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 13 **UNITED STATES DISTRICT COURT**
 14 **CENTRAL DISTRICT OF CALIFORNIA**

15 SECURITIES AND EXCHANGE
 16 COMMISSION,

17 Plaintiff,

18 vs.

19 GLOBAL MATERIALS & SERVICES,
 INC. et al.,

20 Defendants,

21 and

22 FLINN SPRINGS INN, INC.,

23 Relief Defendant.
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Case No. SACV 08-881 DOC (RNBx)

**FINAL JUDGMENT AS TO
 DEFENDANT
 STEPHEN F. OWENS**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Stephen F. Owens having entered a general appearance; consented to
3 the Court’s jurisdiction over Defendant and the subject matter of this action;
4 consented to entry of this Final Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
6 conclusions of law; and waived any right to appeal from this Final Judgment:

7 I.

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
9 and Defendant’s agents, servants, employees, attorneys and all persons in active
10 concert or participation with them who receive actual notice of this Final Judgment
11 by personal service or otherwise are permanently restrained and enjoined from
12 violating Section 5 of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §
13 77e] by, directly or indirectly, in the absence of any applicable exemption:

14 (a) Unless a registration statement is in effect as to a security, making use
15 of any means or instruments of transportation or communication in the
16 interstate commerce or of the mails to sell such security through the use or
17 medium of any prospectus or otherwise;

18 (b) Unless a registration statement is in effect as to a security, carrying or
19 causing to be carried through the mails or in interstate commerce, by any
20 means or instruments of transportation, any such security for the purpose of
21 sale or for delivery after sale; or

22 (c) Making use of any means or instruments of transportation or
23 communication in interstate commerce or of the mails to offer to sell or offer
24 to buy through the use or medium of any prospectus or otherwise any
25 security, unless a registration statement has been filed with the Commission
26 as to such security, or while the registration statement is the subject of a
27 refusal order or stop order or (prior to the effective date of the registration
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1 statement) any public proceeding or examination under Section 8 of the
2 Securities Act [15 U.S.C. § 77h].

3 II.

4 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
5 that Defendant and Defendant's agents, servants, employees, attorneys, and all
6 persons in active concert or participation with them who receive actual notice of
7 this Final Judgment by personal service or otherwise are permanently restrained
8 and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. §
9 77q(a)], in the offer or sale of any security by the use of any means or instruments
10 of transportation or communication in interstate commerce or by use of the mails,
11 directly or indirectly:

- 12 (a) to employ any device, scheme or artifice to defraud;
- 13 (b) to obtain money or property by means of any untrue statement of a
14 material fact or any omission of a material fact necessary in order to make
15 the statements made, in light o the circumstances under which they were
16 made, not misleading; or
- 17 (c) to engage in any transaction, practice, or course of business which
18 operates or would operate as a fraud or deceit upon the purchaser.

19 III.

20 IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED
21 that Defendant and Defendant's agents, servants, employees, attorneys, and all
22 persons in active concert or participation with them who receive actual notice of
23 this Final Judgment by personal service or otherwise are permanently restrained
24 and enjoined from violating, directly or indirectly, Section 10(b) of the Securities
25 Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
26 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or
27 instrumentality of interstate commerce, or of the mails, or of any facility of any
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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 light of
6 the circumstances under which they were made, not misleading; or
7 (c) to engage in any act, practice, or course of business which operates or
8 would operate as a fraud or deceit upon any person.

9 IV.

10 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
11 that, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and
12 Section 20(d) of the Securities Act [15 U.S.C. § 77t(e)], Defendant is prohibited
13 from acting as an officer or director of any issuer that has a class of securities
14 registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is
15 required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. §
16 78o(d)].

17 V.

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED
19 that Defendant is permanently barred from participating in an offering of penny
20 stock, including engaging in activities with a broker, dealer, or issuer for purposes
21 of issuing, trading, or inducing or attempting to induce the purchase or sale of any
22 penny stock. A penny stock is any equity security that has a price of less than five
23 dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R.
24 240.3a51-1].

25 VI.

26 It Is Further Ordered, Adjudged, And Decreed that Defendant is liable for
27 disgorgement of \$1,738,081, representing profits gained as a result of the conduct
28 alleged in the Complaint, together with prejudgment interest thereon in the amount

1 of \$784,458, and a civil penalty in the amount of \$120,000 pursuant to Section
2 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the
3 Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall satisfy this obligation by
4 paying \$2,642,539 within 14 days after entry of this Final Judgment by certified
5 check, bank cashier's check, or United States postal money order payable to the
6 Securities and Exchange Commission. The payment shall be delivered or mailed
7 to the Office of Financial Management, Securities and Exchange Commission,
8 Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia
9 22312, and shall be accompanied by a letter identifying Stephen Owens as a
10 defendant in this action; setting forth the title and civil action number of this action
11 and the name of this Court; and specifying that payment is made pursuant to this
12 Final Judgment. Defendant shall pay post-judgment interest on any delinquent
13 amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid
14 pursuant to this paragraph to the United States Treasury.

15 VII.

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
17 Consent is incorporated herein with the same force and effect as if fully set forth
18 herein, and that Defendant shall comply with all of the undertakings and
19 agreements set forth therein.

20 VIII.

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

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: August 11, 2010



UNITED STATES DISTRICT JUDGE

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