

ORIGINAL

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

U.S. DISTRICT COURT NORTHERN DISTRICT OF TEXAS
<b>FILED</b>
JUL 24 1996
NANCY DOHERTY, CLERK
By _____ Deputy

SECURITIES AND EXCHANGE COMMISSION  
450 Fifth Street, NW  
Washington, D.C. 20549,

Plaintiff,

v.

EARL V. YOUNG

Defendant.

No. 3: 96-CV-1985-T

ENTERED ON DOCKET  
7/25/96 PURSUANT  
TO F. R. C. P. RULES  
58 AND 79a

FINAL JUDGMENT AS TO EARL V. YOUNG

This Court, having determined that: (1) Plaintiff Securities and Exchange Commission (the "Commission"), filed a Complaint; (2) Defendant Earl V. Young ("Young"), in the attached Consent and Undertaking of Earl V. Young (the "Consent"), the provisions of which are expressly incorporated herein, entered a general appearance herein, admitted the jurisdiction of this Court over him and over the subject matter of this action; waived his right to file an Answer to the Complaint and the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, and without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, which he admits, having consented to the entry of this Final Judgment As To Earl V. Young (the "Final Judgment"), permanently restraining and enjoining Young from violating Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)], and Rules 10b-5 and 13b2-2 [17 C.F.R. § 240.10b-5 and § 240.13b2-2], promulgated thereunder; and it further appearing that this Court

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has jurisdiction over Young and the subject matter herein, and the Court being fully advised in the premises:

**I.**

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED** that Young, his agents, servants, employees, attorneys, and all those persons in active concert or participation with them who receive actual notice of the Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently enjoined and restrained from, directly or indirectly, violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] 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 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.

**II.**

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Young, his agents, servants, employees, attorneys, and all those persons in active concert or participation with them who receive actual notice

of the Final Judgment by personal service or otherwise, and each of them, be and they hereby are permanently enjoined and restrained from, directly or indirectly, violating Rule 13b2-2 of the Exchange Act [17 C.F.R. § 240.13b2-2], by, as an officer or director of any issuer:

(A) making or causing to be made a materially false or misleading statement; or

(B) omitting to state, or causing another person to omit to state, any material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading,

to an accountant in connection with (1) any audit or examination of the financial statements of an issuer required to be made pursuant to the rules and regulations under the Exchange Act [17 C.F.R. §§ 240.0-1 et seq.], or (2) the preparation or filing of any document or report required to be filed with the Commission.

### III.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that Young shall pay a civil penalty of \$15,000 pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. Payment shall be made in three installments: the first payment, of \$5,000, shall be made within ten (10) days of the entry of this Final Judgment, by U.S. postal money order, certified check, bank cashier's check, or bank money order, made payable to the "U.S. TREASURY," and bearing on its face the caption "SEC v. Earl Young"; and shall be transmitted by certified mail (return receipt requested) to the Comptroller,

U.S. Securities and Exchange Commission, Mail Stop 2-5, 450 Fifth Street, N.W., Washington, D.C. 20549; under cover of a letter that identifies the defendant, the name and case number of this action, the name of this Court, and the Commission's case number (HO-3015). A copy of the cover letter and the check or money order shall be transmitted simultaneously to counsel for the Commission.

The second payment, of \$5,000, shall be made within sixty (60) days of the entry of this Final Judgment, by U.S. postal money order, certified check, bank cashier's check, or bank money order, made payable to the "U.S. TREASURY," and bearing on its face the caption "SEC v. Earl Young"; and shall be transmitted by certified mail (return receipt requested) to the Comptroller, U.S. Securities and Exchange Commission, Mail Stop 2-5, 450 Fifth Street, N.W., Washington, D.C. 20549; under cover of a letter that identifies the defendant, the name and case number of this action, the name of this Court, and the Commission's case number (HO-3015). A copy of the cover letter and the check or money order shall be transmitted simultaneously to counsel for the Commission.

The third payment, of \$5,000, shall be made within one-hundred twenty (120) days of the entry of this Final Judgment, by U.S. postal money order, certified check, bank cashier's check, or bank money order, made payable to the "U.S. TREASURY," and bearing on its face the caption "SEC v. Earl Young"; and shall be transmitted by certified mail (return receipt requested) to the Comptroller, U.S. Securities and Exchange Commission, Mail Stop 2-5, 450 Fifth Street, N.W., Washington, D.C. 20549; under cover of a letter that

identifies the defendant, the name and case number of this action, the name of this Court, and the Commission's case number (HO-3015). A copy of the cover letter and the check or money order shall be transmitted simultaneously to counsel for the Commission.

IV.

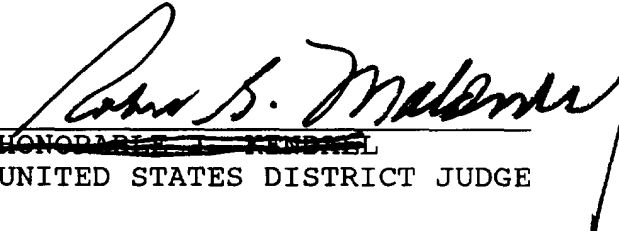
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the annexed Consent be, and the same hereby is, incorporated herein by reference with the same force and effect as if fully set forth herein.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment, for all purposes regarding the litigation of the above-captioned action, and for purposes regarding this Final Judgment.

VI.

There being no just cause 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 Final Judgment forthwith.

  
~~HONORABLE~~  
UNITED STATES DISTRICT JUDGE

DATED:

July 23, 1996.