

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA

RECEIVED  
CLERK, FLORENCE, SC

16 SEP 16 P 2:37

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

LEONARD M. SNYDER, H. DANE REYNOLDS,  
C. BURT DUREN, and R. CAREY JOHNSON,

Defendants.

CIVIL ACTION FILE  
NO. \_\_\_\_\_

7 - 0 5 - 2 4 7 1 - RBH

FINAL JUDGMENT AS TO DEFENDANT R. CAREY JOHNSON

The Securities and Exchange Commission having filed a Complaint and Defendant R. Carey Johnson having entered a general appearance; consented to the Court's jurisdiction over Defendant 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 from this Final Judgment:

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 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.

II.

IT IS HEREBY FURTHER 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 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.

A handwritten signature in black ink, appearing to be 'RBH' with a flourish underneath.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendant, and Defendant's agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, be and hereby are permanently enjoined and restrained from violating, directly or indirectly, Sections 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] and Rule 13b2-1 thereunder [17 C.F.R. § 240.13b2-1], by:

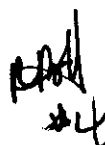
- (a) knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account of any issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or any company which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)]; or
- (b) falsifying or causing to be falsified, directly or indirectly, any book, record or account of any company which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or any company which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that Defendant, and Defendant's agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Final Judgment, by personal service

or otherwise, and each of them, be and hereby are permanently enjoined and restrained from aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) 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], by knowingly providing substantial assistance to an issuer with a security registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or an issuer which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)] that:

- (a) files any materially untrue, incorrect, false or misleading annual report;
- (b) files any materially untrue, incorrect, false or misleading quarterly report;
- (c) fails, in addition to information expressly required to be included in statements or reports filed with the Commission, to add such further material information, if any, as may be necessary to make required statements, in light of the circumstances under which they are made, not misleading;
- (d) fails 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; or
- (e) fails to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:
  - (i) transactions are executed in accordance with management's general or specific authorization;
  - (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or

Handwritten signature and initials, possibly "RAB" and "24", located at the bottom center of the page.

any other criteria applicable to such statements, and to maintain  
accountability for assets;

- (iii) access to assets is permitted only in accordance with management's general  
or specific authorization; and
- (iv) the recorded accountability for assets is compared with the existing assets  
at reasonable intervals and appropriate action is taken with respect to any  
differences.

V.

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)], Defendant is permanently barred 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)].

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a  
civil penalty in the amount of \$25,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C.  
§ 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall  
make this payment within ten (10) business days after entry of this Final Judgment by certified  
check, bank cashier's check, or United States postal money order payable to the Securities and  
Exchange Commission. The payment shall be delivered or mailed to the Office of Financial  
Management, Securities and Exchange Commission, Operations Center, 6432 General Green

Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying R. Carey Johnson as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. A copy of which cover letter and money order shall be sent to Alex Rue, Senior Trial Counsel, Securities and Exchange Commission, 3475 Lenox Road, N.E., Suite 1000, Atlanta, Georgia 30326-1232. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

VII.

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

VIII.

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.

IX.

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: Sept 14, 2005

  
UNITED STATES DISTRICT JUDGE