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UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

SECURITY TRUST COMPANY,  
N.A., et al.,

Defendants.

Case No.: CV-03-2323-PHX-JWS

**AMENDED JUDGMENT OF  
PERMANENT INJUNCTION AND  
OTHER RELIEF AGAINST  
DEFENDANT WILLIAM A.  
KENYON**

Plaintiff Securities and Exchange Commission (“Commission”) having filed a Complaint (“Complaint”) and Defendant William A. Kenyon (“Kenyon”) having entered a general appearance; consented to the Court’s jurisdiction over Kenyon and the subject matter of this action; consented to entry of this Final Judgment of Permanent Injunction and Other Relief Against Defendant William A. Kenyon (“Final Judgment”) without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; waived any right to appeal from this Final Judgment; and Kenyon having paid \$50,000 of disgorgement, which constitutes full disgorgement plus prejudgment interest, to the Court’s registry account for inclusion in a distribution fund (the “Fund”), which Fund is being administered as a Qualified Settlement Fund as described in Treasury Regulations § 1.468B:

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**I.**

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Kenyon and his 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, 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 the use of the mails, directly or indirectly:

- a. to employ any device, scheme, or artifice to defraud;
- b. 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 the light of the circumstances under which they were made, not misleading; or
- c. to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

**II.**

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Kenyon and his agents, servants, employees, and attorneys, and all persons in active concert or participation with any of 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

1 national securities exchange, in connection with the purchase or sale of any  
2 security:

- 3 a. to employ any device, scheme, or artifice to defraud;
- 4 b. to make any untrue statement of a material fact or to omit to state a  
5 material fact necessary in order to make the statements made, in the  
6 light of the circumstances under which they were made, not  
7 misleading; or
- 8 c. to engage in any act, practice, or course of business which operates  
9 or would operate as a fraud or deceit upon any person.

10 **III.**

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
12 Kenyon has paid \$50,000 in disgorgement and prejudgment interest, representing  
13 profits gained as a result of the conduct alleged in the Complaint, and shall pay a  
14 civil penalty in the amount of \$75,000 pursuant to Section 20(d) of the Securities  
15 Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. §  
16 78u(d)(3). Kenyon shall satisfy the penalty obligation by paying \$10,000 within  
17 ten days of entry of the Final Judgment and \$65,000 within one year of entry of  
18 the Final Judgment, by certified check, bank cashier's check, or United States  
19 postal money order payable to the Securities Exchange Commission. The  
20 payment shall be delivered or mailed to the Office of Financial Management,  
21 Securities and Exchange Commission, Operations Center, 6432 General Green  
22 Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a  
23 letter identifying Kenyon as a defendant in this action; setting forth the title and  
24 civil action number of this action and the name of this Court; and specifying that  
25 payment is made pursuant to this Final Judgment. Kenyon shall pay post-  
26 judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

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**IV.**

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 Kenyon shall comply with all of the undertakings and agreements set forth therein.

**V.**

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.

**VI.**

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated this 6<sup>th</sup> day of December 2006.

/s/ JOHN W. SEDWICK  
UNITED STATES DISTRICT JUDGE