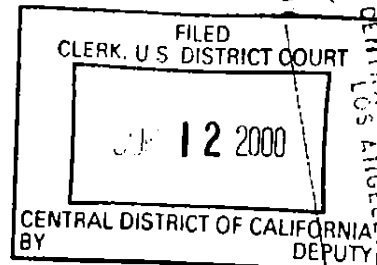


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 U.S. DISTRICT COURT
 CENTRAL DISTRICT OF CALIF.
 LOS ANGELES

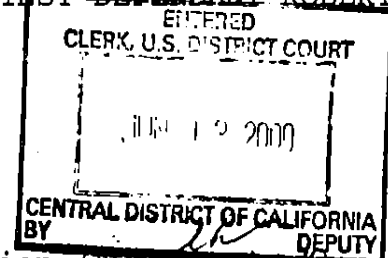
LODGED

UNITED STATES DISTRICT COURT
 FOR THE CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION,
 Plaintiff,
 vs.
 ROBERT J. DALTON, JAMES L. MASINI,
 and GEORGE J. BODLAK,
 Defendants.

Civil Action No.
 99-09826 RAP (AJWx)

[PROPOSED] FINAL JUDGMENT OF
 PERMANENT INJUNCTION AND OTHER
 RELIEF AGAINST DEFENDANT ROBERT
 J. DALTON



Plaintiff Securities and Exchange Commission ("Commission"),
 having filed its Complaint in this action and defendant Robert J.
 Dalton ("Dalton") having waived service of the Summons pursuant to
 Rule 4(d) of the Federal Rules of Civil Procedure; Dalton having
 admitted the jurisdiction of this Court over him and over the
 subject matter of this action; having been fully advised and
 informed of his right to a judicial determination of this matter;
 having waived the entry of findings of fact and conclusions of law
 as provided by Rule 52 of the Federal Rules of Civil Procedure;
 having consented to the entry of this Final Judgment of Permanent
 Injunction and Other Relief Against Defendant Robert J. Dalton

✓ Docketed
 — Copies / NTC Sent
 ✓ JS - 5 / JS - 6
 — JS - 2 / JS - 3
 — CLSD

12.

1 ("Final Judgment"), without admitting or denying the allegations in
2 the Complaint, except as specifically set forth in the Consent of
3 Defendant Robert J. Dalton to Entry of Final Judgment of Permanent
4 Injunction and Other Relief ("Consent"); no notice of hearing upon
5 the entry of this Final Judgment being necessary; and this Court
6 being fully advised:

7 I.

8 IT IS ORDERED, ADJUDGED AND DECREED that Dalton, and his
9 agents, servants and employees, and all persons in active concert or
10 participation with any of them, who receive actual notice of this
11 Final Judgment by personal service or otherwise, and each of them,
12 are permanently restrained and enjoined from, directly or
13 indirectly:

14 A. making use of any means or instruments of transportation
15 or communication in interstate commerce or of the mails to
16 sell any security, through the use or medium of any
17 prospectus or otherwise, unless and until a registration
18 statement is in effect as to such security;

19 B. carrying or causing to be carried through the mails or in
20 interstate commerce, by any means or instruments of
21 transportation, for the purpose of sale or for delivery
22 after sale, any security, unless and until a registration
23 statement is in effect as to such security; or

24 C. making use of any means or instruments of transportation
25 or communication in interstate commerce or of the mails to
26 offer to sell or offer to buy, through the use or medium
27 of any prospectus or otherwise, any security, unless and
28 until a registration statement has been filed with the

Commission as to such security, or while a registration statement as to such security is the subject of a refusal order or a stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77h];
in violation of Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a) & 77e(c)].

II.

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

A. employing any device, scheme or artifice to defraud;

B. obtaining 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 light of the circumstances under which they were made, not misleading; or

C. engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser;

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

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Dalton, and his agents, servants and employees, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of any securities, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

A. employing any device, scheme or artifice to defraud;

B. making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

C. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

in violation of 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].

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Dalton, and his agents, servants and employees, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, are permanently restrained and enjoined from making use of the mails or any means or instrumentality of interstate commerce to

1 effect any transactions in, or to induce or attempt to induce the
2 purchase or sale of, any security (other than an exempted security
3 or commercial paper, bankers' acceptances, or commercial bills)
4 without being registered as a broker or dealer pursuant to Section
5 15(b) of the Exchange Act [15 U.S.C. § 78o(b)], in violation of
6 Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

7 V.

8 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Dalton shall
9 pay disgorgement in the amount of \$677,339, representing his gains
10 from the conduct alleged in the Complaint, and pay prejudgment
11 interest thereon. Prejudgment interest shall be calculated pursuant
12 to 28 U.S.C. § 1961.

13 VI.

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the
15 disgorgement and prejudgment interest to be paid by Dalton, as set
16 forth in Part V of this Final Judgment, is waived, due to his
17 financial inability to pay disgorgement or prejudgment interest.

18 VII.

19 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the waiver of
20 disgorgement and prejudgment interest, and the nonassessment of
21 civil penalties pursuant to Section 20(d)(1) of the Securities Act
22 [15 U.S.C. § 77t(d)(1)] and Section 21(d)(3)(A) of the Exchange Act
23 [15 U.S.C. § 78u(d)(3)(A)], is based upon the accuracy and
24 completeness of Dalton's representations to the Commission
25 concerning his assets, income, liabilities and net worth, as
26 described in the Statement of Financial Condition of Robert J.
27 Dalton, dated November 30, 1999, which he has submitted to the
28 Commission. If, at any time following entry of the Final Judgment,

1 the Commission obtains information indicating that Dalton's
2 representations to the Commission concerning his assets, income,
3 liabilities or net worth were fraudulent, misleading, inaccurate or
4 incomplete in any material respect as of the time such
5 representations were made, the Commission may, at its sole
6 discretion and without prior notice to him, petition the Court for
7 an order requiring Dalton to pay the full amount of disgorgement set
8 forth above, together with prejudgment and postjudgment interest,
9 and civil penalties. In connection with any such petition, the only
10 issues shall be whether the financial information provided by Dalton
11 was fraudulent, misleading, inaccurate or incomplete in any material
12 respect as of the time such representations were made, and the
13 amount of civil penalties to be imposed. In any such petition, the
14 Commission may move the Court to consider all available remedies,
15 including, but not limited to, ordering Dalton to pay funds or
16 assets, directing the forfeiture of any assets, or sanctions for
17 contempt of the Court's Final Judgment, and the Commission may also
18 request additional discovery. Dalton may not, by way of defense to
19 such petition, challenge the validity of the Consent or this Final
20 Judgment, contest the allegations in the Complaint filed by the
21 Commission, the amount of disgorgement and interest, or assert that
22 disgorgement or payment of civil penalties should not be ordered.

23 VIII.

24 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Dalton shall
25 provide all documents in his possession, custody or control to the
26 Commission and disclose under oath all information with respect to
27 his activities and the activities of others about which the
28 Commission or its staff may inquire or request, relating to the

1 allegations in the Complaint filed by the Commission in this case.
2 Such production of documents and disclosure of information by Dalton
3 shall be made upon reasonable notice in writing and without the
4 service of a subpoena and subject only to the good faith assertion
5 of any privileges recognizable pursuant to the provisions of Rule
6 501 of the Federal Rules of Evidence or the United States
7 Constitution and amendments thereto.

8 IX.

9 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions
10 of the Consent filed concurrently with this Final Judgment are
11 incorporated by this reference with the same force and effect as if
12 fully set forth herein and that Dalton shall comply with the terms
13 of his Consent.

14 X.

15 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court
16 shall retain jurisdiction over this action for all purposes,
17 including, but not limited to, the determination of liability of any
18 remaining defendants in this action; the implementation and
19 enforcement of the terms of this Final Judgment and other orders and

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1 decrees which may be entered, and the granting of such other relief
2 as this Court may deem necessary and just.

3 * * * * *

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

7
8 IT IS SO ORDERED.

9
10 DATED: 6-7-00

RICHARD A. PAEZ

UNITED STATES DISTRICT JUDGE

Circuit

Sitting By Designation

CERTIFICATE OF SERVICE

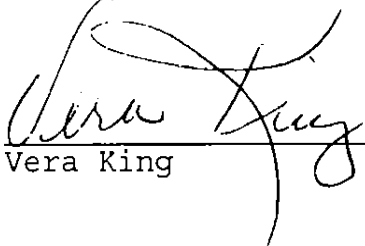
I, Vera King, am over the age of 18 years, not a party to the within action and a citizen of the United States. My business address is 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. On May 31, 2000, at the direction of a member of the bar of this Court, I served the [PROPOSED] FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT ROBERT J. DALTON attached hereto by causing to be mailed a true and correct copy thereof in a sealed envelope, postage prepaid, addressed to:

Robert J. Dalton
James L. Masini
c/o Steven Gourley, Esq.
Law Offices of Steven Gourley
11111 West Olympic Boulevard, Suite 300
Los Angeles, CA 90064

George J. Bodlak
c/o Thomas K. Bourke, Esq.
601 West 5th Street, 8th Floor
Los Angeles, CA 90071

I declare under penalty of perjury that the foregoing is true and correct.

DATED: May 31, 2000


Vera King