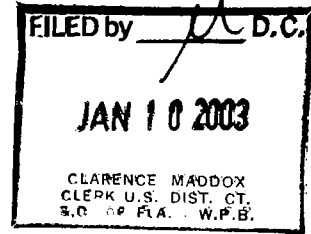


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

CASE NO. 01-8328-CIV-RYSKAMP/VITUNAC

SECURITIES AND EXCHANGE COMMISSION,)
)
 Plaintiff,)
)
 v.)
)
 SUNSTATE FX INC.,)
 ULRICH G. GARBE,)
 PEGGY L. PATTERSON, and)
 JOHN J. HYLAND)
)
 Defendants;)
)
 and)
)
 RD TRADING FUND, LLC,)
 FX CONSULTANTS, LLC,)
 ROSALIE DAVIS,)
 CHARLES E. DAVIS,)
 CAPITAL STRATEGIES, LLC,)
 KIRK R. HANSON, and)
 JOSEPH J. ITALIANO)
)
 Relief Defendants.)



**FINAL JUDGMENT SETTING DISGORGEMENT AND IMPOSING
 CIVIL PENALTIES AGAINST DEFENDANTS ULRICH GARBE,
 PEGGY PATTERSON AND JOHN HYLAND**

THIS MATTER is before the Court on the Plaintiff's Motion to Set Disgorgement and Penalties (D.E. #260). The Court has reviewed the motion and the evidence submitted in support of the motion, as well as the entire record in the case, and finds that the evidence supports entry of this final judgment setting disgorgement and imposing civil penalties against Defendants

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Ulrich Garbe, Peggy Patterson and John Hyland ("Final Judgment"), in the amounts set forth below. Accordingly, it is

ORDERED AND ADJUDGED that the Plaintiff's motion is **GRANTED**.

I. DISGORGEMENT AND CIVIL PENALTIES AGAINST ULRICH GARBE

IT IS FURTHER ORDERED AND ADJUDGED that final judgment is entered against Defendant Ulrich Garbe as follows:

(1) Garbe is ordered to pay \$710,287.96 in disgorgement plus \$76,712.75 in prejudgment interest, for a total of \$787,000.71. Garbe is ordered to pay said total of \$787,000.71 to the Court-appointed Receiver, David M. Levine, Esq., within thirty (30) days of the date of this Judgment, by cashier's check, certified check, or postal money order, under cover of a letter that identifies the name and number of this action and the name of this Court, with a copy to Robert K. Levenson, Esq., counsel of record for the Plaintiff Securities and Exchange Commission.

(2) Garbe is also ordered to pay a civil penalty of \$120,000 based on his fraudulent conduct as alleged in the Amended Complaint. Garbe shall make this payment within thirty (30) days of entry of this Judgment to the Registry of this Court, by cashier's check, certified check, or postal money order, made payable to "Clerk, United States District Court," under cover of a letter that identifies the name and number of this action and the name of this Court, with a copy to Robert K. Levenson, Esq., counsel of record for the Plaintiff. These funds shall be held by the Registry of this Court pending further order of the Court.

II. DISGORGEMENT AND CIVIL PENALTIES AGAINST PEGGY PATTERSON

IT IS FURTHER ORDERED AND ADJUDGED that final judgment is entered against Defendant Peggy Patterson as follows:

(1) Patterson is ordered to pay \$228,374.09 in disgorgement plus \$24,665.93 in prejudgment interest, for a total of \$253,039.02. Patterson is ordered to pay said total of \$253,039.02 to the Court-appointed Receiver, David M. Levine, Esq., within thirty (30) days of the date of this Judgment, by cashier's check, certified check, or postal money order, under cover of a letter that identifies the name and number of this action and the name of this Court, with a copy to Robert K. Levenson, Esq., counsel of record for the Plaintiff Securities and Exchange Commission.

(2) Patterson is also ordered to pay a civil penalty of \$60,000 based on her fraudulent conduct as alleged in the Amended Complaint. Patterson shall make this payment within thirty (30) days of entry of this Judgment to the Registry of this Court, by cashier's check, certified check, or postal money order, made payable to "Clerk, United States District Court," under cover of a letter that identifies the name and number of this action and the name of this Court, with a copy to Robert K. Levenson, Esq., counsel of record for the Plaintiff. These funds shall be held by the Registry of this Court pending further order of the Court.

III. DISGORGEMENT AND CIVIL PENALTIES AGAINST JOHN HYLAND

IT IS FURTHER ORDERED AND ADJUDGED that final judgment is entered against Defendant John Hyland as follows:

(1) Hyland is ordered to pay \$124,670.24 in disgorgement plus \$13,464.67 in prejudgment interest, for a total of \$138,134.91. Hyland is ordered to pay said total of \$138,134.91 to the Court-appointed Receiver, David M. Levine, Esq., within thirty (30) days of the date of this Judgment, by cashier's check, certified check, or postal money order, under cover of a letter that identifies the name and number of this action and the name of this Court, with a

copy to Robert K. Levenson, Esq., counsel of record for the Plaintiff Securities and Exchange Commission.

(2) Hyland is also ordered to pay a civil penalty of \$60,000 based on his fraudulent conduct as alleged in the Amended Complaint. Hyland shall make this payment within thirty (30) days of entry of this Judgment to the Registry of this Court, by cashier's check, certified check, or postal money order, made payable to "Clerk, United States District Court," under cover of a letter that identifies the name and number of this action and the name of this Court, with a copy to Robert K. Levenson, Esq., counsel of record for the Plaintiff. These funds shall be held by the Registry of this Court pending further order of the Court.

IV. ASSET FREEZE

IT IS FURTHER ORDERED AND ADJUDGED that pending full payment by Garbe, Patterson, and Hyland of the amounts owed under this Final Judgment:

- a. Garbe, Patterson and Hyland, as well as their agents, servants, employees, successors, attorneys-in-fact, and those persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise, including by facsimile transmission or overnight delivery service, and each of them, shall continue to hold and retain within their direct or indirect control, and otherwise prevent any withdrawal, sale, transfer, alienation, pledge, encumbrance, assignment, dissipation, concealment, or other disposition whatsoever (with the exception of transferring assets to either the Registry of the Court) any funds or other assets of Garbe, Patterson, and Hyland presently held by them (or which they accumulate after this Final Judgment), under their control, or over which they exercise actual or apparent investment or other authority

(including signatory authority), in whatever form such assets may presently exist and wherever located;

- b. any financial or brokerage institution or other person or entity holding any funds or other assets in the name, for the benefit, or under the direct or indirect control of Garbe, Patterson, or Hyland, and which receives actual notice of this Final Judgment by personal service or otherwise, including by facsimile transmission or overnight delivery service, and each of them, shall continue to hold and retain within its control and prohibit the withdrawal, removal, transfer, or other disposition of any such funds or other assets (with the exception of transferring assets to the Registry of the Court).
- c. any financial or brokerage institution or other person or entity holding any funds or securities in the name, for the benefit, or under the direct or indirect control of Garbe, Patterson and Hyland, shall deposit to the Registry of this Court, by check made payable to "Clerk, United States District Court," such funds or the liquidated market value of such securities, immediately upon service of this Final Judgment upon them, by personal service or otherwise, including by facsimile transmission or overnight delivery.

V. DISGORGEMENT AND CIVIL PENALTY CLAIMS AGAINST SUNSTATE

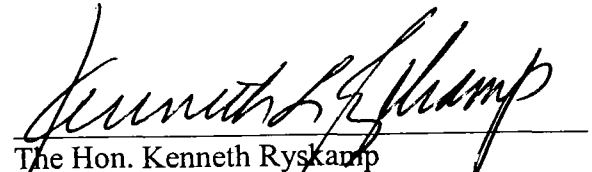
IT IS FURTHER ORDERED AND ADJUDGED that the Commission's civil penalty and disgorgement claims against Defendant Sunstate FX, Inc., are dismissed.

VI. RETENTION OF JURISDICTION

IT IS FURTHER ORDERED AND ADJUDGED that this Court shall retain jurisdiction of this action for all purposes, including the implementation and enforcement of this Final Judgment.

DONE AND ORDERED in Chambers in West Palm Beach, Florida, this 10 day of

January, 2003.


The Hon. Kenneth Ryskamp
United States District Judge

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