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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN JOSE DIVISION
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12 SECURITIES AND EXCHANGE COMMISSION,
13 Plaintiff,
14 v.
15 THOMAS A. SKOULIS and PETER M. FRANKL,
16 Defendants.
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Civil Action No. C-06-02239-JF (PVT)

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[PROPOSED] FINAL JUDGMENT AS TO
DEFENDANT THOMAS A. SKOULIS

19 Plaintiff United States Securities and Exchange Commission ("Commission") having filed its
20 complaint in this action, and Defendant Thomas A. Skoulis ("Skoulis"), having entered an appearance
21 in this case, and having submitted the Consent of Thomas A. Skoulis to Entry of Final Judgment
22 ("Consent") in which he has admitted the jurisdiction of this Court over him and over the subject matter
23 of this action; consented to the entry of this Final Judgment without admitting or denying any of the
24 allegations in the complaint except as to jurisdiction; waived findings of fact and conclusions of law;
25 and waived any right to an appeal from this Final Judgment:

26 I.

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

1 them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of
2 them, are permanently enjoined and restrained from, directly or indirectly, violating Section 10(b) of
3 the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5, 17
4 C.F.R. § 240.10b-5, by:

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

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

14 II.

15 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Skoulis and his agents,
16 servants, employees and attorneys-in-fact, and all persons in active concert or participation with any
17 of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each
18 of them, are permanently enjoined and restrained from aiding and abetting any violation of Section
19 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1 and 13a-13, 17 C.F.R. §§
20 240.12b-20 & 240.13a-1, by knowingly providing substantial assistance to an issuer which has a class
21 of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or Section 15(d)
22 of the Exchange Act, 15 U.S.C. § 78o, in failing to file with the Commission such accurate and
23 complete information, reports, and documents as are required to be filed with the Commission
24 pursuant to Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and the Commission’s Rules,
25 including annual reports on Form 10-K and quarterly reports on Form 10-Q.

26 III.

27 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Skoulis and his agents,
28 servants, employees and attorneys-in-fact, and all persons in active concert or participation with any

1 of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each
2 of them, are permanently enjoined and restrained from aiding and abetting any violation of Section
3 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A), by knowingly providing substantial
4 assistance to any issuer which has a class of securities registered pursuant to Section 12 of the
5 Exchange Act, 15 U.S.C. § 78l, or Section 15(d) of the Exchange Act, 15 U.S.C. § 78o, in failing to
6 make or keep books, records or accounts, which, in reasonable detail, accurately and fairly reflect the
7 transactions and dispositions of the assets of the issuer.

8 IV.

9 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Skoulis and his agents,
10 servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of
11 them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of
12 them, are permanently enjoined and restrained from, directly or indirectly, violating Section 13(b)(5)
13 of the 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 described
15 in Section 13(b)(2) of the Exchange Act, 15 U.S.C. § 78m(b)(2).

16 V.

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

23 VI.

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section
25 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Skoulis is prohibited, for a period of five years
26 following the date of entry of this Final Judgment, from acting as an officer or director of any issuer
27 that has a class of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l,
28 or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

VII.

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2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Skoulis is liable for
3 disgorgement of \$22,657, plus prejudgment interest thereon in the amount of \$966.37 (for a total
4 amount of \$23,623.37). Defendant shall satisfy this obligation by paying \$23,623.37 within ten (10)
5 business days after entry of this Final Judgment by certified check, bank cashier's check, or United
6 States postal money order payable to the Securities and Exchange Commission. The payment shall
7 be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission,
8 Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall
9 be accompanied by a letter identifying Skoulis as a defendant in this action; setting forth the title and
10 civil action number of this action and the name of this Court; and specifying that payment is made
11 pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of such
12 payment and letter to the attention of Helane L. Morrison, Regional Director, at the Commission's
13 San Francisco Regional Office, 44 Montgomery Street, Suite 2600, San Francisco, CA 94104.
14 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.
15 The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

VIII.

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17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Skoulis shall pay a civil
18 penalty in the amount of \$30,000 pursuant to Section 21(d)(3) of the Exchange Act. Defendant shall
19 satisfy this obligation by paying \$30,000 within ten (10) business days after entry of this Final
20 Judgment by certified check, bank cashier's check, or United States postal money order payable to the
21 Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of
22 Financial Management, Securities and Exchange Commission, Operations Center, 6432 General
23 Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter
24 identifying Skoulis as a defendant in this action; setting forth the title and civil action number of this
25 action and the name of this Court; and specifying that payment is made pursuant to this Final
26 Judgment. A copy of the cover letter and payment shall be simultaneously transmitted to the attention
27 of Helane L. Morrison, Regional Director, at the Commission's San Francisco Regional Office, 44
28 Montgomery Street, Suite 2600, San Francisco, CA 94104. Skoulis shall pay post-judgment interest

1 on any delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit the funds paid
2 pursuant to this paragraph to the United States Treasury.

3 IX.

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

7 X.

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

10 XI.

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

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18 Dated: 1/23/08



Jeremy Fogel
UNITED STATES DISTRICT JUDGE

1 SUBMITTED BY:

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4 Susan F. LaMarca
5 Sheila E. O'Callaghan
6 Securities and Exchange Commission
7 44 Montgomery Street, Suite 2600
8 San Francisco, California 94104
9 (415) 705-2500

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