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OCT 18 2006
CENTRAL DISTRICT OF CALIFORNIA
BY [Signature] DEPUTY

16 UNITED STATES DISTRICT COURT
17 CENTRAL DISTRICT OF CALIFORNIA
18 SOUTHERN DIVISION

19
20 SECURITIES AND EXCHANGE
COMMISSION,

21 Plaintiff,

22 vs.

23 SALVATORE FAVATA,

24 Defendant.

25 Case No.: SACV06-943 JVS (ANx)

26 FINAL JUDGMENT AS TO DEFENDANT
27 SALVATORE FAVATA

28 ENTERED
OCT 19 2006
CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SANTA ANA OFFICE
BY [Signature] DEPUTY

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

LOGGED

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1 The Securities and Exchange Commission having filed a Complaint for
2 Violations of the Federal Securities Laws ("Complaint") and Defendant Salvatore
3 Favata ("Defendant") having entered a general appearance; consented to the
4 Court's jurisdiction over Defendant and the subject matter of this action; consented
5 to entry of this Final Judgment as to Defendant Salvatore Favata ("Final
6 Judgment") without admitting or denying the allegations of the Complaint (except
7 as to jurisdiction); waived findings of fact and conclusions of law; and waived any
8 right to appeal from this Final Judgment:

9 I.

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

19 (a) to employ any device, scheme, or artifice to defraud;

20 (b) to make any untrue statement of a material fact or to omit to state a
21 material fact necessary in order to make the statements made, in the light of the
22 circumstances under which they were made, not misleading; or

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

25 II.

26 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND
27 DECREED that Defendant and Defendant's agents, servants, employees, attorneys,
28 and all persons in active concert or participation with them who receive actual

1 notice of this Final Judgment by personal service or otherwise are permanently
2 restrained and enjoined from violating Section 17(a) of the Securities Act of 1933
3 (“Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the
4 use of any means or instruments of transportation or communication in interstate
5 commerce or by use of the mails, directly or indirectly:

6 (a) to employ any device, scheme, or artifice to defraud;

7 (b) to obtain money or property by means of any untrue statement of a
8 material fact or any omission of a material fact necessary in order to make the
9 statements made, in light of the circumstances under which they were made, not
10 misleading; or

11 (c) to engage in any transaction, practice, or course of business which
12 operates or would operate as a fraud or deceit upon the purchaser.

13 III.

14 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND
15 DECREED that Defendant and Defendant’s agents, servants, employees, attorneys,
16 and all persons in active concert or participation with them who receive actual
17 notice of this Final Judgment by personal service or otherwise are permanently
18 restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act
19 [15 U.S.C. § 77e(a) and (c)] by, directly or indirectly, in the absence of any
20 applicable exemption, making use of any means or instruments of transportation or
21 communication in interstate commerce or of the mails, through the use or medium
22 of a prospectus or otherwise, to: (i) sell any security, or carry or cause to be carried
23 any security through the mails or in interstate commerce for the purpose of sale or
24 delivery after sale, unless a registration statement is in effect as to the security; or
25 (2) offer to sell or offer to buy any security when a registration statement has not
26 been filed as to such security, or while the registration is the subject of a refusal
27 order or stop order or (prior to the effective date of the registration statement) any
28 public proceeding or examination under Section 8 of the Securities Act.

1 IV.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND
3 DECREED that Defendant and Defendant's agents, servants, employees, attorneys,
4 and all persons in active concert or participation with them who receive actual
5 notice of this Final Judgment by personal service or otherwise are permanently
6 restrained and enjoined from violating Section 15(a) of the Exchange Act
7 [15 U.S.C. § 78o(a)] by, directly or indirectly, in the absence of any applicable
8 exemption, engaging in the business of a broker or a dealer by making use of the
9 mails or any means or instrumentality of interstate commerce to effect any
10 transactions in, or to induce or attempt to induce the purchase or sale of, any
11 security (in the absence of an applicable exemption), without being associated with
12 a broker dealer that has been registered with the Commission.

13 V.

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

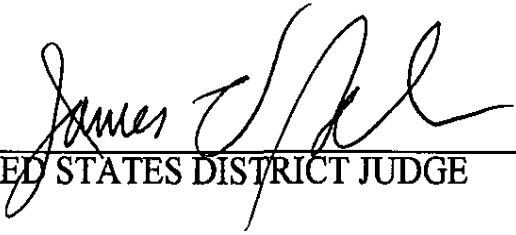
18 VI.

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this
20 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
21 of this Final Judgment.
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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: 10.18.06


UNITED STATES DISTRICT JUDGE

Approved as to Form:


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