

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION
450 Fifth Street, N.W.
Washington, D.C. 20549,

Plaintiff,

v.

EDWARD F. GOBORA
2021 Beacon Hill Drive
Newtown, Pennsylvania 18940,

Defendant.

Case No. 02-1101

FILED
JUN 12 2002
NANCY MAYER WASHINGTON, CLERK
U.S. DISTRICT COURT

FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF

Plaintiff Securities and Exchange Commission ("Commission"), having filed a Complaint, and defendant Edward F. Gobora ("Gobora"), in the attached Consent of Edward F. Gobora ("Consent"), having entered a general appearance herein, admitted the jurisdiction of this Court over himself and over the subject matter of this action, waived the filing of an Answer to the Complaint, waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, waived any right he may have to appeal from the entry of the Final Judgment and, without admitting or denying the allegations of the Complaint, except as to jurisdiction, which he admits, and without presentation of any evidence, trial, argument, or adjudication of any issue of fact or law, consented to the entry of this Final Judgment of Permanent Injunction and Other Relief ("Final Judgment"), and it further appearing that this Court has jurisdiction over Gobora 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 Gobora, his agents, servants, employees, and attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice hereof, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, violating Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder, by using any means or instrumentality of interstate commerce, or of the mails or of any facility of any national securities exchange,

- (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,

in connection with the purchase or sale of any security.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Gobora, his agents, servants, employees, and attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice hereof, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting any violation of Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. §§ 80b-6(1) and 80b-6(2)], by knowingly providing substantial assistance to any investment adviser, using any means or instrumentality of interstate commerce, directly or indirectly,

- (a) to employ any device, scheme, or artifice to defraud any client or prospective client, or
- (b) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

III.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Gobora, his agents, servants, employees, and attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice hereof, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting any violation of Section 204 of the Advisers Act [15 U.S.C. § 80b-4] and Rule 204-2 thereunder [17 C.F.R. § 275.204-2], by knowingly providing substantial assistance to any investment adviser (other than one specifically exempted from registration pursuant to Section 203(b) of the Advisers Act [15 U.S.C. § 80b-3(b)]), failing to make and keep for prescribed periods records (as defined in Section 3(a)(37) of the Exchange Act [15 U.S.C. 78c(a)(37)]) and failing to make and keep true, accurate and current the books and records set forth in Rule 204-2 thereunder [17 C.F.R. § 275.204-2].

IV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Gobora, his agents, servants, employees, and attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice hereof, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting any violation of Section 207 of the Advisers Act [15 U.S.C. § 80b-7] by knowingly providing substantial assistance to any person willfully making any untrue statement of a material fact in any registration application or report filed with the Commission under Section 203 or 204 of the Advisers Act [15 U.S.C. §§ 80b-3 or 80b-4], or willfully omitting to state in any such application or report any material fact which is required to be stated therein.

V.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Gobora, his agents, servants, employees, and attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice hereof, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting any violation of Section

31(a) of the Investment Company Act of 1940 (“Investment Company Act”) [15 U.S.C. § 80a-30(a)] by knowingly providing substantial assistance to any registered investment company, and each underwriter, broker, dealer, or investment adviser that is a majority-owned subsidiary of such a company, failing to maintain and preserve such records (as defined in Section 3(a)(37) of the Exchange Act [15 U.S.C. 78c(a)(37)]) and failing to maintain and keep current the accounts, books, and other documents relating to its business as set forth in Rule 31a-1 thereunder [17 C.F.R. § 270.31a-1].

VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Gobora, his agents, servants, employees, and attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice hereof, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, aiding and abetting any violation of Section 34(b) of the Investment Company Act [15 U.S.C. § 80a-33(b)] by knowingly providing substantial assistance to any person making any untrue statement of a material fact in any registration statement, application, report, account, record, or other document filed or transmitted pursuant to the Investment Company Act or the keeping of which is required pursuant to Section 31(a) of the Investment Company Act [15 U.S.C. § 80a-30(a)], or omitting to state therein any fact necessary in order to prevent the statements made therein, in the light of the circumstances under which they were made, from being materially misleading.

VII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Gobora shall pay the sum of \$75,000 to the United States Treasury, representing a civil penalty, pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] and Section 209 of the Advisers Act [15 U.S.C. § 80b-9]. Such payment shall be made in the following five installments: the first installment of \$25,000 shall be paid within 30 days of the entry of the Final Judgment and then four additional installments of \$12,500 each shall be paid every 90 days thereafter. Such payments shall be made by bank cashier's check, certified check, United States postal money

order, or bank money order made payable to the Securities and Exchange Commission and shall be hand-delivered or mailed to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop O-3, Alexandria, Virginia 22312. The payment to the Comptroller shall be accompanied by a letter that identifies Gobora as the defendant in this action, the civil action number assigned to the Complaint, and the District Court in which the Complaint and this Final Judgment were filed. A copy of the letter and form of payment shall be simultaneously transmitted to Scott W. Friestad, Esq., Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549-0708.

VIII.


IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the annexed Consent is incorporated by reference herein with the same force and effect as if fully set forth herein, and that Gobora shall comply with the terms of the Consent.

IX.

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

X.

There being no just reason 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: June 11th, 2002