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UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

SECURITIES AND EXCHANGE  
COMMISSION,  
Plaintiff,

vs.

ANDREW L. POPE

Defendant.

CV-S-02-1014-RLH (RJJ)

**PERMANENT INJUNCTION AS TO DEFENDANT ANDREW L. POPE**

1. The Plaintiff Securities and Exchange Commission commenced this action by filing its Complaint. Defendant Andrew L. Pope ("Pope") submitted his Consent, in which he waived service of the Complaint upon him, admitted the jurisdiction of this Court over him and the subject matter of this action, waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and waived any right he might have to appeal from the entry of this Permanent Injunction. Without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, Pope consents to the entry of this Permanent Injunction.

It appearing that this Court has jurisdiction over Pope and the subject matter of this case, and the Court being fully advised in the premises:

**I.**

IT IS ORDERED, ADJUDGED AND DECREED that Pope and his officers, agents,

servants and employees, and all persons in active concert or participation with them who receive actual notice of this Permanent Injunction by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act of 1933 [15 U.S.C. §§ 77e(a) and 77e(c)], directly or indirectly, by:

A. making use of any means or instruments of interstate commerce, or of the mails, to sell through the use or medium of any prospectus or otherwise, any security whatsoever, unless and until a registration statement has been filed with the Commission;

B. carrying or causing to be carried through the mails or in interstate commerce by any means or instruments of transportation, any security of any issuer whatsoever, for purposes of sale or delivery after sale, unless and until a registration statement has been filed with the Commission; or

C. making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell or offer to buy through the use or medium of any prospectus or otherwise any security of any issuer whatsoever, unless a registration statement has been filed with the Commission as to such security; provided, however, that nothing in the foregoing portion of this injunction shall apply to any security or transaction which is exempt from the provisions of Section 5 of the Securities Act of 1933 [15 U.S.C. §§ 77e].

## II.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Pope, his officers, agents, servants and employees, and those persons in active concert or participation with them who receive actual notice of this Permanent Injunction by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Section 10(b) of the Securities

Exchange Act of 1934 [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder, by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- 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, in connection with the purchase or sale of any security.

### III.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Pope, and his officers, agents, servants and employees, and all persons in active concert or participation with them who receive actual notice of this Permanent Injunction by personal service or otherwise, and each of them, are permanently restrained and enjoined from use of the means or instruments of transportation or communication in interstate commerce or of the mails, directly or indirectly, to publish, give publicity to, or circulate communications, which, though not purporting to offer a security for sale, describe such securities for a consideration received or to be received, directly or indirectly from an issuer without fully disclosing such consideration and the amount thereof, in violation of Section 17(b) of the Securities Act of 1933 [15 U.S.C. § 77q(b)].

### IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that further proceedings to determine the Commission's claims for disgorgement and civil penalties shall be stayed pending the imposition of sentence upon Pope pursuant to his guilty plea in a related criminal proceeding,

U.S. v. Pope, S2-00-Cr-631 (RCC) (S.D.N.Y.). Such proceedings shall be commenced upon motion of the Plaintiff following the imposition of sentence upon Pope. This Court shall retain jurisdiction over this action for purposes of determining whether disgorgement, if any, and prejudgment interest thereon, in an amount subsequently determined by this Court, is appropriate. In connection with any hearing to determine whether disgorgement is appropriate and if so, the amount of disgorgement to be ordered, Pope shall not raise as a defense that he is not liable for the payment of such disgorgement because he did not violate one or more of the provisions of the Exchange Act and rules thereunder set forth in the Judgment.

**VI.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction over this action for purposes of determining whether civil penalties will be assessed against Pope pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] as appropriate. In connection with any hearing to determine the appropriate amount of civil penalties, Pope shall not raise as a defense that he is not liable for the payment of such civil penalties because he did not violate one or more of the provisions of the Exchange Act and rules thereunder set forth in the Judgment.

**VII.**

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions of the Consent filed concurrently with this Judgment are incorporated herein with the same force and effect as if fully set forth herein and that Pope shall comply with his Consent.

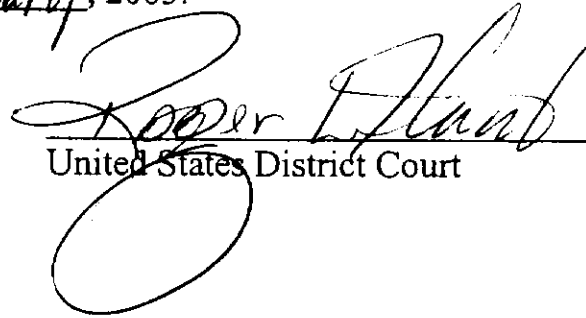
**VIII.**

Pope waives service of the Permanent Injunction upon him and agrees that entry of the Permanent Injunction by the Court and filing with the Clerk of the Court will constitute notice to

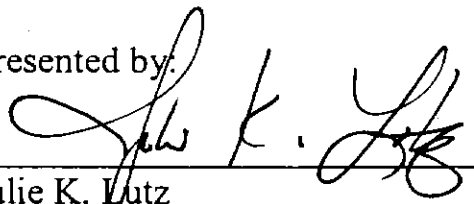
him of the terms and conditions of the Permanent Injunction. Pope further agrees that he will execute an acknowledgement of receipt of the Permanent Injunction and return it to the attorneys for the Commission within ten days after receiving the acknowledgement for filing with this Court.

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

SO ORDERED, this 14 day of February, 2003.

  
United States District Court

Presented by:

  
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