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LARRY W. PROPEL, CLERK
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**UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA**

SECURITIES AND EXCHANGE COMMISSION,
:
:
Plaintiff,
:
:
v.
:
:
NICHOLAS M. MIHALAS,
:
:
Defendant.
:

CIVIL ACTION NO.
2 - 00 - 0726 23

**FINAL JUDGMENT OF PERMANENT INJUNCTION AGAINST DEFENDANT
NICHOLAS M. MIHALAS**

Plaintiff SECURITIES AND EXCHANGE COMMISSION ("COMMISSION"), having filed a COMPLAINT, and Defendant NICHOLAS M. MIHALAS ("MIHALAS"), having entered a general appearance in this action; having, in the annexed CONSENT OF DEFENDANT NICHOLAS M. MIHALAS ("CONSENT"), admitted to the jurisdiction of this Court over him and over the subject matter of this action; having waived the filing of an answer to the COMPLAINT, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure with respect to this FINAL JUDGMENT OF PERMANENT INJUNCTION AGAINST DEFENDANT NICHOLAS M. MIHALAS ("FINAL JUDGMENT"); and, without admitting or denying the allegations of the COMPLAINT, except as to jurisdiction, which he admits, having consented to the entry of this FINAL JUDGMENT permanently restraining and enjoining Defendant MIHALAS from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§

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78j(b)] and Rule 10b-5 thereunder [17 C.F.R. §§ 240.10b-5], holding Defendant MIHALAS liable for disgorgement and prejudgment interest of \$229,840.96 (representing his trading profit of \$175,085, plus prejudgment interest in the amount of \$54,755.96) and ordering Defendant MIHALAS also to pay a civil penalty in the amount of \$175,085; and it further appearing that this Court has jurisdiction over Defendant MIHALAS and the subject matter hereof, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant MIHALAS, his agents, servants, employees, attorneys, successors and assigns, and each of them, and all persons in active concert or participation with him, and each of them who receive actual notice of this FINAL JUDGMENT by personal service or otherwise, be and hereby are permanently restrained and enjoined from violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], by, directly or indirectly, through the use of any means or instrumentality of interstate commerce, or the mails, or of any facility of any national securities exchange:

- (A) employing any device, scheme or artifice to defraud;
- (B) making any untrue statement of a material fact or omitting 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) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

in connection with the purchase or sale of any security.

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II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that:

(A) Defendant MIHALAS shall be liable for disgorgement of \$175,085 (representing his trading profits, in connection with his purchase of CENTER FINANCIAL CORPORATION common stock, as alleged in the COMPLAINT), plus prejudgment interest in the amount of \$54,755.96;

(B) payment of such disgorgement and prejudgment interest shall be (i) made within thirty (30) days of the entry of this FINAL JUDGMENT; (ii) by bank cashier's check, bank money order, certified check or United States postal money order; (iii) made payable to the "Clerk, United States District Court;" (iv) mailed or hand-delivered to the Clerk of Court, U.S. District Court, 1845 Assembly Street, Columbia, SC 29201; and (v) submitted under cover of a letter that identifies Defendant MIHALAS as the Defendant in this action, the name and number of this action and the name of this Court, with a copy to Grant David Ward, counsel for the COMMISSION at its Boston District Office located at 73 Tremont Street, Boston, Massachusetts 02108; and

(C) at the time payment is made to the Clerk of Court, Defendant MIHALAS shall relinquish all legal and equitable right, title and interest in all funds so disgorged pursuant to this FINAL JUDGMENT.

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III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that:

(A) Defendant MIHALAS shall be liable for a civil penalty pursuant to the Insider Trading Sanction Act of 1988, codified at Section 21A(a) of the Exchange Act, as amended [15 U.S.C. § 78u-1(a)], in the amount of \$175,085; and

(B) such payment shall be (i) made within thirty (30) days of the entry of this FINAL JUDGMENT; (ii) by bank cashier's check, bank money order, certified check or United States postal money order; (iii) made payable to the Plaintiff Securities and Exchange Commission; (iv) mailed or hand-delivered to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, Virginia 22312; and (v) submitted under cover of a letter that identifies Defendant MIHALAS as the Defendant in this action, the name and number of this action and the name of this Court, with a copy to Grant David Ward, counsel for the COMMISSION at its Boston District Office located at 73 Tremont Street, Boston, Massachusetts 02108.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the annexed CONSENT be, and hereby is, incorporated by reference herein with the same force and effect as if fully set forth herein.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this matter for the purpose of implementing and enforcing the terms and conditions of this FINAL JUDGMENT.

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VI.

There being no just reason for delay, the Clerk of the Court is directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this FINAL JUDGMENT forthwith.

DONE AND ORDERED at Columbia, South Carolina, this 13th day of March

2000.


UNITED STATES DISTRICT JUDGE

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