

UNITED STATES DISTRICT COURT
for the
THE DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

RAECE RICHARDSON,
DAVID MCKENZIE,
CAMERON GORGES, and
FREESTAR TECHNOLOGIES,

Defendants.

CIVIL ACTION NO.

02-156

FILED

MAR 13 2002

NANCY MAYER WHITTINGTON, CLERK
U.S. DISTRICT COURT

**FINAL JUDGMENT OF PERMANENT
INJUNCTION AS TO CAMERON GORGES**

Plaintiff Securities And Exchange Commission ("SEC"), having duly commenced this action by filing its Complaint, and defendant Cameron Gorges ("Gorges"), in his Consent and Undertaking of Cameron Gorges ("Consent"), having: entered a general appearance herein; admitted the jurisdiction of this Court over him and over the subject matter of this action; and waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure; and without admitting or denying any of the allegations of the Complaint, except as to jurisdiction, which he admits, and without trial, argument or adjudication of any issue of fact or law, having consented to the entry of this Final Judgment Of Permanent Injunction as to Cameron Gorges ("Final Judgment"); and it further appearing that this Court has jurisdiction over defendant Gorges and the subject matter hereof, and the Court being fully advised in the premises:

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I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Gorges, his agents, servants, employees, attorneys and those persons in active concert or participation with them who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, is permanently restrained and enjoined from violating §10(b) of the Exchange Act [15 U.S.C. § 77q(a)] and Rule 10b-5 [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 to:

- (1) employ any device, scheme or artifice to defraud;
- (2) 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 light of the circumstances under which they were made, not misleading; or
- (3) engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

in connection with the purchase or sale of any security.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Gorges, his agents, his agents, servants, employees, attorneys and those persons in active concert or participation with him who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, is permanently restrained and enjoined from violating Exchange Act Rule 13b2-2 [17 C.F.R. § 240.13b2-2] by, directly or indirectly, making or causing to be made a materially false or misleading statement, or omitting to state, or causing another person to omit to state, any material fact necessary in

order to make statements made, in light of the circumstances under which such statements were made, not misleading to an accountant in connection with (1) any audit or examination of the financial statements of a reporting issuer or (2) the preparation or filing of any document or report required to be filed with the SEC.

III.

IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that based upon defendant Gorges' sworn representations in his Statement of Financial Condition dated January 18, 2002, and other documents submitted to the SEC, the Court is not ordering him to pay a civil penalty. The determination not to impose a civil penalty is contingent upon the accuracy and completeness of his Statement of Financial Condition. If at any time following the entry of this Final Judgment the SEC obtains information indicating that Defendant's representations to the SEC concerning his assets, income, liabilities, or net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made, the SEC may, at its sole discretion and without prior notice to Defendant, petition the Court for an order requiring Defendant to pay the maximum civil penalty allowable under the law. In connection with any such petition, the only issue shall be whether the financial information provided by Defendant was fraudulent, misleading, inaccurate or incomplete in any material respect as of the time such representations were made. In its petition, the SEC may move this Court to consider all available remedies, including, but not limited to, ordering Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The SEC may also request additional discovery. Defendant may not, by way of defense to such petition: (1) challenge the

validity of his Consent or the Final Judgment; (2) contest the allegations in the Complaint filed by the SEC; (3) assert that payment of a civil penalty should not be ordered; (4) contest the imposition of the maximum civil penalty allowable under the law; or (5) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

IV.

IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that defendant Gorges shall comply with his undertakings that, in connection with this action or any related judicial or administrative action or investigation undertaken by or on behalf of, or authorized by, the SEC or to which the SEC a party, (a) he will produce documents and reasonable make himself available for interviews upon the request of the SEC or its staff on a travel cost reimbursable basis as provided for by applicable federal regulations; and (b) he will accept service by mail of subpoenas for any depositions, trials or hearings, and hereby waives the territorial limits on service set forth in Rule 45 of the Federal Rules of Civil Procedure.

V.

IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED that the annexed Consent be, and the same hereby is, incorporated herein by reference with the same force and effect as if fully set forth herein.

VI.

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


UNITED STATES DISTRICT JUDGE

DATED: March 13, 2002