

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
ENTERED

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

JUN 29 1998

Michael N. Milby, Clerk

SECURITIES AND EXCHANGE COMMISSION, )  
 )  
 Plaintiff, )  
 )  
 vs. )  
 )  
 INSNET WORLD COMMUNICATIONS, INC., )  
 SCB RESOURCES, INC., )  
 FRANK BRAVO, JR., )  
 JOSE MANUEL DIAZ-SALIN, and )  
 SCOFIELD C. BERTHELOT, JR., )  
 )  
 Defendants, )  
 )  
 and )  
 EDUARDO "EDDIE" GRIJALVA, )  
 Defendant solely for Purposes )  
 of Equitable Relief. )

CIVIL ACTION NO.  
H-97-2525

FINAL JUDGMENT AS TO SCOFIELD C. BERTHELOT, JR.

The plaintiff, Securities and Exchange Commission ("Commission"), has filed its Complaint for Temporary, Preliminary and Permanent Injunctions and Other Equitable Relief ("Complaint") in this matter against Scofield C. Berthelot ("Berthelot"). On January 9, 1998, this Court entered an Order of Permanent Injunction and Other Equitable Relief by Default as to Scofield C. Berthelot, Jr. ("Default Injunction"), pursuant to Rule 55 and 65 of the Federal Rules of Civil Procedure.

In the Default Injunction, this Court found that Berthelot had, among other things, violated Section 10(b) [15 U.S.C. § 78j(b)] of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder. (Default Injunction, p.2; para. 6) Furthermore, the Court held that Berthelot's violations of Section 10(b) and Rule 10b-5

involved "fraud, deceit and a deliberate or reckless disregard of regulatory requirements," and "directly or indirectly resulted in substantial losses to investors or, at least, created a significant risk of substantial losses to investors." (Default Injunction, p.3; para. 8). Accordingly, the Court held that the Commission was entitled to seek assessment of a civil monetary penalty against the defendant under, inter alia, Section 21d(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. (Default Injunction, p.3; para. 8).

The Commission has now, based on the Court's findings in the Default Injunction, requested that a civil penalty in the amount of \$100,000 be assessed against Berthelot pursuant to Section 21d(3) of the Exchange Act. Appearing that no further notice of hearing for the entry of this Order is necessary and with the Court being fully advised in the premises:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

I.

A civil penalty in the amount of \$100,000 shall be imposed on Berthelot in accordance with Section 21d(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Within 20 days of receipt of this Final Judgment, defendant Berthelot shall make payment of \$100,000. That payment must be in the form of a cashier's check, certified check or postal money order and be made payable to the "Securities and Exchange Commission" under cover of a letter that identifies defendant Berthelot, the caption and case number of this action, and the name of this Court. The payment and accompanying cover letter shall be transmitted to Harold F.



Degenhardt, District Administrator, Securities and Exchange Commission, Fort Worth District Office, 801 Cherry Street, 19th Floor, Fort Worth, Texas 76102. Once defendant Berthelot makes payment of these funds, he relinquishes all legal and equitable right, title and interest in those funds and no part of such funds shall be returned to Berthelot or to his affiliates, heirs, successors or assigns.

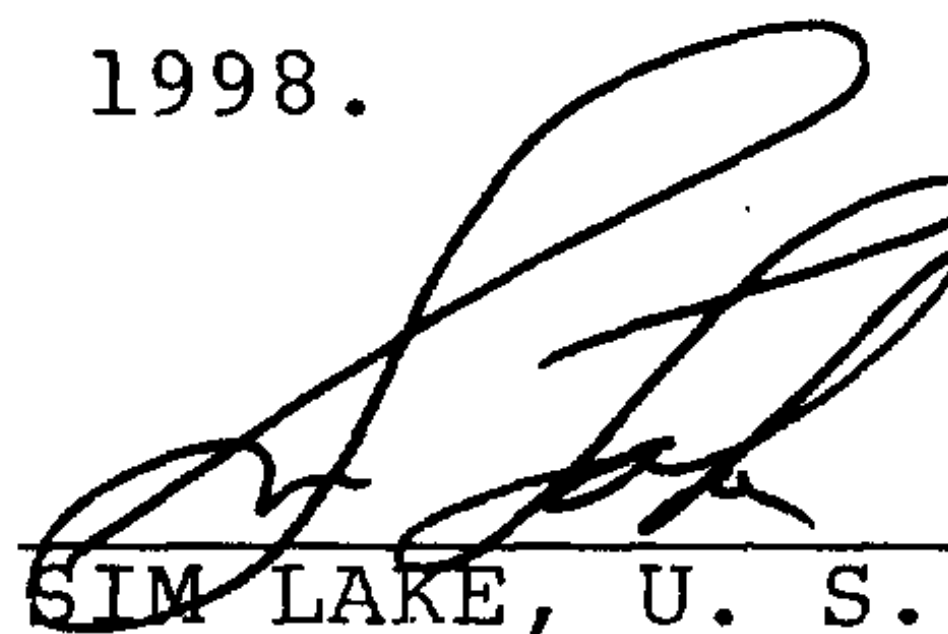
II.

Berthelot shall continue to be permanently enjoined from further violations of the provisions of the federal securities laws and subject to the disgorgement order in the amount of \$32,600.00 as set forth in this Court's January 9, 1998 Order of Permanent Injunction and Other Equitable Relief by Default as to Scofield C. Berthelot, Jr. This Court shall retain jurisdiction of this action for all purposes, including for purposes of entertaining any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

III.

There being no just reason for delay, the Clerk of this Court is hereby directed to enter this Final Judgment as to Scofield C. Berthelot, Jr., pursuant to Rule 54 of the Federal Rules of Civil Procedure.

SIGNED this 26<sup>th</sup> day of June, 1998.



SIM LAKE, U. S. DISTRICT JUDGE