

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 07-cv-01640 REB-MEH

SECURITIES AND EXCHANGE COMMISSION,

PLAINTIFF,

v.

STEVEN B. MISNER,

DEFENDANT.

FINAL JUDGMENT AS TO DEFENDANT STEVEN MISNER

The Securities and Exchange Commission having filed an Amended Complaint and Defendant Steven Misner 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 Amended Complaint (except as to jurisdiction), waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment:

I.

PERMANENT INJUNCTION

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, 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.

OFFICER AND DIRECTOR BAR

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 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)].

III.

PENNY STOCK BAR

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the

purchase or sale of any penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. 240.3a51-1].

IV.

DISGORGEMENT AND PENALTY

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$104,000, representing profits gained as a result of the conduct alleged in the Amended Complaint, together with prejudgment interest thereon in the amount of \$43,053.86, for a total of \$147,053.86. Based on Defendant's sworn representations in his Statement of Financial Condition dated June 1, 2007, the supplementations thereto, his asset deposition on April 9, 2008, and other documents and information he has submitted to the Commission, however, the Court is not ordering Defendant to pay a civil penalty and payment of all but \$10,000 of the disgorgement and pre-judgment interest thereon is waived. Defendant shall satisfy this obligation by paying \$10,000 in two payments of \$5,000 each pursuant to the terms of the payment schedule set forth in Paragraph V below after entry of this Final Judgment. Defendant shall make each payment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. Each 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 on or before each due date set forth in Paragraph V, below, and shall be accompanied by a letter identifying Steven Misner 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 send a copy of such letters and payments to Donald Dowie, Division of Enforcement, Securities and Exchange Commission, 100 F. Street, N.E. Washington, DC 20549-4010. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

The determination not to impose a civil penalty and to waive payment of all but \$10,000 of the disgorgement and to waive payment of all pre-judgment interest is contingent upon the accuracy and completeness of Defendant's Statement of Financial Condition dated June 1, 2007, the supplementations thereto, his asset deposition on April 9, 2008, and other documents and information he has submitted to the Commission. If at any time following the entry of this Final Judgment the Commission obtains information indicating that Defendant's representations to the Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made, the Commission may, at its sole discretion and without prior notice to Defendant, petition the Court for an order requiring Defendant to pay the entire unpaid portion of the disgorgement (including all amounts that had been waived), pre-judgment and post-judgment interest thereon, and the maximum civil penalty allowable under the law. In connection with any such petition, the only issue shall be whether the financial information provided by Defendant was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such representations were made. In its petition, the Commission may move this Court to consider all available remedies, including, but not limited to, ordering Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The Commission may

also request additional discovery. Defendant may not, by way of defense to such petition: (1) challenge the validity of the Consent or this Final Judgment; (2) contest the allegations in the Amended Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-judgment and post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the maximum civil penalty allowable under the law; or (6) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

V.

PAYMENT SCHEDULE

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED Defendant shall pay \$10,000 in disgorgement in two installments according to the following schedule: (1) \$5,000 within 180 days of entry of this Final Judgment; and (2) \$5,000 within 360 days of entry of this Final Judgment.

If Defendant fails to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth above, all outstanding payments due under this Paragraph V of this Final Judgment, including post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961, shall become due and payable immediately without further application to the Court.

VI.

INCORPORATION OF CONSENT

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent [#113-2] filed October 27, 2008, 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.

VII.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the trial by jury set to commence November 3, 2008, is vacated and that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: October 27, 2008.

s/ Robert E. Blackburn
Robert E. Blackburn
UNITED STATES DISTRICT JUDGE