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FILED
CLERK, U.S. DISTRICT COURT
MAR 28 2006
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY
BY [Signature]

4 Attorneys for Plaintiff
5 Securities and Exchange Commission
6 Randall R. Lee, Regional Director
7 Brianne N. Mitchell, Associate Regional Director
8 5670 Wilshire Boulevard, 11th Floor
Los Angeles, California 90036-3648
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ERK, U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES

(3)

**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

14 SECURITIES AND EXCHANGE
COMMISSION,

Case No. CV 05-5486 RJK (PLAx)

15 Plaintiff,

**JUDGMENT OF PERMANENT
INJUNCTION AND OTHER
RELIEF AGAINST DEFENDANT
CHRISTINE FAVARA**

16 v.

17 CHRISTINE FAVARA aka
18 CHRISTINE MCKIERNAN aka
19 CHRISTINE ANDERSON aka
20 CHRISTINE ANDERSON
HOLZMAN,

Defendant.

21
22
23 The Securities and Exchange Commission ("Commission") having filed a
24 Complaint for violations of the Federal Securities Laws ("Complaint") and
25 Defendant Christine Favara ("Favara" or "Defendant") having entered a general
26 appearance; consented to the Court's jurisdiction over Defendant and the subject
27 matter of this action; consented to entry of this Judgment without admitting
28

ENTERED
CLERK, U.S. DISTRICT COURT
MAR 29 2006
CENTRAL DISTRICT OF CALIFORNIA
DEPUTY
BY [Signature]

THIS CONSTITUTES NOTICE OF ENTRY
AS REQUIRED BY FRCP, RULE 77(d).

(15)

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1 or denying the allegations of the Complaint (except as to jurisdiction); waived
2 findings of fact and conclusions of law; and waived any right to appeal from this
3 Judgment:

4
5 **I.**

6 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant,
7 and her agents, servants, employees, attorneys, and all persons in active concert or
8 participation with them who receive actual notice of this Judgment by personal
9 service or otherwise are permanently restrained and enjoined from violating,
10 directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934
11 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder
12 [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate
13 commerce, or of the mails, or of any facility of any national securities exchange, in
14 connection with the purchase or sale of any security:

- 15 (a) to employ any device, scheme, or artifice to defraud;
- 16 (b) to make any untrue statement of a material fact or to omit to state a
17 material fact necessary in order to make the statements made, in the
18 light of the circumstances under which they were made, not
19 misleading; or
- 20 (c) to engage in any act, practice, or course of business which operates or
21 would operate as a fraud or deceit upon any person.

22
23 **II.**

24 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant,
25 and her agents, servants, employees, attorneys, and all persons in active concert or
26 participation with them who receive actual notice of this Judgment by personal
27 service or otherwise are permanently restrained and enjoined from violating
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Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

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

III.

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

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the

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purpose of sale or for delivery after sale; or

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

IV.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant, and her agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from aiding and abetting any violation of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] by knowingly providing substantial assistance to an issuer that

- (a) fails to file with the Commission factually accurate and complete annual reports as required pursuant to Section 13(a) of the Exchange Act of 1934 and Rule 13a-1 promulgated thereunder; or
- (b) omits to state, or causes another person to omit to state, in addition to the information expressly required to be included in such annual reports, any such further material information as may be necessary to make the required statements, in light of the circumstances under which such statements are made, not misleading.

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V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED, that, pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Defendant is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 781], or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

VI.

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

VII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED AND DECREED, that Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and a civil money penalty 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)]. Prejudgment interest shall be calculated from July 29, 2003, based on the rate of interest used by the Internal Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). The Court shall determine the amounts of disgorgement and civil money penalty upon motion of the Commission. In connection with the Commission's motion for disgorgement

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1 and civil penalties, and at any hearing held on such a motion: (a) Defendant will
 2 be precluded from arguing that she did not violate the federal securities laws as
 3 alleged in the Complaint; (b) Defendant may not challenge the validity of the
 4 Consent or this Judgment; (c) solely for the purposes of such motion, the
 5 allegations of the Complaint shall be accepted as and deemed true by the Court;
 6 and (d) the Court may determine the issues raised in the motion on the basis of
 7 affidavits, declarations, excerpts of sworn deposition or investigation testimony,
 8 and documentary evidence, without regard to the standards for summary judgment
 9 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection
 10 with the Commission's motion for civil penalties, the parties may take discovery,
 11 including discovery from appropriate non-parties.
 12

13 **VIII.**

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

20 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this

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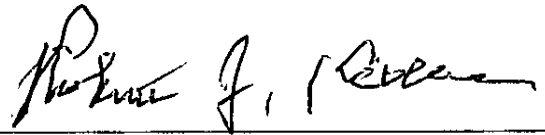
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Court shall retain jurisdiction over this matter for purposes of enforcing the terms of this Judgment.

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IT IS SO ORDERED.

DATED: MAR 27 2006



The Honorable Robert J. Kelleher
UNITED STATES DISTRICT JUDGE

PROOF OF SERVICE

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I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648

Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908.

On March 21, 2006, I caused to be delivered the document entitled **JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANT CHRISTINE FAVARA** upon the party to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency's practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee only as indicated on the attached service list.

FEDERAL EXPRESS :By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

(Federal) I declare that I am employed in the office of a member of the bar of this Court, at whose direction the service was made. I declare under penalty of perjury that the foregoing is true and correct.

Date: March 21, 2006

Magnolia M. Marcelo
MAGNOLIA M. MARCELO

SEC v. CHRISTINE FAVARA
United States District Court - Central District of California
Case No. CV 05-5486 RJK (PLAx)
(LA-2674)

SCANNED

SERVICE LIST

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aka Christine Anderson aka Christine Anderson Holzman*

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