

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA

APR -3 1999

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,

CIVIL ACTION NO.
1:99-CV-2496-RLV

CLERK
CLERK

v.

COMPUTONE CORPORATION
THOMAS J. ANDERSON,
GREGORY A. ALBA,
DONALD A. PEARCE,
DUNCAN E. HUME, and
BRIAN D. KRETSCHMAN,

Defendants.

FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF
AS TO BRIAN D. KRETSCHMAN

Plaintiff Securities and Exchange Commission ("Commission"), having filed its Complaint herein; defendant Brian D. Kretschman ("Kretschman"), having entered a general appearance, having admitted the in personam jurisdiction of this Court over him and the jurisdiction of this Court over the subject matter of the action; defendant Kretschman having waived entry of findings of fact and conclusions of law under 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 and venue which he admits, and having consented to the entry of this Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"); it appearing that this Court has jurisdiction over the parties and the subject matter hereof; and the Court being fully advised in the premises;

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Kretschman, his agents, servants, employees, attorneys, and 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 enjoined from violating Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5], directly or indirectly, by, through the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

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.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Kretschman, and his agents, servants, employees, attorneys, and

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 enjoined from, directly or indirectly, violating Section 13(b)(5) of the Exchange Act [15 U.S.C. 78m(b)(5)] and Rules 13b2-1 and 13b2-2 thereunder [17 C.F.R. 240.13b2-1 and 240.13b2-2], by:

1. knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account of any company which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. 78l] or any company which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. 78o(d)];
2. falsifying or causing to be falsified, any book, record or account of any company which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. 78l] or any company which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. 78o(d)];
3. making or causing to be made a materially false or misleading statement, or omitting to state, or causing another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements are made,

not misleading to an accountant in connection with (1) any audit or examination of the financial statements of an issuer required to be made pursuant to Section 13 [15 U.S.C. 78m] of the Exchange Act or (2) the preparation or filing of any document or report required to be filed with the Commission pursuant to Section 13 of the Exchange Act [15 U.S.C. 78m].

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Kretschman pay \$15,000 representing civil monetary penalties pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. 78u(d)(3)]. That amount shall be paid within thirty (30) days from the date of the entry of this order (a) by cashier's check, certified check, or postal money order (b) made payable to the Securities and Exchange Commission; (c) hand-delivered or delivered by overnight delivery service to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312; and (d) submitted under a cover letter which identifies Kretschman as a defendant in these proceedings, a copy of which shall be sent to William P. Hicks, District Trial Counsel, Securities and Exchange Commission, 3475 Lenox Rd., N.E., Suite 1000, Atlanta, Georgia 30326-1232.

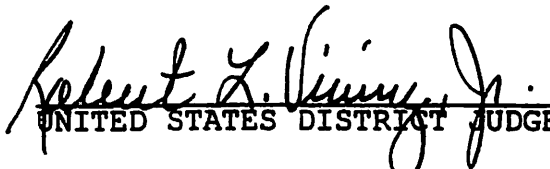
IV.

IT IS FURTHER ORDERED that this Court will retain

jurisdiction over this matter and defendant Kretschman for the purpose of enforcing this Final Judgment and ordering additional relief as necessary.

There being no just reason for delay, the Clerk of the Court is hereby directed to enter this Final Judgment pursuant to Rules 54(b), 58 and 77(d) of the Federal Rules of Civil Procedure.

Dated this 30th day of March, ²⁰⁰⁰~~1999~~.


UNITED STATES DISTRICT JUDGE

JUDGMENT ENTERED:

Clerk