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ENTERED
JUL 28 2000
CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION
UNITED STATES DISTRICT COURT

FILED
JUL 28 2000
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CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION

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CENTRAL DISTRICT OF CALIFORNIA

13 SECURITIES AND EXCHANGE COMMISSION,

14 Plaintiff,

15 v.

16 AMERICAN TELEPHONE + DATA, INC.,
et al.,

17 Defendants.

13 :
14 : CIV. ACTION NO.
15 : EDCV 00-375 VAP (ANx)
16 :
17 : [Proposed] FINAL JUDGMENT OF
18 : PERMANENT INJUNCTION AND
OTHER RELIEF AGAINST
AMERICAN TELEPHONE +
DATA, INC., WILLIAM POSNETT
LYNAS, III AND JANEEN
HAUXHURST-LYNAS

19 :
20 : This matter came before the Court on the motion of Plaintiff
21 : Securities and Exchange Commission ("Commission") for entry,
22 : pursuant to Fed. R. Civ. P. 55(b), of a default judgment against
23 : Defendants American Telephone + Data, Inc., William Posnett Lynas,
24 : III and Janeen Hauxhurst-Lynas following entry by the Clerk on
25 : March 23, 2000, of a default against the defendants pursuant to
26 : Fed. R. Civ. P. 55(a).

FILED
JUN 28 2000
CLERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION
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1 After consideration of all memoranda and evidence filed by
2 the parties regarding the motion for default judgment:

3 I.

4 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the
5 Commission's Motion For Entry Of Default Judgment Against American
6 Telephone + Data, Inc., William Posnett Lynas, III and Janeen
7 Hauxhurst-Lynas is GRANTED.

8 II.

9 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants
10 American Telephone + Data, Inc., William Posnett Lynas, III and
11 Janeen Hauxhurst-Lynas and their officers, agents, servants,
12 employees, attorneys, and those persons in active concert or
13 participation with any of them, who receive actual notice of this
14 Final Judgment by personal service or otherwise, and each of them,
15 are permanently restrained and enjoined from violating Section
16 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15
17 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5]
18 promulgated thereunder, directly or indirectly, by the use of any
19 means or instrumentality of interstate commerce, or of the mails,
20 or of any facility of any national securities exchange, to

- 21 a. employ any device, scheme, or artifice to defraud;
22 b. make any untrue statement of a material fact or omit to
23 state a material fact necessary in order to make the
24 statements made, in the light of the circumstances under
25 which they were made, not misleading; or
26 c. engage in any act, practice, or course of business which
27
28

1 operates or would operate as a fraud or deceit upon any
2 person,
3 in connection with the purchase or sale of any security.

4 III.

5 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants
6 American Telephone + Data, Inc., William Posnett Lynas, III and
7 Janeen Hauxhurst-Lynas and their officers, agents, servants,
8 employees, attorneys, and those persons in active concert or
9 participation with any of them, who receive actual notice of this
10 Final Judgment by personal service or otherwise, and each of them,
11 are permanently restrained and enjoined from violating Section
12 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §
13 77q(a)], directly or indirectly, by the use of any means or
14 instruments of transportation or communication in interstate
15 commerce, or by the use of the mails, to

- 16 a. employ any device, scheme, or artifice to defraud;
17 b. obtain money or property by means of any untrue
18 statement of a material fact or any omission to state a
19 material fact necessary in order to make the statements
20 made, in the light of the circumstances under which they
21 were made, not misleading; or
22 c. engage in any transaction, practice, or course of
23 business which operates or would operate as a fraud or
24 deceit upon a purchaser,
25 in the offer or sale of any securities.

1 IV.

2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant
3 American Telephone + Data, Inc., and its officers, agents,
4 servants, employees, attorneys, and those persons in active
5 concert or participation with any of them, who receive actual
6 notice of this Final Judgment by personal service or otherwise,
7 and each of them, are permanently restrained and enjoined from
8 violating Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the
9 Exchange Act [15 U.S.C. §§ 78m(a), 78m(b)(2)(A), 78m(b)(2)(B)] and
10 Rules 13a-11, 13a-13 and 12b-20 [17 C.F.R. §§ 240.13a-11, 240.13a-
11 13, 240.12b-20] thereunder, by failing to file timely and in
12 proper form with the Commission, accurate and complete Current and
13 Quarterly Reports that are required to be filed with the
14 Commission pursuant to Section 13(a) of the Exchange Act and Rules
15 13a-11 and 13a-13 thereunder, or by failing to add such further
16 material information as may be necessary to make the required
17 statements in those reports in the light of the circumstances
18 under which they were made not misleading, or by failing to make
19 and keep books, records and accounts as required by Section
20 13(b)(2)(A) of the Exchange Act, or by failing to devise and
21 maintain a system of internal accounting controls as required by
22 Section 13(b)(2)(B) of the Exchange Act.

23 V.

24 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants
25 William Posnett Lynas, III and Janeen Hauxhurst-Lynas and their
26 officers, agents, servants, employees, attorneys, and those
27

1 persons in active concert or participation with any of them, who
2 receive actual notice of this Final Judgment by personal service
3 or otherwise, and each of them, are permanently restrained and
4 enjoined from violating Section 13(b)(5) of the Exchange Act [15
5 U.S.C. § 78m(b)(5)] and Rule 13b2-1 [17 C.F.R. § 240.13b2-1]
6 thereunder, by knowingly circumventing or knowingly failing to
7 implement a system of internal accounting controls or knowingly
8 falsifying any book, record, or account described in Section
9 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)], or by,
10 directly or indirectly, falsifying or causing to be falsified, any
11 book, record or account subject to Section 13(b)(2)(A) of the
12 Exchange Act [15 U.S.C. § 78m(b)(2)(A)].

13 VI.

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants
15 William Posnett Lynas, III and Janeen Hauxhurst-Lynas are
16 permanently prohibited from acting as an officer or director of
17 any issuer that has a class of securities registered pursuant to
18 Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is
19 required to file reports pursuant to Section 15(d) of the Exchange
20 Act [15 U.S.C. § 78o(d)].

21 VII.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendants
23 William Posnett Lynas, III and Janeen Hauxhurst-Lynas shall be
24 jointly and severally liable for disgorgement in the amount of
25 \$1,336,759.44, representing proceeds gained as a result of their
26 unlawful conduct described in the Complaint, plus prejudgment
27

1 interest in the amount of \$342,909.63, for a total of
2 \$1,679,669.07. Within thirty (30) days of the date of entry of
3 this Judgment, Defendants William Posnett Lynas, III and Janeen
4 Hauxhurst-Lynas shall pay this disgorgement and prejudgment
5 interest into an interest bearing account in the Court's registry.
6 The Clerk shall hold those funds in the Registry, pending further
7 order.

8 VIII.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
10 shall retain jurisdiction over this action for the purposes of
11 determining, implementing and carrying out the terms of this Final
12 Judgment and all other orders and decrees that may be entered
13 herein, and granting such other relief as the Court may deem
14 necessary and just.

15 There being no just reason for delay, the Clerk of the Court
16 is hereby directed to enter this Final Judgment forthwith.

17
18
19 DATED: *July 28, 2000*

Virginia A. Phillips
HONORABLE VIRGINIA A. PHILLIPS
UNITED STATES DISTRICT JUDGE