

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 10-cv-00128-DME-KLM (Consolidated with 10-cv-00129)

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

EUGENE C. GEIGER,

Defendant.

ORDER OF JUDGMENT

On November 18, 2010, the Securities and Exchange Commission filed a "Consent of Defendant Eugene C. Geiger" (Doc. 67) and a "Final Judgment as to Defendant Eugene C. Geiger" (Doc. 67-1) (together, "Consent"). On December 9, 2010, this Court ordered the parties to file a joint stipulation addressing the following issues regarding the Consent: (1) whether the Consent is fair, adequate, legal, and in the public interest; (2) the calculation of the disgorgement amount of \$261,110 (and the prejudgment interest amount of \$221,466) as set forth in the Consent, including the factors that were considered by the parties in determining the disgorgement amount; (3) the intended recipients of the disgorged funds, and the amount(s) to be distributed to these recipients; (4) the identification, either by name or by category, of any victims who have suffered loss because of Defendant's agreed-upon conduct, including a description of such losses with such specificity as is reasonably available to the parties; and

(5) whether notice has been provided to any victims of Defendant's conduct and whether any responses have been received. (Doc. 69.)

On December 28, 2010, the parties filed a Stipulation (Doc. 71) addressing the issues set forth in the Court's Order. Having considered the Stipulation, the Court finds that the Consent is fair, adequate, legal, and in the public interest, and hereby ORDERS as follows:

The Securities and Exchange Commission having filed two consolidated Complaints, and Defendant Eugene C. Geiger having entered a general appearance, admitted to the Court's jurisdiction over him and over the subject matter of these actions, consented to entry of this Final Judgment without admitting or denying the allegations of the Complaints (except as to jurisdiction), waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by 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:

- (a) to employ any device, scheme, or artifice to defraud;

- (b) to make any untrue statement of a material fact or to omit 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
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to employ any device, scheme, or artifice to defraud;
- (c) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (d) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$261,110, representing profits gained as a result of the conduct alleged in the Complaints, together with prejudgment interest thereon in the amount of \$221,466, for a total of \$482,576. The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. In response to any such civil contempt motion by the Commission, the defendant may assert any legally permissible defense. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

Payments under this paragraph shall be made to the Clerk of this Court, together with a cover letter identifying Eugene C. Geiger as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of each such payment and letter to the Commission's counsel in this action. Defendant relinquishes all legal and equitable right, title, and interest in such payments, and no part of the funds shall be returned to Defendant.

The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS") or any other type of interest bearing account that is utilized by the Court. These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held in the interest bearing account until further order of the Court. In

accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. The Commission will propose a plan to distribute the Fund subject to the Court's approval.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$220,000 pursuant to 15 U.S.C. §§ 77t(d), 78u(d)(3). Defendant shall make this payment within 14 days after entry of this Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Eugene C. Geiger as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated this 27th day of January, 2011.

BY THE COURT:

s/ David M. Ebel

U. S. CIRCUIT COURT JUDGE