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7 **UNITED STATES DISTRICT COURT**
8 **SOUTHERN DISTRICT OF CALIFORNIA**
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10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 vs.

14 VENCENT A. DONLAN,

15 Defendant,

16 and

17 ROBIN D. COLLS DONLAN,

18 Relief Defendant.
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Case No. 07 CV 793 JAH (LSP)

**FINAL JUDGMENT AS TO
DEFENDANT VENCENT A. DONLAN
AND RELIEF DEFENDANT
ROBIN D. COLLS DONLAN**

1 The Securities and Exchange Commission having filed a Complaint and First Amended
2 Complaint, and Defendant Vencent A. Donlan and Relief Defendant Robin D. Colls Donlan
3 having entered general appearances; consented to the Court's jurisdiction over them and the
4 subject matter of this action; consented to entry of this Final Judgment without admitting or
5 denying the allegations of the First Amended Complaint (except as to jurisdiction); waived
6 findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

7 **I.**

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Vencent A.
9 Donlan and his agents, servants, employees, attorneys, and all persons in active concert or
10 participation with them who receive actual notice of this Final Judgment by personal service or
11 otherwise are permanently restrained and enjoined from violating Section 5 of the Securities Act
12 of 1933 ("Securities Act"), 15 U.S.C. § 77e, by, directly or indirectly, in the absence of any
13 applicable exemption:

14 (a) Unless a registration statement is in effect as to a security, making use of any
15 means or instruments of transportation or communication in interstate commerce
16 or of the mails to sell such security through the use or medium of any prospectus
17 or otherwise;

18 (b) Unless a registration statement is in effect as to a security, carrying or causing to
19 be carried through the mails or in interstate commerce, by any means or
20 instruments of transportation, any such security for the purpose of sale or for
21 delivery after sale; or

22 (c) Making use of any means or instruments of transportation or communication in
23 interstate commerce or of the mails to offer to sell or offer to buy through the use
24 or medium of any prospectus or otherwise any security, unless a registration
25 statement has been filed with the Commission as to such security, or while the
26 registration statement is the subject of a refusal order or stop order or (prior to the
27 effective date of the registration statement) any public proceeding or examination
28 under Section 8 of the Securities Act, 15 U.S.C. § 77h.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Vencent A. Donlan 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, 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.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Vencent A. Donlan is jointly and severally liable with Relief Defendant Robin D. Colls Donlan for disgorgement of \$6,252,715.42, representing profits gained as a result of the conduct alleged in the First Amended Complaint, together with prejudgment interest thereon in the amount of \$153,611.23, for a total of \$6,406,326.65. Based on the Defendants' sworn representations in their Statements of Financial Condition dated September 20, 2007, and September 24, 2007, respectively, and Robin D. Colls Donlan's Declaration dated October 5, 2007, and other documents and information submitted to the Commission, however, the Court is not ordering Defendant Vencent A. Donlan to pay a civil penalty, and payment of any but \$5.5 million of the disgorgement and pre-judgment interest thereon is waived as to both Defendants. Payment of the \$5.5 million in disgorgement by Defendants shall be satisfied by the Defendants' immediate transfer to Kratos Defense & Security Solutions, Inc. (formerly Wireless Facilities, Inc.),

1 including its successors and assignees (collectively, “Kratos”), all rights to, title to and possession
2 of the following funds and assets frozen by the Court’s May 9, 2007 Order of Preliminary
3 Injunction and Orders (1) Freezing Assets, (2) Directing an Accounting, and (3) Prohibiting
4 Destruction of Documents:

5 **Bank and Brokerage Accounts**

6 Wells Fargo Account No. 0117048058
7 Wells Fargo Account No. 195-2216131
8 Wells Fargo Account No. W54658215
9 Mission Federal Credit Union Account No. 42315975-01
10 TD Ameritrade Account No. 778-341347
11 Charles Schwab Account No. 2908-5516
12 Charles Schwab Account No. 1514-0297
13 Charles Schwab Account No. 2908-5511
14 Charles Schwab Account No. 2908-5512
15 Charles Schwab Account No. 2908-5514
16 Charles Schwab Account No. 2967-2117
17 Charles Schwab Account No. 2908-5517
18 E*Trade Account No. 6707-9094
19 E*Trade Account No. 5009-3442
20 E*Trade Account No. 2007653849
21 E*Trade Account No. 2007986751
22 E*Trade Account No. 6661-3423
23 E*Trade Account No. 6718-8293

24 **Retirement Accounts**

25 Vencent A. Donlan’s California State Teachers’ Retirement System Account
26 Robin D. Colls Donlan’s IRA Ameritrade Account No. 784-886632
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1 **Automobiles**

2 1966 Mustang (VIN #6R08C234190)

3 2003 Honda Civic (VIN #2HGES26753H515335)

4 2005 Honda CRV (VIN #JHLRD78815C025528)

5 2007 Toyota Tacoma (VIN #5TEMU5N1Z376843)

6 Motor Scooter #1 (VIN #VTHBL3AA84G213145)

7 Motor Scooter #2 (VIN #VTHBL3AA73G199687)

8 **Furniture and Household Goods**

9 Described in Exhibit A attached to this Final Judgment

10 **Insurance**

11 Farmers Insurance Policy #93058-81-11

12 for the house at 3158 Oak Grove Drive, Julian, CA 92036

13 **Real Property**

14 6480 Norman Lane, San Diego, CA 92120

15 3158 Oak Grove, Julian, CA 92036

16 Defendants and/or any bank, financial institution, brokerage firm, or other entity or person
17 holding any of the above frozen funds or assets shall immediately turn over such funds or assets
18 to Kratos. Defendants shall execute all documents necessary to completely transfer their
19 interests in such frozen funds or assets to Kratos, regardless of whether such interests are partial,
20 beneficial, or full legal ownership interests. Defendants shall also pay post-judgment interest on
21 any delinquent amounts pursuant to 28 U.S.C. § 1961. The determination not to impose a civil
22 penalty and to waive payment of all but \$5.5 million of the disgorgement and pre-judgment
23 interest is contingent upon the accuracy and completeness of Defendants' Statements of
24 Financial Condition, and Robin D. Colls Donlan's Declaration dated October 5, 2007. If at any
25 time following the entry of this Final Judgment the Commission obtains information indicating
26 that either Defendant's representations to the Commission concerning his or her assets, income,
27 liabilities, or net worth were fraudulent, misleading, inaccurate, or incomplete in any material
28 respect as of the time such representations were made, the Commission may, at its sole discretion

1 and without prior notice to Defendants, petition the Court for an order requiring one or both
2 Defendants to pay the unpaid portion of the disgorgement, pre-judgment and post-judgment
3 interest thereon, and for Defendant Vincent A. Donlan to pay the maximum civil penalty
4 allowable under the law. In connection with any such petition, the only issue shall be whether
5 the financial information provided by one or both Defendants was fraudulent, misleading,
6 inaccurate, or incomplete in any material respect as of the time such representations were made.
7 In its petition, the Commission may move this Court to consider all available remedies,
8 including, but not limited to, ordering one or both Defendants to pay funds or assets, directing
9 the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The Commission
10 may also request additional discovery. Defendants may not, by way of defense to such petition:
11 (1) challenge the validity of the Consent or this Final Judgment; (2) contest the allegations in the
12 First Amended Complaint filed by the Commission; (3) assert that payment of disgorgement,
13 pre-judgment and post-judgment interest, or a civil penalty should not be ordered; (4) contest the
14 amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition
15 of the maximum civil penalty allowable under the law; or (6) assert any defense to liability or
16 remedy, including, but not limited to, any statute of limitations defense.

17 **IV.**

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consents are
19 incorporated herein with the same force and effect as if fully set forth herein, and that
20 Defendants shall comply with all of the undertakings and agreements set forth therein.

21 **V.**

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

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VI.

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: February 19, 2008



HONORABLE JOHN A. HOUSTON
UNITED STATES DISTRICT JUDGE

EXHIBIT A

Furniture and Household Goods to be Disgorged

Garage

Refrigerators (2)	Gladiator
Workbenches	
Coke Machine	Vendo 81
Coke Machine	Vendo 23
Jukebox	Seeburg Selectomatic
Jukebox	Seebut Trashcan
Video Projector	Sony
Holcomb Hoke Popcorn Machine	
MAME Machine	
F-14 Ejection Seat	
Yamaha musiccast audio server	
Speakers	Martin Logan

Recreation Room

Pinball Machine #1	Star Wars
Pinball Machine #2	Simpsons
Pinball Machine #3	F-14 Tomcat
Star Wars Trilogy Video Game	
Shuffleboard Table	Dynamo
Airhockey	Dynamo
MAME Machine	
TV	Sony 42" Plasma

Entryway

Bookcases

Entryway Closet

Speakers	Klipsch
Star Wars Statues	

Hall Closet

Telescope	Meade 12"
Telescope	Meade 10"
Binoculars	

Independence Day Model
Icons Tie Fighter model

Vencent A. Donlan's Office

Plasma TV	Fujitsu 55"
Jukebox	Seeburg Happy Days
Coke Machine	Vendo 81
Rolltop Desk	
Furniture	
B-9 Robot	
R2-D2 Robot	
Klipsch Speakers	La Scala
Yamaha Speaker	YSP - 1000
Blue Ray DVD	Sony
Yamaha Amp	
Martian War Machine	
X-Wing Model	
Tie Fighter Model	

Robin D. Colls Donlan's Office

TV

Media Room

Projector	Fujitsu
Screen	Tecstyles cinema
Plasma TV	Fujitsu 63"
Speakers	Klipsch la Scala
Furniture	Movie Theater Seats
Aquarium	
Robbie Robot	
Coke Machine	Vendo 81 - blue
Coke Machine	Vendolator
Player Piano	Kingsbury
Claw machine	American
Popcorn machine	
Millenium Falcon	
Enterprise	
Blue Ray DVD	Samsung
Jukebox	Wurlitzer One More Time
Jukebox Speaker	Wurlitzer One More Time
Antique Slot Machine	
Antique Slot Machine	Chief tic tac toe

Antique Slot Machine	Chrome Plated
Antiques Cash Register	National
Antique Penny Arcade	Mutoscope
Antique Penny Arcade	
Star Wars Pachinko	
Battlestar Galactica Model	
Martian War Machine	
Peanut Machine	
Stoner Candy Machine	
Star Wars Pachinko	
Enterprise refit	
Rocketeer Backpack	
Star Wars Millenium Falcon	
Tinkerbell Wall Fixture	
Slot Machine	Double Diamond Deluxe
Ticket Booth Wall Fixture	
Klipsch Speakers	Klipschorn
Coke Machine	Cavalier

Living Room

TV	Panasonic 36" HDTV
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Dining Room

Furniture

Formal Living Room

Coke Machine	Vendo 23
Coke Machine Change Vendor	
Jukebox	Wurlitzer OMT
Furniture	
Carrier Models	
Plasma TV	Fujitsu 50"
Barber Chair	
Wurlitzer CD Jukebox (small)	

Guest Bedroom #1

Furniture

Master Bedroom

Furniture
Plasma TV

Fujitsu 50"

Attic

Sony TV
Cabinet Doors

Grand WEGA 60"

Outside

Barbecue
Patio Furniture
Pool Furniture

Storage Shed

Art

Everhart Painting
Everhart Painting
Everhart Painting
Everhart Painting
Everhart Painting
Everhart Painting
Everhart Print
Everhart Print
Everhart Print
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Everhart Print

Cracking up #56
Return from Bora Bora Day 29
76 Dog Salute #52
Squeeze the Day 9:30 am
Squeeze the Day 10:30 am
Cracking up #43
Last Supper
Are you talking to me
Ten ways to drive an SUV
Summer
Salute
Low Fat Meal Over Santa Monica
Dancing in the Rain

Charles Schultz Print-Rats

James Gurney Painting

Tinkerbell Painting

Alex Ross Print

Tim West Simpson Art

Superhero Sericel

Padres Seat Rights

Jewelry

Teal Sapphire Ring
Sapphire Bracelet
Diamond Engagement ring

Computers

Sony Desktop	
Sony Laptop	Vaio 12"
Sony Laptop	Vaio 14"
Sony Laptop	Vaio 17"
Apple Laptop	17"
Apple Laptop	15"
Apple IMAC	24"
Apple IMAC	20"
Toshiba Qosmio	17"

Storage Shed

Toys are Us Millenium Falcon
FAO Schwartz X-wing
FAO Schwartz Tie Fighter

**Payments/Deposits Made on
Undelivered Items**

Holcomb Hoke Popcorn Machine
Bracelet