

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

SCOTT B. GANN,

Defendant.

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Civil Action No. 3:05-CV-0063-L

FINAL JUDGMENT AS TO SCOTT B. GANN

This Final Judgment is issued pursuant to the court’s March 31, 2008 memorandum opinion and order. The court determines that Plaintiff Securities and Exchange Commission (the “Commission”) has proved, by a preponderance of the evidence, that Defendant Scott B. Gann violated 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.

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Scott B. Gann 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, directly or indirectly, Section 10(b) of the Exchange Act and Rule 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, in connection with the purchase or sale of any security:

- (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.

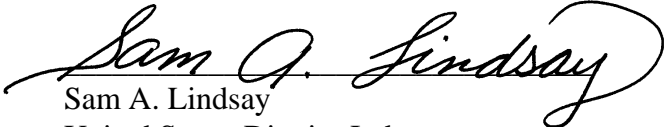
II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Gann shall pay disgorgement of \$56,640.67, plus prejudgment interest of \$13,568.68, and a civil penalty of \$50,000 pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall satisfy this obligation by paying \$120,209.35, within thirty business days of the entry of this Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the United States Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Scott B. Gann as a defendant in this action; setting forth the title and civil action number of this action and the name of this court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall pay postjudgment interest on any amounts not paid within thirty days of the entry of this Final Judgment at the applicable federal rate. Defendant shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant.

III.

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.

It is so ordered this 4th day of April, 2008.


Sam A. Lindsay
United States District Judge