 and his agents, servants, employees and attorneys, and all persons in active
22 concert or participation with any of them, who receive actual notice of this Final
23 Judgment by personal service or otherwise, and each of them, are permanently
24 restrained and enjoined from, directly or indirectly, in connection with the
25 purchase or sale of any security, by the use of any means or instrumentality of
26 interstate commerce, or of the mails, or of any facility of any national securities
27 exchange:

28 *

- 1 a. employing any device, scheme, or artifice to defraud;
- 2 b. making any untrue statement of a material fact or omitting to state
- 3 a material fact necessary in order to make the statements made, in
- 4 the light of the circumstances under which they were made, not
- 5 misleading; or
- 6 c. engaging in any act, practice, or course of business which operates
- 7 or would operate as a fraud or deceit upon any person;
- 8 in violation of Section 10(b) of the Securities Exchange Act of 1934
- 9 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R.
- 10 § 240.10b-5.

11 III.

12 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Paul

13 and his agents, servants, employees and attorneys, and all persons in active

14 concert or participation with any of them, who receive actual notice of this Final

15 Judgment by personal service or otherwise, and each of them, are permanently

16 restrained and enjoined from obtaining, receiving or enjoying the beneficial use

17 of a loan or other extension of credit from any lender for the purpose of

18 (A) purchasing or carrying United States securities, or (B) purchasing or

19 carrying within the United States of any other securities, in violation of Section

20 7(f) of the Exchange Act, 15 U.S.C. § 78g(f), and Regulation X promulgated

21 thereunder, 12 C.F.R. §§ 224.1 *et seq.*

22 IV.

23 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Paul

24 and his agents, servants, employees and attorneys, and all persons in active

25 concert or participation with any of them, who receive actual notice of this Final

26 Judgment by personal service or otherwise, and each of them, are permanently

27 restrained and enjoined from, while directly or indirectly the beneficial owner of

28 more than 5% of any class of any equity security which is registered pursuant to

1 Section 12 of the Exchange Act, 15 U.S.C. § 78l, failing to timely file with the
2 Commission a statement containing the information required by Schedule 13D
3 and to promptly file amendments disclosing material changes to facts set forth
4 in Schedule 13D, in violation of Section 13(d) of the Exchange Act, 15 U.S.C.
5 § 78m(d), and Rules 13d-1 and 13d-2 thereunder, 17 C.F.R. §§ 240.13d-1 &
6 240.13d-2.

7 V.

8 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Paul
9 and his agents, servants, employees and attorneys, and all persons in active
10 concert or participation with any of them, who receive actual notice of this Final
11 Judgment by personal service or otherwise, and each of them, are permanently
12 restrained and enjoined from, while directly or indirectly the beneficial owner of
13 more than ten percent of any class of any equity security which is registered
14 pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or while a director
15 or officer of the issuer of any such security, failing to timely file with the
16 Commission the required form(s) accurately reporting (1) his beneficial
17 ownership of the issuer's securities once he becomes a director, officer or
18 beneficial owner of more than ten percent of such securities, and (2) changes in
19 his beneficial ownership, in violation of Section 16(a) of the Exchange Act,
20 15 U.S.C. § 78p(a), and Rule 16a-3 thereunder, 17 C.F.R. § 240.16a-3.

21 VI.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that,
23 pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section
24 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Paul is permanently
25 prohibited from acting as an officer or director of any issuer that has a class of
26 securities registered with the Commission pursuant to Section 12 of the
27 Exchange Act, 15 U.S.C. § 78l, or that is required to file reports with the
28 Commission pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that based upon Paul's sworn representations in his Statement Of Financial Condition dated April 27, 2005, and other documents and information submitted to the Commission, this Court is not ordering Paul to pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), or Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The determination not to impose a civil penalty is contingent upon the accuracy and completeness of Paul's Statement Of Financial Condition. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Paul'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 Paul, petition the Court for an order requiring Paul 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 Paul 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 Paul to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The Commission may also request additional discovery. Paul may not, by way of defense to such petition: (1) challenge the validity of his Consent or this Final Judgment; (2) contest the allegations in the Complaint filed by the Commission; (3) assert that payment of a civil penalty should not be ordered; (4) contest the imposition of the maximum civil penalty allowable under the law; or (5) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Paul's Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Paul shall comply with all the undertakings and agreements set forth therein.

IX.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that during the pendency of this action against any defendant, Paul shall remain subject to the discovery provisions of the Federal Rules of Civil Procedure which apply to parties, and, in addition, that Paul shall appear, without service of a subpoena, for his deposition or to testify as a witness at any trial of this action or at any other related proceeding. Failure to comply with the foregoing will subject Paul to the remedies and sanctions set forth in Rule 37 of the Federal Rules of Civil Procedure and all other available remedies.


X.

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.

XI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk of the Court is ordered to enter this Final Judgment forthwith and without further notice.

DATED: 7/19/05


UNITED STATES DISTRICT JUDGE
HONORABLE STEPHEN V. WILSON

CERTIFICATE OF SERVICE

I, Magnolia M. Marcelo, am over the age of eighteen years, am not a party to this action, and am a citizen of the United States. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. On July 18, 2005, I caused to be served the **[PROPOSED] FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT PETER F. PAUL** by causing to be mailed true and correct copies thereof in sealed envelopes, postage prepaid, addressed to:

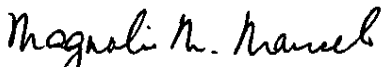
Peter F. Paul
1601 River Ridge Drive
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Pro Se

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Attorney for Defendant Jeffrey L. Pittsburg

Joseph A. Tagliaferro III, Esq.
Lederer Nojima Tagliaferro LoPresti & Blakely LLP
11755 Wilshire Boulevard, Suite 1200
Los Angeles, CA 90025
Attorney for Defendant Jeffrey L. Pittsburg

I declare under penalty of perjury that the foregoing is true and correct.

DATED: July 18, 2005



Magnolia M. Marcelo