

CHRISTIAN J. MIXTER (D.C. Bar # 352328)
DEBORAH M. FIELD (D.C. Bar # 452467)
Attorneys for Plaintiff
Securities and Exchange Commission
Washington, D.C. 20549-0808
(202) 942-4718 (Mixer)
(202) 942-9581 (Fax)

**UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA**

SECURITIES AND EXCHANGE COMMISSION Civil Action No.
450 Fifth Street, NW
Washington, D.C. 20549-0808

99 1455

Plaintiff,

vs.

LEWIS ALLEN RIVLIN; EDWIN EARL
HULING III; AND ALFRED HUASCAR
VELARDE,

Defendants,

and

Z-FINANCE, S.A.; ANTHONY P. ZIOUDAS;
HEDLEY FINANCE, LTD.; CHRISTIAN
DANTE; and CHRYSANTHOS
CHRYSOSTOMOU,

Relief Defendants.

FILED

JUL 30 1999

Clerk, U.S. District Court
District of Columbia

**FINAL JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF AS TO
ALFRED H. VELARDE**

Plaintiff Securities and Exchange Commission ("Commission") having filed its
Complaint for violations of the federal securities laws ("Complaint"), and Defendant
Alfred H. Velarde, having entered into the attached Consent and Undertakings of Alfred
H. Velarde ("Consent"), filed simultaneously with this Final Judgment and incorporated by

reference herein, having entered a general appearance, having acknowledged service upon him of the Complaint, having admitted the Court's jurisdiction over him and over the subject matter of this action, having waived service of process, having waived the filing of an answer, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure and, without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, which the defendant admits, having consented to the entry of this Final Judgment, and it further appearing that this Court has jurisdiction over Defendant Alfred H. Velarde, and the subject matter hereof, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED that Alfred H. Velarde, his agents, servants, employees, attorneys, and those 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, are permanently enjoined and restrained from violating, directly or indirectly, by use of the means or instrumentalities of interstate commerce, the mails, or any facility of any national securities exchange:

Section 10(b) of the Securities Exchange Act of 1934 [15 U.S.C. § 78j(b)]

and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5] by:

(1) employing any device, scheme or artifice to defraud, (2) making any untrue statement of a material fact or omitting 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, or (3) engaging in any act, practice, or course of business which operates or

would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security; and

II.

IT IS FURTHER ORDERED that Alfred H. Velarde shall pay a civil penalty of \$20,000 pursuant to Section 21A(a) of the Securities Exchange Act of 1934 [15 U.S.C. § 78u-1(a)], which shall be paid in accordance with Paragraph III below.

III.

IT IS FURTHER ORDERED that, with respect to the monies ordered to be paid pursuant to Paragraph II of this Final Judgment, Alfred H. Velarde shall pay the civil penalty within ninety days of entry of this Final Judgment. All payments made pursuant to this paragraph shall be made by (a) United States money order, certified check, bank cashier's check or bank money order, (b) made payable to the Securities and Exchange Commission, (c) mailed by certified mail (return receipt requested) to the Comptroller, United States Securities and Exchange Commission, 6432 General Green Way, Mail Stop 0-3, Alexandria, VA, 22312, Alfred H. Velarde as the defendant in this action, the case number of this action, the name of the Court, and the Commission's file number (HO-3385), a copy of which cover letter and proof of payment shall be sent to Christian J. Mixter of the Division of Enforcement, Chief Litigation Counsel, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0808.

IV.

IT IS FURTHER ORDERED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Alfred H. Velarde shall comply with all of the undertakings and agreements incorporated herein.

V.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction for the purpose of enforcing the Final Judgment.

VI.

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

Dated: 1-30-99


United States District Judge

Attorneys and Persons Entitled to
be Notified of the Entry of this Order:

Lewis Allen Rivlin, Esq.
Law Offices of Lewis A. Rivlin, P.C.
1825 Eye Street, N.W.
Washington, D.C. 20006

Craig G. Christensen, Esq.
Christensen, Bacigalupi & Barrus
PO Box 41224
Sacramento, CA 95841

Edwin Earl Huling III
c/o Frank C. Razzano, Esq.
Dickstein, Shapiro, Morin & Oshinsky LLP
2101 L Street, N.W.
Washington, D.C. 20037-2291

Alfred Huascar Velarde, Esq.
A.H. Velarde & Associates, P.C.
8201 Greensboro Drive, Suite 1000
McLean, V.A. 22102

Anne Taylor, Esq.
P.O. Box 10332
Arlington, VA 22210-1332

Z-Finance, S.A.
c/o Dr. Anthony P. Zioudas
340, Kifissias Ave., 154
51 N. Psihico
Athens, GREECE

Dr. Anthony P. Zioudas
340, Kifissias Ave., 154
51 N. Psihico
Athens, GREECE

Hedley Finance Ltd.
c/o Christian Dante
Laodikis 38
Glyfada, GREECE

Christian Dante

Laodikis 38
Glyfada, GREECE

Eugene R. Scheiman, Esq.
Baer Marks & Upham
805 Third Avenue
New York, N.Y. 10022-7513

Chrysanthos Chrysostomou
Metropolitan, Formerly of Limassol
113 Spyros Araouzos Street
Limassol, Cyprus

CHRISTIAN J. MIXTER (D.C. Bar # 352328)
DEBORAH M. FIELD (D.C. Bar # 452467)
Attorneys for Plaintiff
Securities and Exchange Commission
450 5th Street, N.W.
Washington, D.C. 20549-0808
(202) 942-4718 (Mixer)
(202) 942-9581 (Fax)

RECEIVED
JUN 8 1999
CHAMBERS OF
JUDGE LAMBERTH

**UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA**

SECURITIES AND EXCHANGE COMMISSION Civil Action No.
450 Fifth Street, NW
Washington, DC 20549-0808

93 1455

Plaintiff,

vs.

LEWIS ALLEN RIVLIN; EDWIN EARL
HULING III; AND ALFRED HUASCAR
VELARDE,

Defendants,

and

FILED

JUL 30 1999

Clerk, U.S. District Court
District of Columbia

Z-FINANCE, S.A.; ANTHONY P. ZIOUDAS;
HEDLEY FINANCE, LTD.; CHRISTIAN
DANTE; and CHRYSANTHOS
CHRYSOSTOMOU,

Relief Defendants.

**CONSENT AND UNDERTAKINGS OF
ALFRED H. VELARDE**

1. Defendant Alfred H. Velarde enters a general appearance, acknowledges service upon him of the Complaint of the Plaintiff Securities and Exchange Commission in this action, admits the Court's jurisdiction over him and over the subject matter of this action, waives service of process upon him and waives the filing of an answer.

18-A1

*Attachment A Final Judgment
of 7-30-99*

2. Velarde, without admitting or denying the allegations of the Complaint, except as to jurisdiction, which he admits, consents to the entry of a Final Judgment of Permanent Injunction and Other Relief (the "Final Judgment") in the form attached hereto and incorporated by reference herein, which:

- (a) permanently restrains and enjoins Velarde from, directly or indirectly, violating Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder;
and
- (b) orders Velarde to pay a civil penalty of \$20,000. Such funds are to be paid and treated in accordance with Paragraphs II through VI of the Final Judgment.

3. Velarde waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

4. Velarde waives any right he may have to appeal from entry of the Final Judgment.

5. Velarde enters into this Consent voluntarily and represents that no threats, offers, promises or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce him to enter into this Consent.

6. Velarde agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

7. Velarde agrees that he will not oppose the enforcement of the Final Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waives any objection he may have based thereon.

8. Velarde waives service upon him of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk will constitute notice to him of the terms and conditions of such Final Judgment.

9. Consistent with the provisions of 17 C.F.R. § 202.5(f), Velarde waives any claim of double jeopardy based upon the settlement of this proceeding, including the imposition of any remedy.

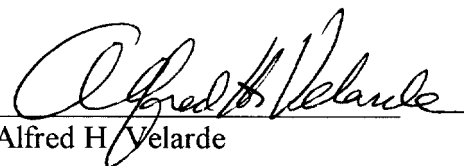
10. Velarde understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the Complaint or order for proceedings." (17 C.F.R. § 202.5(e)). In compliance with this policy, Velarde agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis. If Velarde breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this provision affects Velarde's (i) testimonial obligations; or (ii) right to take legal positions in litigation in which the Commission is not a party.

11. Velarde agrees that he will appear and testify at the request of any party at any deposition, hearing or trial in any action or proceeding arising out of the matters described in the Complaint herein. In connection with any such deposition, hearing or trial, Velarde hereby:

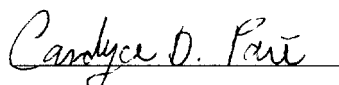
(a) appoints Anne T. Taylor, Esq. of McLean, Virginia as Velarde's agent to receive on his behalf any notice or subpoena for his appearance and testimony; (b) agrees that any such notice or subpoena for Velarde's appearance and testimony may be served on Velarde or Anne T. Taylor by mail; (c) agrees that any such notice or subpoena for Velarde's appearance and testimony may be served, and request testimony, beyond the territorial limits imposed by Rule 45 of the Federal Rules of Civil Procedure, providing the party requesting the testimony reimburses Velarde's travel, lodging and subsistence expenses at then prevailing U.S. Government per diem rates; and (d) consents to personal jurisdiction over Velarde in any United States District Court for purposes of enforcing any such subpoena for Velarde's appearance and testimony.

12. Velarde agrees that the annexed Final Judgment may be presented by the Commission to the Court for signature and entry without further notice.

13. Velarde agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

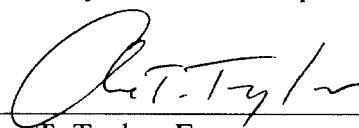
Dated: May 13th, 1999 
Alfred H. Velarde

On this 13th day of May, 1999, Alfred H. Velarde, being known to me and who executed the foregoing Consent of Alfred H. Velarde, personally appeared before me and acknowledged to me that he executed the same.



My commission expires _____ **My Commission Expires July 14, 1999**

Approved as to form:


Anne T. Taylor, Esq.
Attorney for Alfred H. Velarde