

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

RAMIRO M. FERNANDEZ-MORIS,  
DANIEL S. LEZAK, and  
RAMIRO RAFAEL ("RAY") FERNANDEZ,

Defendants.

01 Civ. 1985 (JR)

**JUDGMENT OF PERMANENT INJUNCTION AND OTHER  
RELIEF AS TO DEFENDANT RAMIRO M. FERNANDEZ-MORIS**

The Securities and Exchange Commission having filed an Amended Complaint and Defendant Ramiro M. Fernandez-Moris ("Fernandez-Moris") having entered a general appearance; consented to the Court's jurisdiction over him and the subject matter of this action; consented to entry of this 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 Judgment; and

It further appearing that the Court has jurisdiction over Fernandez-Moris and the subject matter of this action:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Fernandez-Moris, Fernandez-Moris' agents, servants, employees, attorneys, assigns, and all persons in active concert or participation with them who receive actual notice of this 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 ("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 FURTHER ORDERED, ADJUDGED, AND DECREED that Fernandez-Moris, his agents, servants, employees, attorneys, and all those persons in active concert and participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from, aiding and abetting any violation of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1, and 13a-13 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13] by knowingly providing substantial assistance to an issuer of a security registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or any issuer which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)], by filing or causing to be filed with the Securities and Exchange Commission any report required to be filed with the Commission pursuant to Section 13(a) of the

Exchange Act [15 U.S.C. § 78m(a)] and the rules and regulations promulgated thereunder, which contains any untrue statement of material fact, which omits to state any material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, or which omits to disclose any information required to be disclosed.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Fernandez-Moris, his agents, servants, employees, attorneys, and all those persons in active concert and participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from, aiding and abetting any violation of Section 13(b)(2)(A) and (B) of the Exchange Act [15 U.S.C. §§ 78m(b)(2)(A) and (B)] by knowingly providing substantial assistance to (1) the failure of any issuer which has a class of securities registered pursuant to section 12 of the Exchange Act and any issuer which is required to file reports pursuant to 15(d) of the Exchange Act to make and keep books, records and accounts which accurately and fairly reflect transactions and dispositions of such issuer's assets; (2) the failure of any such issuer to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that such issuer's corporate transactions are executed in accordance with management's authorization and in a manner to permit the preparation of financial statements in conformity with generally accepted accounting principles; or (3) falsifying or causing to be falsified any book, record, or account subject to Section 13(b)(2)(A) of the Exchange Act.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Fernandez-Moris, his agents, servants, employees and attorneys, and those persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently enjoined and restrained from violating Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b) (5)] by circumventing or failing to implement a system of internal accounting controls or falsifying books, records or accounts.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Fernandez-Moris, his agents, servants, employees and attorneys, and those persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently enjoined and restrained from violating Rule 13b2-1 of the Exchange Act [17 C.F.R. §240.13b2-1] by, directly or indirectly, falsifying or causing to be falsified, any book, record or account subject to Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Fernandez-Moris, his agents, servants, employees and attorneys, and those persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently enjoined and restrained from violating Exchange Act Rule 13b2-2 [17 C.F.R § 240.13b2-2] by making or causing to be made any materially false or misleading statement to an accountant in

connection with an audit of an issuer's financial statements or the preparation of any filing with the Commission.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Fernandez-Moris shall pay disgorgement of ill-gotten gains, if any, including prejudgment interest thereon, and/or civil penalties, if any, if so ordered by the Court pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], in the amount, and upon such terms, as may be determined by the Court at a hearing to be held, upon motion of the Commission. Fernandez-Moris understands and agrees that at such hearing he will be precluded from arguing that he did not violate the federal securities laws in the manner described in the Amended Complaint herein. Fernandez-Moris further understands and agrees that, solely for the purposes of such hearing, the allegations of the Amended Complaint shall be accepted as and deemed true by the Court, and that at the hearing he may not challenge the validity of his Consent or this Judgment. Fernandez-Moris agrees that the Court may determine whether to impose disgorgement, if any, and/or civil penalties, if any, and the amounts thereof, on the basis of affidavits, declarations, deposition excerpts and exhibits. In connection with the determination of the amount of disgorgement and civil penalties, if any, the Commission may request discovery and Fernandez-Moris shall provide such discovery, including, but not limited to, his testimony at deposition, hearing, and/or trial upon request by the Commission.

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that any Order to pay disgorgement, prejudgment interest, or civil penalties is given preclusive effect in

any bankruptcy case filed by or against Fernandez-Moris. Solely for the purpose of such bankruptcy proceedings, such Order establishes all the factual elements necessary to enable a court to make a finding that it is nondischargeable pursuant to 11 U.S.C. § 523(a)(4).

IX.

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

X.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including the implementation and enforcement of this Judgment.

XI.

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 Judgment forthwith and without further notice.

Dated: May 16, 2005

  
UNITED STATES DISTRICT JUDGE