

STANTON, J

note: but bearing trust

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION, :

Plaintiff, :

- against - :

05 Civ. 4724 (LLS)

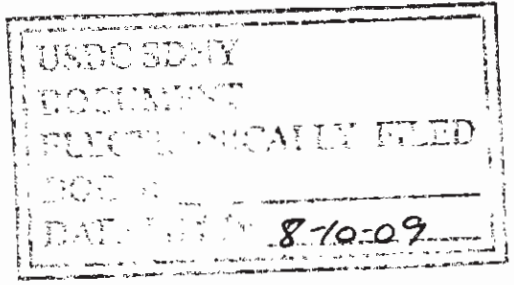
AIMSI TECHNOLOGIES, INC., REGINALD
HALL, HARRIS DEMPSEY "BUTCH" BALLOW,
EVERETT BASSIE, WINFRED FIELDS,
and BRUCE CHARLES POLLOCK

Defendants, :

- and - :

WILLIAM WATKINS, DOLORES WATKINS,
WRIGHT FAMILY HOLDINGS, INC.,
WRIGHT FAMILY TRUST, GBY INTERNATIONAL
PUBLIC RELATIONS, INC., BP INTERNATIONAL,
INC., SECURE RELEASES, INC., CHINA
GLOBAL DISTRIBUTION CORP., LINES
OVERSEAS MANAGEMENT, WONDERLAND
CAPITAL CORP., PRIVATE FUNDING CORP., and
OREKOYA CAPITAL CORP.,

Relief Defendants. :



FINAL JUDGMENT AS TO DEFENDANT HARRIS DEMPSEY
"BUTCH" BALLOW AND RELIEF DEFENDANTS
WRIGHT FAMILY HOLDINGS, INC. AND WRIGHT FAMILY TRUST **AND LINES**
OVERSEAS MANAGEMENT

LUS

WHEREAS, the Securities and Exchange Commission moved for judgment by default against Defendants Harris Dempsey "Butch" Ballow ("Defendant Ballow"), and Relief Defendants Wright Family Trust ("Relief Defendant Wright Family Trust"), and Wright Family Holdings, Inc. ("Relief Defendant Wright Family Holdings"),

WHEREAS, Relief Defendant Lines Overseas Management ("LOM") is presently holding accounts in the name of Wright Family Holdings, which assets have

been frozen pursuant to Stipulation and Order dated June 13, 2005 pending further order of this Court,

WHEREAS, the Clerk of this Court is presently holding in escrow in the Court Registry Investment System (“CRIS”) account established in this proceeding entitled Wright Family Holdings (Account No. 9), pending further order of this Court, the sum of \$340,085.58, which represents the sum of \$310,241.46 deposited on January 25, 2006 pursuant to this Court’s Order dated November 22, 2005, representing monies previously held by Relief Defendant Wright Family Holdings in an account located in Montserrat, and which was ordered paid to the Clerk of this Court upon final judgment of the Montserrat Court pursuant to a legal proceeding commenced by the Commission against Relief Defendant Wright Family Holdings in Montserrat, plus interest accrued thereon since January 25, 2006,

WHEREAS, the Clerk of this Court is also presently holding in escrow in the CRIS account established in this proceeding entitled Wright Family Trust (Account No. 10), pending further order of this Court, the sum of \$33,635.39, which represents the sum of \$32,331.71 deposited on April 24, 2007 pursuant to this Court’s Order dated April 10, 2007, representing monies previously held by Relief Defendant Wright Family Holdings in an account held at Barron Moore, plus interest accrued thereon since April 10, 2007 and

WHEREAS, the Court issued a Memorandum and Order dated July 23, 2009 resolving the Commission’s motion, and upon all prior proceedings herein,

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Ballow, and his 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.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Ballow, and his 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 [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.

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 Ballow is prohibited 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)].

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Ballow, Relief Defendant Wright Family Holdings and Relief Defendant Wright Family Trust are jointly and severally liable for disgorgement of \$2,229,087.07, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$710,766.99. Defendant Ballow, Relief Defendants Wright Family Holdings and/or Relief Defendant Wright Family Trust

shall satisfy these obligations by paying \$2,939,854.06 within ten business days to the Clerk of this Court, together with a cover letter identifying themselves as defendants 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.

Defendant Ballow and Relief Defendants Wright Family Trust and Wright Family Holdings shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making such payment or payments, Defendant Ballow and Relief Defendants Wright Family Trust and Wright Family Holdings relinquish all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to any of them. Defendant Ballow and Relief Defendants Wright Family Holdings and Wright Family Trust shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Clerk of the Court shall create an interest bearing CRIS account entitled "Commission Judgments" in this proceeding, and shall deposit all funds received from Defendant Ballow, and Relief Defendants Wright Family Holdings and Wright Family Trust in full or partial satisfaction of this Judgment into such account.

In partial satisfaction of the foregoing obligations, Relief Defendant Lines Overseas Management ("LOM") shall, within ten business days, transmit to the Clerk of this Court all funds held by LOM and/or LOM Securities (Bahamas) Limited in Account No. 6030065 in the name of Wright Family Holdings and in Account No. 600-0065 entitled LOM Bahamas – Wright Family Legal Suspense, which accounts have been frozen pending further order of this Court pursuant to Stipulation and Order dated June 13, 2005, together with a cover letter identifying Wright Family Holdings 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. Relief Defendant LOM shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. Upon that transfer, LOM, Defendant Ballow, and Relief Defendants Wright Family Trust and Wright Family Holdings relinquish all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to any of them. Upon receipt of these funds from LOM, the Clerk of the Court shall deposit them into the Commission Judgments CRIS account established in this proceeding. In order to effectuate the terms of this paragraph, the asset freeze order previously pertaining to the afore-mentioned accounts is lifted, solely for the purpose of permitting the funds held in the LOM account to be deposited with the Clerk of this Court.

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In further partial satisfaction of this obligation, the Clerk of this Court shall, within ten business days, release from escrow the sums of \$340,085.58 in the CRIS account established in this proceeding entitled Wright Family Holdings (Account No. 9), and of \$33,635.39 in the CRIS account entitled Wright Family Trust (Account No. 10), and deposit them in the Commission Judgments CRIS account established in this proceeding. Defendant Ballow, and Relief Defendants Wright Family Trust and Wright Family Holdings relinquish all legal and equitable right, title, and interest in the aforementioned funds, and no part of the funds shall be returned to any of them.

The aforementioned funds which the Clerk shall have deposited into the interest bearing Commission Judgments CRIS account established in this action, together with any interest and income earned thereon, shall be held in the interest bearing account until

further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money a fee equal to ten percent of the income earned. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute such funds subject to the Court's approval. Defendant Ballow and Relief Defendants Wright Family Trust and Wright Family Holdings shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Ballow is liable for a third-tier civil penalty in the amount of \$2,229,087.07 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 Ballow shall satisfy this obligation by paying \$2,229,087.07 within ten business days to the Clerk of this Court, together with a cover letter identifying Ballow 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. Defendant shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making this payment, Defendant Ballow relinquishes all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendant. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

The Clerk shall deposit the aforementioned funds into the Commission Judgments CRIS account established in this proceeding. These funds, together with any interest and income earned thereon, shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money a fee equal to ten percent of the income earned. Such fee shall not exceed that authorized by the Judicial Conference of the United States.

VI.

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.

VII.

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: August 7, 2009

Louis G. Stanton
UNITED STATES DISTRICT JUDGE