

NY-08313-B

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

CHIMAY CAPITAL MANAGEMENT, INC., and
GUY ALBERT DE CHIMAY,

Defendants.

10 Civ. 4582 (WHP)

**FINAL JUDGMENT ON CONSENT
IMPOSING PERMANENT INJUNCTION AND OTHER RELIEF**

The Securities and Exchange Commission ("Commission") having filed a Complaint in this matter on June 11, 2010 and having amended that Complaint on July 14, 2010; the Commission having filed on June 11, 2010 an Emergency Application for Temporary Restraining Order, Preliminary Injunction, Order to Show Cause, Order Freezing Assets and Other Relief; the Court having entered on June 11, 2010 a Temporary Restraining Order, Preliminary Injunction, Order to Show Cause, Order Freezing Assets and Other Relief, and having entered on June 28, 2010 a Preliminary Injunction and Order Freezing Assets and Granting Additional Relief; and Defendants Chimay Capital Management, Inc. and Guy Albert de Chimay ("Defendants") having entered general appearances; consented to the Court's jurisdiction over Defendants and the subject matter of this action; consented previously to a partial judgment imposing injunctive relief; 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.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants and Defendants' 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 Defendants and Defendants' 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.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are liable for disgorgement of \$6 million, representing profits gained as a result of the conduct alleged in the Amended Complaint. Defendants' disgorgement obligation is satisfied by entry of an order to pay \$6.6 million in restitution in the parallel New York State criminal action People of the State of New York v. Guy Albert de Chimay, 05256\2011.

IV.

IT IS HEREBY FURTHER HELD that based on Defendant Guy Albert de Chimay's obligation to serve a prison term of three to nine years in connection with the parallel New York State criminal action People of the State of New York v. Guy Albert de Chimay, 05256\2011, this Court does not impose any civil penalty against the Defendants in this action.

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that this Final Judgment shall be, and is, binding upon Defendants and their partners, agents, servants, employees, attorneys, subsidiaries, affiliates and those persons in active concert or participation with them who receive actual notice of this Order by personal service, facsimile service, telephone, e-mail or otherwise.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent of Defendants Chimay Capital Management, Inc. and Guy Albert de Chimay to a Final Judgment filed herewith is incorporated herein with the same force and effect as if fully set forth herein, and that Defendants shall comply with all of the undertakings and agreements set forth therein.

VII.

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.

VIII.

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: 5/5/11,
New York, New York


UNITED STATES DISTRICT JUDGE