

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

U.S. DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
**FILED**  
SEP 13 1996  
NANCY DOHERTY, CLERK  
By *[Signature]*  
CIVIL ACTION NO. *[Signature]*

SECURITIES AND EXCHANGE COMMISSION,  
Plaintiff,

v.

JOHN P. ACORD  
DOUGLAS H. KENNETT  
MICHAEL L. MEDKIFF  
SUSAN M. HALL  
THE BUSINESS AND TAXPAYERS COALITION  
FOR AFFORDABLE HOUSING  
EQUITY ASSURANCE CORPORATION  
GREAT WESTERN MANAGEMENT CORPORATION

Defendants.

SEAN O. ORTEGA  
Defendant Solely for Purposes  
of Equitable Relief.

CIVIL ACTION NO.  
3:95-CV-2728-T

ENTERED ON DOCKET  
9-13-96 PURSUANT  
TO F. R. C. P. RULES  
58 AND 79a

**FINAL JUDGMENT AS TO DEFENDANTS**  
**MICHAEL L. MEDKIFF AND GREAT WESTERN MANAGEMENT CORPORATION**

This matter came before this Court on the 12 day of September, 1996, upon the joint motion of plaintiff SECURITIES AND EXCHANGE COMMISSION ("COMMISSION"), and defendants MICHAEL L. MEDKIFF ("MEDKIFF") and GREAT WESTERN MANAGEMENT CORPORATION ("GREAT WESTERN") for issuance of this Final Judgment in this action, solely as to them, providing the relief set out herein. MEDKIFF and GREAT WESTERN have each provided this Court with a Stipulation and Consent ("Stipulation") in which, inter alia, each 1) acknowledges and admits the in personam jurisdiction of this Court, and the subject matter jurisdiction of this Court over the COMMISSION's claims herein; 2) waives entry of findings of fact and conclusions of law under rule 52, Fed. Rules Civ. Proc., 28 U.S.C.,

with respect to the entry of this Final Judgment; and 3) consents, for purposes of this action only, without admitting or denying any of the allegations of the COMMISSION's Complaint filed in this matter, except as set forth herein, and without admitting or denying any violation of the federal securities laws, to the entry of this Final Judgment.

It appears this Court has in personam jurisdiction over MEDKIFF and GREAT WESTERN and subject matter jurisdiction over the COMMISSION's claims; it appears that no further notice or hearing is required prior to entry of this Final Judgment and there is no just reason for delay; and it appears the Court has been fully advised of the premises for entry of this Final Judgment.

IT IS THEREFORE ORDERED:

I.

Defendants MEDKIFF and GREAT WESTERN, their respective agents, servants, employees, and all persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, are hereby restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of securities, in the form of investment contracts, or any other security, making use of any means or instrumentality of interstate commerce or of the mails:

- (a) to employ any device, scheme or artifice to defraud;
- (b) to make any untrue statement of a material fact or omit to state 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 act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

## II.

Defendants MEDKIFF and GREAT WESTERN, their respective agents, servants, employees, and all persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, are hereby restrained and enjoined in the offer or sale of securities, in the form of investment contracts, or any other type of security, from making use of any means or instruments of transportation or communication in interstate commerce, or 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 to state 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 transactions, practices or courses of business which operate or would operate as a fraud or deceit upon any person.

## III.

Defendants MEDKIFF and GREAT WESTERN, their agents, servants, employees, and all persons in active concert or participation with them who receive actual notice of such order by personal service or otherwise, directly and indirectly, from engaging in the business of effecting transactions in securities, in the form of investment contracts, or any other security, for their own account or for the account of others, while making use of the mails or any means or instrumentality of interstate commerce to effect transactions in, or to induce or attempt to induce the purchase or sale of securities (other than an exempted security, commercial paper, bankers' acceptances or commercial bills), unless defendant MEDKIFF is registered as a broker or dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)], or is otherwise exempt from registration, pursuant to Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

IV.

Defendants MEDKIFF and GREAT WESTERN, jointly and severally, shall pay disgorgement in the amount of \$ 255,000, plus pre-judgment interest of \$31,689 thereon, for a total disgorgment amount of \$286,689. However, based upon the sworn representations provided by each of them in statements of financial condition submitted to the COMMISSION in this cause, payment of the disgorgement and pre-judgment interest thereon has been waived by the COMMISSION, contingent upon the accuracy and completeness of such statements. Further, based upon these sworn representations, the Court is not ordering MEDKIFF or GREAT WESTERN to pay a civil

penalty, which determination is also contingent upon the accuracy and completeness of such statements. If at any time following the entry of this Final Judgment the COMMISSION obtains information indicating that MEDKIFF's or GREAT WESTERN's representations to the COMMISSION concerning assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the COMMISSION may, at its sole discretion, and without prior notice to MEDKIFF or GREAT WESTERN, petition this Court for an order requiring MEDKIFF or GREAT WESTERN to pay disgorgement, pre-judgment and post-judgment interest thereon, and a civil penalty. In connection with any such petition, the only issues MEDKIFF or GREAT WESTERN may contest shall be whether the financial information they provided was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, and the amount of civil penalty to be imposed. MEDKIFF or GREAT WESTERN may not, by way of defense to such petition, challenge the validity of this Consent or the Final Judgment, contest the allegations in the Complaint filed by the COMMISSION, dispute the amount of disgorgement and interest set out herein, or assert that disgorgement or the payment of a civil penalty should not be ordered.

V.

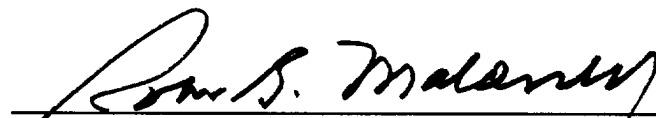
The Stipulation and Consent of defendants MEDKIFF and GREAT WESTERN filed herein shall be incorporated herein with the same force and effect as if fully set forth herein, and, therefore, a

breach of the terms of the Stipulation and Consent will constitute a breach of this Order.

VI.

There being no just reason for delay, the Clerk of this Court is hereby directed to enter this order as a final judgement pursuant to rule 54, Fed. Rules Civ. Proc. 28 U.S.C.A.

IT IS SO ORDERED. SIGNED this 12 day of September 1996.

  
UNITED STATES DISTRICT JUDGE