

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 02-60363-CIV-HUCK/TURNOFF

SECURITIES AND EXCHANGE COMMISSION,)

Plaintiff,)

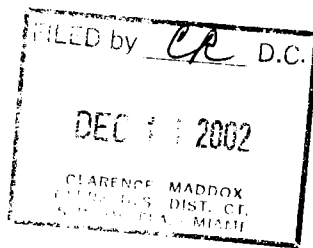
v.)

DISCOVERY CAPITAL GROUP, INC.)

ERIK WALSH)

JOHN ABRESCH,)

Defendants.)



**FINAL JUDGMENT SETTING DISGORGEMENT, PREJUDGMENT INTEREST
AND CIVIL PENALTY AGAINST DEFENDANT ERIK WALSH**

Plaintiff Securities and Exchange Commission ("SEC" or "Commission") commenced this action by filing its Complaint against, among others, Defendant Erik Walsh a/k/a Erik Hutton Masters ("Defendant"). In its Complaint, the Commission sought, among other relief, a permanent injunction to prohibit violations by the Defendant of Sections 17(a)(1), 17(a)(2) and 17 (a)(3) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 10b-5, thereunder, an order providing for disgorgement and prejudgment interest thereon, and imposition of a civil money penalty against Defendant pursuant to Section 20(d) of the Securities Act and Section 21(d) of the Exchange Act. On October 4, 2002, this Court entered a Judgment of Permanent Injunction and Other Relief against Defendant, by his Consent, which judgment provided for disgorgement, prejudgment

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interest thereon, and the imposition of a civil money penalty, in amounts to be determined upon agreement of the parties or, should the parties not agree, as determined by the Court upon the Commission's motion.

Defendant, by having executed a Consent of Defendant Erik Walsh to Final Judgment Setting of Disgorgement, Prejudgment Interest and Civil Penalty ("Consent"), without admitting or denying any of the allegations in the Commission's Complaint or any other paper filed herein, except as to the jurisdiction of this Court, has agreed to the entry of this Final Judgment Setting Disgorgement, Prejudgment Interest and Civil Penalty ("Final Judgment"). This Court having accepted such Consent and this Court having jurisdiction over the Defendant and the subject matter hereof, and the Court being fully advised in the premises,

I.

DISGORGEMENT

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant shall disgorge \$496,711, plus prejudgment interest thereon in the amount of \$17,571.72, for a total of \$514,282.72.

II.

PENALTIES

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that the Defendant shall pay a civil penalty in the amount of \$90,000, pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).

III.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED that nothing contained in the Consent or this Final Judgment shall be deemed a waiver of Defendant's Fifth Amendment privilege against self-incrimination, and that this Court shall retain jurisdiction over this matter and Defendant in order to implement and carry out the terms of all orders and decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

Dated this 11th day of December, 2002.


THE HONORABLE PAUL C. HUCK
UNITED STATES DISTRICT JUDGE

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