

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

SECURITIES AND EXCHANGE COMMISSION,)

Plaintiff,)

v.)

SUNSTATE FX INC.,)

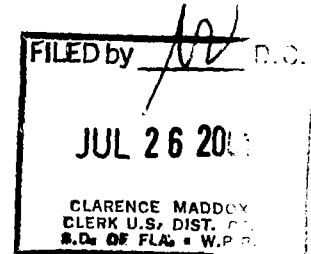
ULRICH G. GARBE,)

PEGGY L. PATTERSON, and)

JOHN J. HYLAND)

Defendants.)

CASE NO. 01-8328-CIV-
RYSKAMP-VITUNAC



**FINAL JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF AS TO PEGGY L. PATTERSON**

With the consent of Peggy L. Patterson (“PATTERSON”), the Court hereby orders as follows:

I.

PERMANENT INJUNCTION

IT IS HEREBY ORDERED that PATTERSON, her officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them, and each of them, are hereby permanently restrained and enjoined from:

Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5

Directly or indirectly, by use of 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 securities (including, but not limited to, the investment contracts or “foreign exchange agreements” issued by Sunstate FX Inc. (“SUNSTATE”)), knowingly or recklessly: (i) employing

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devices, schemes or artifices to defraud; (ii) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (iii) engaging in acts, practices and courses of business which have operated, are now operating or will operate as a fraud upon the purchasers of such securities in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

II.

DISGORGEMENT AND PENALTIES

IT IS HEREBY FURTHER ORDERED that PATTERSON shall be liable to disgorge all ill-gotten profits or proceeds she received as a result of the acts and/or conduct alleged in the Amended Complaint, plus pre-judgment interest thereon, less any amount paid to the Court appointed receiver. The amount of disgorgement, if any, shall be determined by the Court upon the Commission's motion.

IT IS HEREBY FURTHER ORDERED that PATTERSON shall be liable to pay civil penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), in connection with the acts and/or conduct described in the Commission's Amended Complaint. The amount of civil penalties Patterson shall pay, if any, shall be determined by the Court upon the Commission's motion.

III.

ASSET FREEZE, REPATRIATION ORDER AND RECORDS PRESERVATION

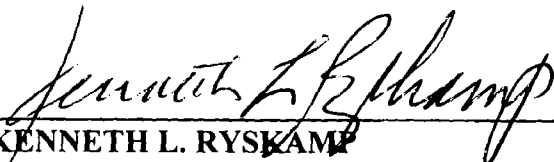
IT IS HEREBY FURTHER ORDERED that the Court prior orders relating to an asset freeze, repatriation of assets and records preservation shall remain in full force and effect until further order of this Court.

IV.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction over this matter and PATTERSON in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED this 26 day of July, 2001, at West Palm Beach, Florida.


KENNETH L. RYSKAMP
UNITED STATES DISTRICT JUDGE

cc: All Counsel and/or parties of Record