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04-CV-01837-ORD

9 UNITED STATES DISTRICT COURT
10 WESTERN DISTRICT OF WASHINGTON
11 SEATTLE DIVISION

12 SECURITIES AND EXCHANGE COMMISSION, Case No. CV 04-1837

13 Plaintiff,

14 v.

15 ATHENA PANGAN DIAZ,

16 Defendant.

17 ~~PROPOSED~~ AMENDED JUDGMENT OF
18 PERMANENT INJUNCTION AND OTHER
19 EQUITABLE AND STATUTORY RELIEF
20 AGAINST DEFENDANT ATHENA PANGAN
21 DIAZ

22 On August 31, 2004, the Court entered judgment in this action in favor of plaintiff United
23 States Securities and Exchange Commission ("Commission") and against defendant Athena Pangan
24 Diaz ("Diaz") pursuant to a Consent of Athena Pangan Diaz to Entry of Judgment of Permanent
25 Injunction and Other Equitable and Statutory Relief. The Commission and Diaz have submitted a
26 stipulation to amend that judgment to remove terms requiring Diaz to pay a civil penalty. The Court
27 having reviewed the stipulation of the parties and finding good cause therefor, amends the judgment as
28 follows:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
servants, employees, attorneys, and all persons in active concert or participation with any of them,
who receive actual notice of this Judgment, by personal service or otherwise, and each of them, are

1 permanently enjoined and restrained from, directly or indirectly, violating Section 10(b) of the
2 Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R.
3 § 240.10b-5] thereunder by:

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

10 in connection with the purchase or sale of the securities of any issuer, by the use of any means or
11 instrumentality of interstate commerce, or of the mails, or of any facility of any national securities
12 exchange.

13 II.

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
15 servants, employees and attorneys, and all persons in active concert or participation with any of
16 them, who receive actual notice of this Judgment, by personal service or otherwise, and each of
17 them, are permanently enjoined and restrained from aiding and abetting any violation of Section
18 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20 and 13a-1 promulgated
19 thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1] by knowingly providing substantial assistance to
20 an issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15
21 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] in failing to file with the
22 Commission such accurate and complete information, reports, and documents as are required to be
23 filed with the Commission pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and
24 the Commission's Rules thereunder, including but not limited to, annual reports on Form 10-K [17
25 C.F.R. § 249.310] as prescribed by Commission Rule 13a-1 [17 C.F.R. § 240.13a-1] and quarterly
26 reports on Form 10-Q [17 C.F.R. § 249.308a] as prescribed by Commission Rule 13a-13 [17 C.F.R.
27 § 240.13a-13], such information and documents to contain, in addition to such information as is
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1 expressly required to be included in a statement or report to the Commission, such further material
2 information, if any, as may be necessary to make the required statements, in the light of the
3 circumstances under which they are made, not misleading, as prescribed by Commission Rule 12b-
4 20 [17 C.F.R. § 240.12b-20].

5 III.

6 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
7 servants, employees and attorneys, and all persons in active concert or participation with any of
8 them, who receive actual notice of this Judgment, by personal service or otherwise, and each of
9 them, are permanently enjoined and restrained from aiding and abetting any violation of Section
10 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] by causing any issuer which has a class
11 of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78I] or Section
12 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to make or keep books, records or accounts,
13 which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the
14 assets of the issuer.

15 IV.

16 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
17 servants, employees and attorneys, and all persons in active concert or participation with any of
18 them, who receive actual notice of this Judgment, by personal service or otherwise, and each of
19 them, are permanently enjoined and restrained from aiding and abetting any violation of Section
20 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)(B)] by causing any issuer which has a class
21 of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78I] or Section
22 15(d) of the Exchange Act [15 U.S.C. § 78o] to fail to devise and maintain a system of internal
23 accounting controls sufficient to provide reasonable assurances that:

24 A. transactions are executed in accordance with management's general or
25 specific authorization;

1 B. transactions are recorded as necessary (i) to permit preparation of financial
2 statements in conformity with generally accepted accounting principles or any other criteria
3 applicable to such statements, and (ii) to maintain accountability for assets;

4 C. access to assets is permitted only in accordance with management's general or
5 specific authorization; and

6 D. the recorded accountability for assets is compared with the existing assets at
7 reasonable intervals and appropriate action is taken with respect to any differences.

8 V.

9 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
10 servants, employees, attorneys, and all persons in active concert or participation with any of them,
11 who receive actual notice of this Judgment, by personal service or otherwise, and each of them, are
12 permanently enjoined and restrained from, directly or indirectly, violating Section 13(b)(5) of the
13 Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing or failing to implement a
14 system of internal accounting controls or knowingly falsifying any book, record, or account
15 described in Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

16 VI.

17 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
18 servants, employees and attorneys, and all persons acting in concert or participation with any of
19 them, who receive actual notice of this Judgment by personal service or otherwise, and each of them,
20 are permanently enjoined and restrained from, directly or indirectly, violating Rule 13b2-1 under the
21 Exchange Act [17 C.F.R. § 240.13b2-1] by falsifying or causing to be falsified any book, record or
22 account subject to Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)].

23 VII.

24 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Diaz and her agents,
25 servants, employees, attorneys, and all persons in active concert or participation with any of them,
26 who receive actual notice of this Judgment, by personal service or otherwise, and each of them, are
27 permanently enjoined and restrained from violating Rule 13b2-2 of the Exchange Act [17 C.F.R.

1 §240.13b2-2] by making or causing to be made a materially false or misleading statement, or by
2 omitting to state or causing another person to omit to state, any material fact necessary in order to
3 make statements made, in light of the circumstances under which such statements were made, not
4 misleading, to an accountant in connection with (A) any audit or examination of the financial
5 statements of an issuer required to be made pursuant to the federal securities laws or (B) the
6 preparation or filing of any document or report required to be filed with the Commission pursuant to
7 the federal securities laws or otherwise.

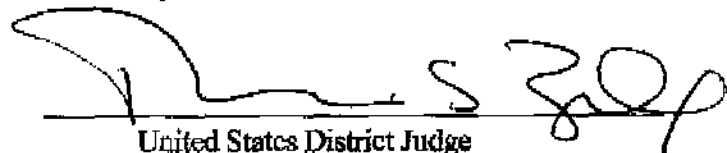
8 VIII.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
10 incorporated herein with the same force and effect as if fully set forth herein, and that Diaz shall
11 comply with all of the undertakings and agreements set forth therein.

12 ~~VIII~~ IX.

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
14 jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

15 Dated this 29th day of Nov, 2005

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18 United States District Judge

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