

1 HELANE L. MORRISON (State Bar No. 127752)
2 SUSAN F. LaMARCA (State Bar No. 215231)
3 CRAIG M. HUGHES (State Bar No. 114970)

FILED

4 Attorneys for Plaintiff
5 SECURITIES AND EXCHANGE COMMISSION
6 44 Montgomery Street, Suite 1100
7 San Francisco, California 94104
8 Telephone: (415) 705-2500
9 Facsimile: (415) 705-2501

SEP 03 2003

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

RECEIVED
SEP 03 6 PM 3:44
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 SECURITIES AND EXCHANGE COMMISSION,
14 Plaintiff,
15 vs.
16 PAUL C. JAIN, STEVEN J. ALLAN, ROBERT S.
17 WILLIAMS and WAYNE NAKAMURA,
18 Defendants.

Case No. C-98-2684 MJJ (JCS)

[PROPOSED] FINAL JUDGMENT OF
PERMANENT INJUNCTION AND OTHER
RELIEF AS TO DEFENDANT ROBERT S.
WILLIAMS

19 Plaintiff Securities and Exchange Commission ("Plaintiff" or "Commission") has filed its
20 Complaint in this action. Defendant Robert S. Williams ("Williams") has entered a general
21 appearance; consented to the Court's jurisdiction over him and over the subject matter of this
22 action; consented to entry of this Final Judgment of Permanent Injunction and Other Relief as to
23 Defendant Robert S. Williams ("Final Judgment") without admitting or denying the allegations
24 of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law as
25 provided by Rule 52 of the Federal Rules of Civil Procedure; and waived any right to appeal
26 from this Final Judgment:

I.

27 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Williams,
28 his agents, servants, employees, attorneys, assigns, and all persons in active concert or
participation with them who receive actual notice of this Final Judgment by personal service or

1 otherwise are permanently restrained and enjoined from violating Section 13(b)(5) of the
2 Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78m(b)(5)] by knowingly
3 circumventing or failing to implement a system of internal accounting controls, or by knowingly
4 falsifying any book, record, or account, of an issuer described in Section 13(b)(2) of the
5 Exchange Act [15 U.S.C. § 78m(b)(2)].

6 II.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Williams,
8 his agents, servants, employees, attorneys, assigns, and all persons in active concert or
9 participation with them who receive actual notice of this Final Judgment by personal service or
10 otherwise are permanently restrained and enjoined from violating Rule 13b2-1 under the
11 Exchange Act [17 C.F.R. § 240.13b2-1] by, directly or indirectly, falsifying or causing to be
12 falsified any book, record or account subject to Section 13(b)(2)(A) of the Exchange Act [15
13 U.S.C. § 78m(b)(2)(A)].

14 III.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Williams,
16 his agents, servants, employees, attorneys, assigns, and all persons in active concert or
17 participation with them who receive actual notice of this Final Judgment by personal service or
18 otherwise are permanently restrained and enjoined from, directly or indirectly, knowingly
19 providing substantial assistance to another person in violation of Section 13(b)(2)(A) of the
20 Exchange Act [15 U.S.C. § 78m(b)(2)(A)], by causing any issuer which has a class of securities
21 registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the
22 Exchange Act [15 U.S.C. § 78o] to fail to make and keep books, records, or accounts, which, in
23 reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of
24 the issuer.

25 IV.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Williams,
27 his agents, servants, employees, attorneys, assigns, and all persons in active concert or
28 participation with them who receive actual notice of this Final Judgment by personal service or

1 otherwise are permanently restrained and enjoined from, directly or indirectly, knowingly
2 providing substantial assistance to another person in violation of Section 13(b)(2)(B) of the
3 Exchange Act [15 U.S.C. § 78m(b)(2)(B)], by causing any issuer which has a class of securities
4 registered pursuant to Section 12 of the Exchange Act [15 U.S.C. §78l] or Section 15(d) of the
5 Exchange Act [15 U.S.C. § 78o] to fail to devise and maintain a system of internal accounting
6 controls sufficient to provide reasonable assurances that transactions are recorded as necessary to
7 permit preparation of financial statements in conformity with generally accepted accounting
8 principles or any other criteria applicable to such statements and to maintain accountability for
9 assets.

10 V.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Williams shall
12 pay a civil penalty in the amount of \$75,000, pursuant to Section 21(d)(3) of the Exchange Act [15
13 U.S.C. § 78u(d)(3)]. Defendant shall make this payment within ten (10) business days after entry of
14 this Final Judgment by certified check, bank cashier's check, or United States postal money order
15 payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the
16 Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432
17 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter
18 identifying Robert S. Williams as a defendant in this action; setting forth the title and civil action
19 number of this action and the name of this Court; and specifying that payment is made pursuant to
20 this Final Judgment.

21 VI.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
23 incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall
24 comply with all of the undertakings and agreements set forth therein.

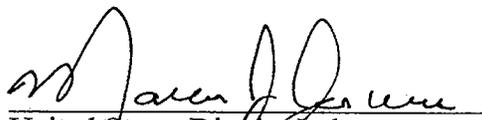
25 VII.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
27 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.
28

VIII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: 9/2/2003


United States District Judge

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUBMITTED BY:



Susan F. LaMarca
SECURITIES AND EXCHANGE COMMISSION
44 Montgomery Street, Suite 1100
San Francisco, California 94104
(415) 705-2500
Counsel for Plaintiff

11415

SEP-5 03

11415

Helane L. Morrison
44 Montgomery Street, Suite 1100
San Francisco, CA 94104