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FILED
CLERK, U. S. DISTRICT COURT
AUG 10 1989

LODGED CLERK, U.S. DISTRICT COURT	CENTRAL DISTRICT OF CALIFORNIA DEPUTY
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AUG 9 1999		2:34 PM	ENTERED
CENTRAL DISTRICT OF CALIFORNIA			
BY		CLERK	DEPUTY
DISTRICT COURT			

UNITED STATES DEPT.

CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

11 | SECURITIES AND EXCHANGE COMMISSION,

Case No. 98-6060 CM (BORx)

12 Plaintiff,

FINAL JUDGMENT OF PERMANENT
INJUNCTION AND OTHER RELIEF
AGAINST DEFENDANT TREY L.
FRIEDMANN

14 ENVIRONMENTAL ENERGY, INC.;
15 ENVIRONMENTAL OPERATING, INC.;
16 IRVINE SECURITIES, INC.; LARRY R.
CROWDER; JOHN R. POWELL; CHRISTIAN
R. HIGGINS; CHARLES L. POWELL; JAMES
P. GALLAHER; DALE J. ENGELHARDT; and
17 TREY L. FRIEDMANN.

18 Defendants.

RECORDED, INDEXED, SERVED, FILED AND
FEE CHARGES MADE PAYABLE TO THE CLERK
REPRESENTATIVE AT THEIR RESPECTIVE, MOST RECENT, ADDRESS OF RECORD. THIS ACTION, ON THIS DAY
DATED: **AUG 12 1999**
TRINA WASHINGTON
DEPUTY CLERK

THIS CONSTITUTES NOTICE OF ENTRY
AS REQUIRED BY FRCP, RULE 77(a).

21 Plaintiff Securities and Exchange Commission ("Commission"),
22 having filed and served upon Defendant Trey L. Friedmann
23 ("Friedmann") a Summons and Complaint in this matter and Friedmann
24 having admitted service upon him of the Summons and Complaint in
25 this action and the jurisdiction of this Court over him and over the
26 subject matter of this action; having been fully advised and
27 informed of his rights to a judicial determination of this matter;

28 having waived the entry of findings of fact and conclusions of law

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1 as provided by Rule 52 of the Federal Rules of Civil Procedure;
2 having consented to the entry of this Final Judgment of Permanent
3 Injunction and Other Relief Against Defendant Trey L. Friedmann
4 ("Final Judgment") without admitting or denying the allegations in
5 the Complaint, except as specifically set forth in the Consent of
6 Defendant Trey L. Friedmann to Entry of Final Judgment of Permanent
7 Injunction and Other Relief ("Consent"); and it appearing that no
8 notice of hearing upon the entry of this Final Judgment being
9 necessary; and the Court being fully advised in the premises, and
10 there being no just reason for delay:

11 I.

12 IT IS ORDERED, ADJUDGED AND DECREED that Friedmann and his
13 agents, servants, employees and attorneys, and all persons in active
14 concert or participation with any of them, who receive actual notice
15 of this Final Judgment by personal service or otherwise, and each of
16 them, are permanently restrained and enjoined from, directly or
17 indirectly, in the offer or sale of the securities of any issuer, by
18 the use of any means or instruments of transportation or
19 communication in interstate commerce or by the use of the mails:

20 a) employing any device, scheme or artifice to defraud;
21 b) obtaining money or property by means of any untrue
22 statement of a material fact or any omission to state a
23 material fact necessary in order to make the statements
24 made, in the light of the circumstances under which they
25 were made, not misleading; or
26 c) engaging in any transaction, practice, or course of
27 business which operates or would operate as a fraud or
28 deceit upon the purchaser;

1 in violation of Section 17(a) of the Securities Act of 1933 [15
2 U.S.C. § 77q(a)].

3 II.

4 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Friedmann and
5 his agents, servants, employees and attorneys, and all persons in
6 active concert or participation with any of them, who receive actual
7 notice of this Final Judgment, by personal service or otherwise, and
8 each of them, are permanently restrained and enjoined from making
9 use of the mails or any means or instrumentality of interstate
10 commerce to effect any transactions in, or to induce or attempt to
11 induce the purchase or sale of, any security (other than an exempted
12 security or commercial paper, banker's acceptances, or commercial
13 bills) without being registered as a broker or dealer pursuant to
14 Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)], in violation
15 of Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

16 III.

17 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that based upon
18 Friedmann's sworn financial statement, the Court is not ordering
19 Friedmann to pay a civil penalty under the Securities Enforcement
20 and Penny Stock Reform Act of 1990 pursuant to Section 20(d) of the
21 Securities Act and Section 21(d)(3) of the Exchange Act. The
22 determination not to impose a civil penalty against Friedmann is
23 contingent upon the accuracy and completeness of Friedmann's
24 financial statement.

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1 IV.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that if at any time
3 following the entry of this Final Judgment the Commission obtains
4 information indicating that Friedmann's representations in the sworn
5 financial statement concerning its assets, income, liabilities, or
6 net worth were fraudulent, misleading, inaccurate or incomplete in
7 any material respect as of the time such representations were made,
8 the Commission may, at its sole discretion and without prior notice
9 to Friedmann, petition this Court for an order requiring Friedmann
10 to pay a civil penalty. In connection with any such petition, the
11 only issue shall be whether the financial statement provided by
12 Friedmann was fraudulent, misleading, inaccurate or incomplete in
13 any material respect as of the time such representations were made,
14 and the amount of civil penalty to be imposed against Friedmann. In
15 its petition, the Commission may move this Court to consider all
16 available remedies, including, but not limited to, ordering
17 Friedmann to pay funds or assets, directing the forfeiture of any
18 assets, or sanctions for contempt of the Final Judgment, and the
19 Commission may also request additional discovery. Friedmann may
20 not, by way of defense to such petition, challenge the validity of
21 the Consent or this Final Judgment, contest the allegations in the
22 Complaint filed by the Commission or that the payment of a civil
23 penalty should not be ordered.

24 V.

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

1 VI.
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IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court
shall retain jurisdiction over this action to implement and enforce
the terms of the Final Judgment and other decrees that may be
entered herein and to grant such other relief as the Court may deem
necessary and just.

7 * * *

8 There being no just reason for delay, the Clerk of the Court is
9 hereby directed, pursuant to Rule 54(b) of the Federal Rules of
10 Civil Procedure, to enter this Final Judgment forthwith.

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12 DATED: 8/10, 1999
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CARLOS R. MORENO

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UNITED STATES DISTRICT JUDGE

PROOF OF SERVICE BY MAIL

2 I, Magnolia M. Marcelo, declare that I am, and was at the time
3 of service of the papers herein referred to, over the age of
4 eighteen (18) years and not a party to the within action. My
5 business address is 5670 Wilshire Boulevard, 11th Floor, Los
6 Angeles, California 90036, which is located in the county in which
7 the within-mentioned mailing occurred. I am readily familiar with
8 the practice at my place of business for the collection and
9 processing of correspondence for mailing with the United States
10 Postal Service. Such correspondence is deposited with the United
11 States Postal Service on the same day in the ordinary course of
12 business.

13 On August 9, 1999, I served the following document entitled
14 **FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST**
15 **DEFENDANT TREY L. FRIEDMANN** by placing a true and correct copies in
16 a separate envelope for each addressee named below, with the name
17 and address of the person served shown on the envelope as follows:

SEE ATTACHED SERVICE LIST

21 and by sealing the envelope and placing it in the appropriate
22 location at my place of business for collection and mailing with
23 postage fully prepaid in accordance with ordinary business practice.

24 *

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1 I declare under penalty of perjury under the laws of the United
2 States of America that the foregoing is true and correct and that I
3 am employed in the office of a member of the bar of this Court at
4 whose direction the service was made.

5 Executed on August 9, 1999, at Los Angeles, California.
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8 Magnolia M. Marcelo
Print or Type Name

9 Magnolia M. Marcelo
10 Signature

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SEC v. ENVIRONMENTAL ENERGY, INC., et al.

Case No. 98-6060 CM (BORG)

(LA-849)

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