

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Plaintiff,

v.

KIRK KOSKELLA, O. JAY NEELEY
and ELTC LIMITED,

Defendants.

1:01-CV-6227

Hon. William J. Hibbler

DOCKETED
DEC 14 2001

**FINAL JUDGMENT AND ORDER OF PERMANENT INJUNCTION
AS TO DEFENDANTS KIRK I. KOSKELLA AND ELTC LIMITED**

Plaintiff Securities and Exchange Commission ("Commission") has filed a Complaint for Permanent Injunction and Other Equitable Relief ("Complaint") in this matter, and Defendants Kirk I. Koskella and ELTC Limited (collectively, the "Defendants") have, in the Consent and Stipulation attached hereto and incorporated herein, acknowledged receipt of the Complaint, admitted the jurisdiction of this Court over them and over the subject matter thereof, and without admitting or denying the allegations of the Complaint, except as to jurisdiction, and without trial, argument or adjudication of any facts or law herein, consented to the entry of this Order of Permanent Injunction ("Order"). The Commission and Defendants have waived the entry of findings of fact and conclusions of law, as provided by Rule 52 of the Federal Rules of Civil Procedure. The Court having jurisdiction over the parties and the subject matter hereof, and being fully advised in the premises:

4

I.

IT IS HEREBY ORDERED that Defendants, their officers, agents, servants, employees, attorneys and those persons in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, and each of them, be and are hereby permanently restrained and enjoined from, in the offer or sale of any securities, by the use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, directly or indirectly, employing any device, scheme or artifice to defraud, in violation of Section 17(a)(1) of the Securities Act of 1933 [15 U.S.C. § 77q(a)(1)].

II.

IT IS FURTHER ORDERED that Defendants, their officers, agents, servants, employees, attorneys and those persons in active concert or participation with them who receive actual notice of this Order, by personal service or otherwise, and each of them, be and are hereby permanently restrained and enjoined from, in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly, engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser, in violation of Section 17(a)(3) of the Securities Act of 1933 [15 U.S.C. §§ 77q(a)(2) and 77q(a)(3)].

III.

IT IS FURTHER ORDERED that the imposition of civil penalties against Defendant Koskella may be appropriate. This Court will set the specific amount of the penalties in a separate hearing upon due notice and motion by the Commission. At that hearing, the issue will be limited to determining the amount of the civil penalties to be ordered and Defendant Koskella will be precluded

from denying that he violated the federal securities laws as alleged in the Complaint.

IV.

IT IS FURTHER ORDERED that the attached Consent and Stipulation of the Defendants be, and is hereby, incorporated herein with the same force and effect as if fully set out herein.

V.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for all purposes, including, but not limited to entertaining any applications for additional relief, and implementing and enforcing this Order.


VI.

IT IS FURTHER ORDERED that the Commission is expressly authorized to continue to take discovery from the Defendants, including, but not limited to, discovery for the purposes of determining the appropriate civil penalty, if any, that should be imposed against Defendant Koskella.

VII.

IT IS FURTHER ORDERED that there being no just reason for delay, the Clerk of the Court is hereby directed to enter this Order of Permanent Injunction.

IT IS SO ORDERED.



Hon. William J. Hibler, United States District Court Judge
United States District Court, Northern District of Illinois

Dated: 12/13, 2001

CERTIFICATE OF SERVICE

I hereby certify that, on December 10, 2001, I caused the attached Notice of Filing and Request for Entry of Judgment to be served upon the Defendants as follows:

By Federal Express:

Kirk I. Koskella
ELTC Limited
143 East Main St., 2nd floor
Emmett, Idaho 83617

By Facsimile:

O. Jay Neeley
43 E. 400 S.
Salt Lake City, Utah 84111



Alexander T. Moore
One of the Attorneys for Plaintiff
Securities & Exchange Commission
500 West Madison Street, Suite 1400
Chicago, IL 60661-2511
Phone: (312) 353-6884
Facsimile: (312) 353-7398