

1 MICHAEL A. Piazza, *pro hac vice*
2 KELLY BOWERS, Cal. Bar No. 164007
3 VICTORIA A. LEVIN, Cal. Bar No. 166616

4 Attorney for Plaintiff
5 Securities and Exchange Commission
6 Randall R. Lee, Regional Director
7 Sandra J. Harris, Associate Regional Director
8 Briane Nelson Mitchell, Associate Regional Director
9 5670 Wilshire Boulevard, 11th Floor
10 Los Angeles, California 90036-3648
11 Telephone: (323) 965-3998
12 Facsimile: (323) 965-3908
13 piazzam@sec.gov
14 bowersk@sec.gov
15 levinv@sec.gov

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CENTRAL DISTRICT OF CALIFORNIA
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10 UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 JOHN D. HUTCHINSON,

16 Defendant.

Case No. CV05 1489

17 [PROPOSED] FINAL
18 JUDGMENT OF PERMANENT
19 INJUNCTION AND OTHER
20 RELIEF AGAINST JOHN D.
21 HUTCHINSON

22 Plaintiff Securities and Exchange Commission having filed a Complaint and
23 Defendant John D. Hutchinson having entered a general appearance; consented to
24 the Court's jurisdiction over Defendant and the subject matter of this action;
25 consented to entry of this Final Judgment without admitting or denying the
26 allegations of the Complaint (except as to jurisdiction); waived findings of fact
27 and conclusions of law; and waived any right to appeal from this Final Judgment:

28 I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
and Defendant'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

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1 and enjoined from violating, directly or indirectly, Section 17(a) of the Securities
2 Act of 1933 (the "Securities Act"), 15 U.S.C. § 77q(a), in the offer or sale of any
3 security by using any means or instruments of transportation or communication in
4 interstate commerce or by use of the mails:

- 5 (a) to employ any device, scheme, or artifice to defraud;
- 6 (b) to obtain money or property by means of any untrue statement of a
7 material fact or any omission of a material fact necessary in order to
8 make the statements made, in light of the circumstances under which
9 they were made, not misleading; or
- 10 (c) to engage in any transaction, practice, or course of business which
11 operates or would operate as a fraud or deceit upon the purchaser.

12 **II.**

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
14 Defendant and Defendant's agents, servants, employees, attorneys, and all persons
15 in active concert or participation with them who receive actual notice of this Final
16 Judgment by personal service or otherwise are permanently restrained and
17 enjoined from violating, directly or indirectly, Section 10(b) of the Securities
18 Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5
19 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any means or
20 instrumentality of interstate commerce, or of the mails, or of any facility of any
21 national securities exchange, in connection with the purchase or sale of any
22 security:

- 23 (a) to employ any device, scheme, or artifice to defraud;
- 24 (b) to make any untrue statement of a material fact or to omit to state a
25 material fact necessary in order to make the statements made, in the
26 light of the circumstances under which they were made, not
27 misleading; or

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1 (c) to engage in any act, practice, or course of business which operates or
2 would operate as a fraud or deceit upon any person.

3 **III.**

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
5 Defendant is liable for disgorgement of \$101,778, representing losses avoided as a
6 result of the conduct alleged in the Complaint, together with prejudgment interest
7 thereon in the amount of \$1,179.84, for a total of \$102,957.84. Defendant shall
8 satisfy this obligation by paying \$102,957.84 within ten (10) business days after
9 entry of this Final Judgment by certified check, bank cashier's check, or United
10 States postal money order payable to the Securities and Exchange Commission.
11 The payment shall be delivered or mailed to the Office of Financial Management,
12 Securities and Exchange Commission, Operations Center, 6432 General Green
13 Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a
14 letter identifying John D. Hutchinson as a defendant in this action; setting forth the
15 title and civil action number of this action and the name of this Court; and
16 specifying that payment is made pursuant to this Final Judgment. A copy of the
17 cover letter shall be simultaneously transmitted to counsel for the Commission in
18 this action at the Commission's Pacific Regional Office in Los Angeles,
19 California.

20 **IV.**

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant shall pay a civil penalty in the amount of \$101,778 pursuant to Section
23 21A of the Exchange Act. Defendant shall make this payment within ten (10)
24 business days after entry of this Final Judgment by certified check, bank cashier's
25 check, or United States postal money order payable to the Securities and Exchange
26 Commission. The payment shall be delivered or mailed to the Office of Financial
27 Management, Securities and Exchange Commission, Operations Center, 6432
28 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be

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1 accompanied by a letter identifying John D. Hutchinson as a defendant in this
2 action; setting forth the title and civil action number of this action and the name of
3 this Court; and specifying that payment is made pursuant to this Final Judgment.
4 A copy of the cover letter shall be simultaneously transmitted to counsel for the
5 Commission in this action at the Commission's Pacific Regional Office in Los
6 Angeles, California.

7 **V.**

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
9 Consent is incorporated herein with the same force and effect as if fully set forth
10 herein, and that Defendant shall comply with all of the undertakings and
11 agreements set forth therein.

12 **VI.**

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this
14 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
15 of this Final Judgment.

16
17 DATED:

2/28/05


UNITED STATES DISTRICT JUDGE