

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

Civil Action No. 01-⁰¹⁻²⁰⁰²

NELSON BARBER,

FILED

Defendant.

JAN - 3 2002

NANCY MAYER WHITTINGTON, CLERK
U.S. DISTRICT COURT

JUDGMENT AS TO NELSON BARBER

Defendant Nelson Barber ("Defendant") having (i) entered a general appearance; (ii) consented to the Court's jurisdiction over Defendant and the subject matter of this action; (iii) without admitting or denying the allegations of the Complaint, consented to entry of this Judgment without further notice; (iv) waived findings of fact and conclusions of law; and (v) waived any right to appeal from this Judgment, it is now

ORDERED, ADJUDGED AND DECREED that Defendant, and Defendant's officers, agents, servants, employees and attorneys, and those persons in active concert or participation with them who receive actual notice of this Judgment, are permanently restrained and enjoined from:

(a) violating Section 17(a) of the Securities Act of 1933 (15 U.S.C. §77q(a)) by, 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, directly or indirectly, (1) employing any device, scheme or artifice to defraud, (2) 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 the light of the

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circumstances under which they were made, not misleading, or (3) engaging in any transaction, practice or course of business which operates or would operate as a fraud or deceit upon any purchaser;

(b) violating Section 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. §78j(b)) (“Exchange Act”) and Rule 10b-5 thereunder (17 C.F.R. §240.10b-5) by, directly or indirectly, using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security, (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;

(c) violating or aiding and abetting violations of Section 13(a) of the Exchange Act (15 U.S.C. §78m(a) and Rules 13a-1, 13a-13 and 12b-20 thereunder (17 C.F.R. §§240.13a-1, 240.13a-13, and 240.12b-20) by, directly or indirectly, causing any issuer which has a class of securities registered pursuant to Section 12 or Section 15(d) of the Exchange Act (15 U.S.C. §§78l or 78o) to fail to file with the Securities and Exchange Commission (“Commission”) such accurate and complete information, reports, and documents as are required to be filed with the Commission pursuant to Section 13(a) of the Exchange Act (15 U.S.C. §78m(a) and the Commission’s rules thereunder, including but not limited to, annual reports on Form 10-K (17 C.F.R. § 249.310) as prescribed by Exchange Act Rule 13a-1 (17 C.F.R. § 240.13a-1) and quarterly reports on Form 10-Q (17 C.F.R. § 249.308a) as prescribed by Exchange Act Rule 13a-13 (17 C.F.R. § 240.13a-13), such information and documents to contain, in addition to such information as is expressly required to be included in a statement or report to the Commission, such further

material information, if any, as may be necessary to make the required statements, in light of the circumstances in which they were made, not misleading as prescribed by Commission Rule 12b-20 (17 C.F.R. §240.12b-20);

(d) violating or aiding and abetting violations of Section 13(b)(2)(A) of the Exchange Act (15 U.S.C. §78m(b)(2)(A)) by causing any issuer which has a class of securities registered pursuant to Section 12 or Section 15(d) of the Exchange Act (15 U.S.C. §§78l or 78o) to fail to make or keep books, records or amounts, which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer;

(e) violating Section 13(b)(2)(B) of the Exchange Act (15 U.S.C. §78m(b)(2)(B)) by, directly or indirectly, causing any issuer which has a class of securities registered pursuant to Section 12 or Section 15(d) of the Exchange Act (15 U.S.C. §§78l or 78o) to fail to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that (1) transactions are executed in accordance with management's general or specific authorization, (2) transactions are recorded as necessary (A) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (B) to maintain accountability for assets, (3) access to assets is permitted only in accordance with management's general or specific instructions, and (4) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;

(f) 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 knowingly circumventing or knowingly failing to implement a system of internal accounting controls, or by, directly or indirectly, falsifying any book,

record, or account subject to Section 13(b)(2)(A) of the Exchange Act (15 U.S.C. §78m(b)(2)(A)), or, if acting as a director or officer of an issuer, by (1) making or causing to be made a materially false or misleading statement or (2) omitting to state, or causing another person to omit to state, any material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with (A) any audit or examination of the financial statements of the issuer required to be made pursuant to Regulation 13A of the Exchange Act (17 C.F.R. §240.13a-1 - 13a-16) or (B) the preparation or filing of any document or report required to be filed with the Commission.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant pay a civil penalty of \$20,000 pursuant to Section 20(d) of the Securities Act of 1933 (15 U.S.C. §77t(d)) and Section 21(d)(3) of the Securities Exchange Act of 1934 (15 U.S.C. §78u(d)(3)). Defendant shall satisfy this obligation by paying \$20,000 within 10 business days ^{OF SERVICE OF NOTICE OF ENTRY OF THIS JUDGEMENT} to the Comptroller of the Commission, together with a letter specifying that payment is made pursuant to this Judgment. Defendant shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. The Commission shall forward such funds to the U.S. Treasury.

ORDERED, ADJUDGED AND DECREED that Defendant Barber be permanently barred from acting as a director or officer of any issuer having a class of securities registered with the Commission pursuant to Section 12 of the Exchange Act (15 U.S.C. §78l) or that is required to file reports pursuant to Section 15(d) of the Exchange Act (15 U.S.C. §78o(d)).

IT IS FURTHER ORDERED that the provisions of the Consent filed concurrently with this Final Judgment are incorporated herein with the same force and effect as if fully set forth herein and the Barber

shall comply with his Consent.

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

There being no just reason for delay, pursuant to Fed. R. Civ. P. 54(b), the Clerk is ordered to enter this Judgment forthwith and without further notice.

Dated: January 3, 2002


UNITED STATES DISTRICT JUDGE