

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

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<b>UNITED STATES SECURITIES</b>		)
<b>AND EXCHANGE COMMISSION,</b>		)
		)
<b>Plaintiff,</b>	<b>1:01-CV-6227</b>	)
		)
<b>v.</b>	<b>Hon. William J. Hibbler</b>	)
		)
<b>KIRK KOSKELLA, O. JAY NEELEY</b>		)
<b>and ELTC LIMITED,</b>		)
		)
<b>Defendants.</b>		)
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**DOCKETED**  
JUL 26 2002

**ORDER**

This matter coming before the Court on the motion of Plaintiff United States Securities and Exchange Commission ("Commission") for Findings and Civil Penalties Against Defendants Kirk Koskella ("Defendant Koskella") and O. Jay Neeley ("Defendant Neeley"), and Court having considered the briefs and supporting exhibits submitted by the parties and the arguments of the parties at the July 23, 2002 hearing, and the Court being otherwise fully advised in the premises:

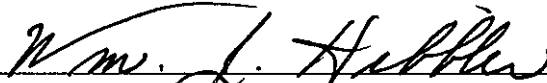
**IT IS HEREBY ORDERED THAT** the Commission's motion for findings and civil penalties against Defendant Koskella is hereby **GRANTED**. The Court specifically finds that: (1) Defendant Koskella willfully violated Sections 17(a)(1) and (3) of the Securities Act of 1933; (2) Defendant Koskella's violations involved fraud and deceit; and (3) Defendant Koskella's violations created a significant risk of substantial losses to other persons. On the basis of these findings, the Commission has made a proper showing for the imposition of the requested third-tier civil penalty, and now therefore,

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**IT IS FURTHER ORDERED THAT** Defendant Kirk Koskella shall pay a civil penalty in the amount of \$110,000 to the United States Treasury within 30 days of the entry of this Order. Such payment shall be: (A) made by United States Postal money order, certified check, bank cashier's check or bank money order; (B) made payable to the United States Securities and Exchange Commission; (C) hand-delivered or mailed to the Comptroller, United States Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312; and (D) submitted under cover letter that identifies Kirk Koskella as a defendant in this matter and the case number of this matter, a copy of which shall be sent to Daniel R. Gregus, Assistant Regional Director, United States Securities and Exchange Commission, 175 W. Jackson Boulevard, Suite 900, Chicago, Illinois 60604.

**IT IS FURTHER ORDERED THAT** the Commission's motion for findings and civil penalties against Defendant Neeley is **GRANTED, IN PART, AND DENIED, IN PART.** Specifically, the Court finds that: (1) Defendant Neeley willfully violated Sections 17(a)(1) and (3) of the Securities Act of 1933; (2) Defendant Neeley's violations involved fraud and deceit; and (3) Defendant Neeley's violations created a significant risk of substantial losses to other persons. Although the Commission has made a proper showing for a third-tier civil penalty against Defendant Neeley, the Court finds that Neeley is unable to pay a civil penalty due to financial hardship and, on that basis, refuses to order a penalty against him.

This Order is consistent with the rulings and findings made, and the Court's explanation of the basis of its rulings and findings provided at the hearing on July 23, 2002, which are hereby incorporated into this Order.

  
UNITED STATES DISTRICT JUDGE

Dated: 7/24 2002