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

U.S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
SEP 7 2000
CLERK, U.S. DISTRICT COURT
By [Signature]
Deputy

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

KOSOVA ASSET MANAGEMENT, L.L.C.,
a Texas limited liability company; and
JASON N. KOSOVA,

Defendants.

Civil Action No.
3:99-CV-0256-P

ENTERED ON DOCKET
SEP - 7 2000
U.S. DISTRICT CLERK'S OFFICE

**AGREED FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER
EQUITABLE RELIEF AGAINST JASON N. KOSOVA**

Plaintiff Securities and Exchange Commission ("Commission"), having filed its Complaint in this matter, and Defendant Jason N. Kosova ("Kosova"), through his Stipulation and Consent ("Consent"), having admitted service of the Summons and of the Complaint, having admitted the jurisdiction of this Court over Kosova and over the subject matter of this action, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having entered into his Stipulation and Consent voluntarily, no threats, promises of immunity or assurances having been made by the Commission or by any of its members, officers, agents or representatives to induce Kosova to enter into the Stipulation and Consent, having consented, without admitting or denying any of the allegations in the Commission's Complaint, except as to jurisdiction as set forth above, to entry without further notice of this Final Judgment of Permanent Injunction and Other Equitable Relief ("Final Judgment") enjoining Kosova from

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engaging in transactions, acts, practices and courses of business which constitute and would constitute violations of section 17(a) of the Securities Act of 1933, 15 U.S.C. §77q(a), section 10(b) of the Securities Exchange Act of 1934, 15 U.S.C. §78j(b) and Commission Rule 10b-5, 17 C.F.R. §240.10b-5; it further appearing that this Court has jurisdiction over Kosova and the subject matter of this action and that no further notice of hearing for the entry of this Final Judgment need be given; and the Court being fully advised in the premises:

I.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED That Kosova and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, be and hereby are permanently restrained and enjoined, directly or indirectly, in connection with the purchase or sale of a security in the form of an interest pooled in foreign currency exchange contracts, investment contracts, including those involving interests in foreign currency exchange trades and/or any other security, from making use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange:

- (a) to use or employ any manipulative or deceptive device or contrivance;
- (b) to use or employ any device, scheme or artifice to defraud;
- (c) 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 the light of the circumstances under which they were made, not misleading; and/or
- (d) to engage in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That Kosova and his agents, servants, employees, attorneys-in-fact and all other persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined, in the offer or sale of securities in the form of an interests in polled foreign currency exchange contracts, investment contracts, including those involving interests in foreign currency exchange trades and/or any other security, from making use of any means or instrument of transportation or communication in interstate commerce, or use of 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 the light of the circumstances under which they were made, not misleading; and/or
- (c) to engage in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That Kosova shall disgorge the amount of \$516,000, representing his NET receipts from the conduct alleged in the Complaint plus prejudgment interest thereon in the amount of \$38,908.78. Based upon Kosova's sworn representations in its Sworn Statement of Financial Condition dated February 8, 2000, submitted to the Commission, if Kosova shall make disgorgement to the temporary receiver of the monies and other property which are now in the actual and constructive possession of the temporary receiver

and which, for the purpose of this Final Judgment, Kosova and the Commission have valued at \$218,293, the balance of the amount which Kosova is to disgorge shall be waived.

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That, based upon Kosova's sworn representations in its Sworn Statement of Financial Condition dated February 8, 2000, submitted to the Commission, the Court is not ordering him to pay a civil money penalty pursuant to the provisions of section 20(d) of the Securities Act of 1933, 15 U.S.C. §77t(d), and section 21(d)(3) of the Securities Exchange Act of 1934, 15 U.S.C. §78u(d)(3).

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That the determination not to impose a civil penalty and to waive payment of a portion of the disgorgement amount and prejudgment interest thereon is expressly contingent upon the accuracy and completeness of Kosova's Sworn Statement of Financial Condition dated February 8, 2000, submitted to the Commission and that, if at any time following the entry of this Final Judgment, the Commission obtains information indicating that Kosova's representations to the Commission concerning its assets, income, liabilities and/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 Kosova, petition this Court for an order requiring Kosova to pay disgorgement, prejudgment and post-judgment interest thereon, less the amount and value of all disgorgement previously made by Kosova, and a civil penalty. In connection with any such petition, the only issues shall be whether the financial information provided by Kosova 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. In its petition, the

Commission may move this Court to consider all available remedies, including, but not limited to, ordering Kosova to turn over funds and assets, directing the forfeiture of any assets and imposing sanctions for contempt of this Final Judgment, and the Commission may also request additional discovery. Kosova may not, by way of defense to such petition, challenge the validity of its Stipulation and Consent or this Final Judgment, contest the allegations in the Complaint filed by the Commission or the amount of disgorgement and interest or assert that disgorgement or payment of a civil penalty should not be ordered.

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That the Stipulation and Consent filed herein be, and the same is hereby, incorporated in this Final Judgment with the same force and effect as if fully set forth herein.

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That Kosova shall deliver all of his books of account and financial records to the temporary receiver.

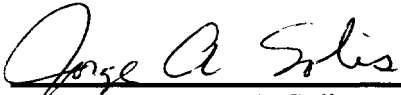
VIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED That 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, including but not limited to the relief requested by the Commission in its Complaint in this action.

IX.


IT IS FURTHER ORDERED, ADJUDGED AND DECREED That this Final Judgment may be served upon Kosova in person or by mail either by the United States marshal, by the Clerk of the Court or by any member of the staff of the Commission.

DATED and SIGNED this 6th day of September 2000.



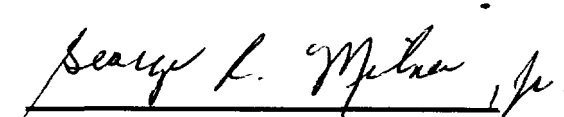
Jorge A. Solis
United States District Judge

Agreed As To Form And Substance:



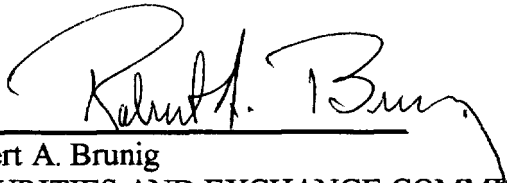
Jason N. Kosova

Approved As To Form:



George R. Milner, Jr.
George R. Milner, III
**MILNER, LOBEL, GORANSON,
SORRELS, UDASHEN & WELLS**
2515 McKinney Avenue
Suite 1500
Dallas, TX 75201-1971
Telephone: (214) 651-1121
Facsimile: (214) 953-1366
Attorney for Jason N. Kosova

Approved As To Form:



Robert A. Brunig
SECURITIES AND EXCHANGE COMMISSION
Fort Worth District Office
801 Cherry Street
Suite 1900
Fort Worth, TX 76102
Telephone: (817) 978-3821
Facsimile: (817) 978-2700
Attorney for Securities and Exchange Commission