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3:02-CV-00184 SEC V. JOHNSON
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ORIGINAL

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FILED

02 MAY 23 AM 8:05

CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

[Signature] DEPUTY

8 UNITED STATES DISTRICT COURT
9 FOR THE SOUTHERN DISTRICT OF CALIFORNIA

11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff,

14 v.

15 THOMAS T. JOHNSON AND
16 MICHAEL C. DICKMAN,

17 Defendants.
18
19

Civil Action No.
02 CV 00184 L (RBB)

[REDACTED] FINAL
JUDGMENT OF
PERMANENT INJUNCTION
AND OTHER RELIEF
AGAINST DEFENDANT
THOMAS T. JOHNSON

20 Plaintiff Securities and Exchange Commission ("Commission"), having filed
21 and served upon Defendant Thomas T. Johnson ("Johnson") a Summons and
22 Complaint in this action; Johnson having admitted service upon him of the
23 Summons and Complaint in this action and the jurisdiction of this Court over him
24 and over the subject matter of this action; Johnson having been fully advised and
25 informed of his right to a judicial determination of this matter; Johnson having
26 waived the entry of findings of fact and conclusions of law as provided by Rule 52
27 of the Federal Rules of Civil Procedure; Johnson having consented to the entry of
28 this Final Judgment Of Permanent Injunction And Other Relief Against Defendant

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ENTERED ON 5-24-02

1 Thomas T. Johnson (“Final Judgment”), without admitting or denying the
2 allegations in the Complaint, except as specifically set forth in the Consent Of
3 Defendant Thomas T. Johnson To Entry Of Final Judgment Of Permanent
4 Injunction And Other Relief (“Consent”); no notice of hearing upon the entry of
5 this Final Judgment being necessary; and this Court being fully advised, and there
6 being no just reason for delay:

7 **I.**

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

- 15 A. employing any device, scheme, or artifice to defraud;
16 B. making any untrue statement of a material fact or omitting to state a
17 material fact necessary in order to make the statements made, in the
18 light of the circumstances under which they were made, not
19 misleading; or
20 C. engaging in any act, practice, or course of business which operates or
21 would operate as a fraud or deceit upon any person;

22 in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange
23 Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

24 **II.**

25 IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED
26 that Johnson pay jointly and severally with co-defendant Michael Dickman
27 disgorgement in the amount of \$105,693.44, representing ill-gotten gains as a result
28 of the conduct alleged in the Complaint, together with prejudgment interest in the

1 amount of \$16,179.72. Based upon Johnson's sworn representations in his
2 Statement of Financial Condition dated March 15, 2002, and other documents
3 submitted to the Commission, payment of all disgorgement and prejudgment
4 interest thereon is waived, contingent upon the accuracy and completeness of his
5 Statement of Financial Condition.

6 **III.**

7 **IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED**
8 that based on Johnson's sworn representations in his Statement of Financial
9 Condition dated March 15, 2002, and other documents submitted to the
10 Commission, the Court is not ordering him to pay a civil penalty under the Insider
11 Trading and Securities Fraud Enforcement Act of 1988 ("ITSFEA") pursuant to
12 Section 21A(a)(1) of the Exchange Act, 15 U.S.C. § 78u-1(a)(1). The
13 determination not to impose a civil penalty and to waive payment of all
14 disgorgement and prejudgment interest thereon is contingent upon the accuracy and
15 completeness of Johnson's Statement of Financial Condition. If at any time
16 following the entry of this Final Judgment the Commission obtains information
17 indicating that Johnson's representations to the Commission concerning his assets,
18 income, liabilities, or net worth were fraudulent, misleading, inaccurate, or
19 incomplete in any material respect as of the time such representations were made,
20 the Commission may, at its sole discretion and without prior notice to Johnson,
21 petition the Court for an order requiring Johnson to pay the unpaid portion of the
22 disgorgement amount, plus prejudgment and post-judgment interest thereon, and
23 the maximum civil penalty allowable under the law. In connection with any such
24 petition, the only issue shall be whether the financial information provided by
25 Johnson was fraudulent, misleading, inaccurate, or incomplete in any material
26 respect as of the time such representations were made. In its petition, the
27 Commission may move this Court to consider all available remedies, including, but
28 not limited to, ordering Johnson to pay funds or assets, directing the forfeiture of

1 any assets, or sanctions for contempt of this Final Judgment. The Commission may
2 also request additional discovery. Johnson may not, by way of defense to such
3 petition: (1) challenge the validity of the Consent or this Final Judgment; (2)
4 contest the allegations in the Complaint filed by the Commission; (3) assert that
5 payment of disgorgement, prejudgment interest and post-judgment interest or a
6 civil penalty should not be ordered; (4) contest the amount of disgorgement and
7 prejudgment and post-judgment interest; (5) contest the imposition of the
8 maximum civil penalty allowable under the law; or (6) assert any defense to
9 liability or remedy, including, but not limited to, any statute of limitations defense.

10 **IV.**

11 **IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED**
12 that during the pendency of this action against any defendant, Johnson shall remain
13 subject to the discovery provisions of the Federal Rules of Civil Procedure which
14 apply to parties, and, in addition, that Johnson agrees and undertakes, without
15 service or a subpoena, to appear for his deposition or to testify as a witness at any
16 trial of this action or at any related proceeding. Failure to comply with the
17 foregoing will subject Johnson to the remedies and sanctions set forth in Rule 37 of
18 the Federal Rules of Civil Procedure and all other available remedies.

19 **V.**

20 **IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED**
21 that the provisions of the Consent filed concurrently with this Final Judgment are
22 incorporated herein with the same force and effect as if fully set forth herein, and
23 that Johnson shall comply with the Consent.

24 **VI.**

25 **IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED**
26 that this Court shall retain jurisdiction over this action for all purposes, including to
27 determine the liability of any remaining defendants in this action, to implement,
28 enforce and carry out the terms of this Final Judgment and all other orders and

1 decrees that may be entered herein, and to grant such other relief as this Court may
2 deem necessary and just.

3 * * *

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

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8 DATED: 5/22/02

UNITED STATES DISTRICT JUDGE

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12 Submitted by:

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15 Ramon Pack III
16 Attorney for Plaintiff
17 Securities and Exchange Commission
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PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648.

Telephone: (323) 965-3998; Fax: (323) 965-3908

On May 20, 2002, I caused to be served the document entitled **[PROPOSED] FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT THOMAS T. JOHNSON** upon the parties to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this firm's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

PERSONAL SERVICE: I caused to be personally delivered each such envelope by hand to the office of the addressee in the attached service list.

FEDERAL EXPRESS: By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express courier, at Los Angeles, California.

FAX (BY COURT ORDER): By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

(Federal) I declare that I am employed in the office of a member of the bar of this Court, at whose direction the service was made. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct

Date: May 20, 2002

Magnolia M. Marcelo
MAGNOLIA M. MARCELO

