

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

FILED

FEB 16 1999

ROBERT D. LEWIS, CLERK
U.S. DIST. COURT, WESTERN DIST. OF OKLA.
BY *[Signature]* DEPUTY

SECURITIES AND EXCHANGE COMMISSION
450 Fifth Street, N.W.
Washington, D.C. 20549

Plaintiff,

v.

**ROBERT M. COCHRAN, RANDALL W. NELSON,
JAMES V. PANNONE, STEVEN S. STRAUSS
AND SAKURA GLOBAL CAPITAL, INC.**

Defendants.

Civil Action No.
CIV-95-1477-A

[Handwritten: CIV-98-146-A]

DOCKETED

**FINAL JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF
AS TO DEFENDANT JAMES PANNONE**

Plaintiff Securities and Exchange Commission (the "Commission") having filed a Second Amended Complaint (the "Complaint") in this action, and defendant James Pannone ("Pannone") in the attached Consent and Undertakings of Defendant James Pannone ("Consent"), having entered a general appearance, having admitted the jurisdiction of this Court over him and over the subject matter of this action, having waived the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having waived any right he may have to appeal from the entry of this Final Judgment of Permanent Injunction and Other Relief as to Defendant James Pannone ("Final Judgment"), having withdrawn his papers filed in this action to the extent they deny any allegation in the Complaint, and, without admitting or denying the

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allegations of the Complaint, except as to jurisdiction, which he admits, having consented to the entry of this Final Judgment; and it appearing that this Court has jurisdiction over Pannone and the subject matter of this action, and the Court being fully advised in the premises:

I.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Pannone, his agents, servants, employees, attorneys-in-fact and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)], by using any means or instruments of transportation or communication in interstate commerce, or by using the mails, directly or indirectly:

- (1) to employ any device, scheme, or artifice to defraud, or
- (2) to obtain money or property by means of any untrue statement of a material fact or any omission 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
- (3) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon a purchaser,

in connection with the offer or sale of any security.

II.

IT IS FURTHER ORDERED that defendant Pannone, his agents, servants, employees, attorneys-in-fact and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, violating Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)], and Rule 10b-5 [17 C.F.R. § 240.10b-5] promulgated thereunder, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- a. employing any device, scheme, or artifice to defraud,
- b. making any untrue statement of a material fact or omitting 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. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,

in connection with the purchase or sale of any security.

III.

IT IS FURTHER ORDERED that defendant Pannone, his agents, servants, employees, attorneys-in-fact and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, violating Section 15B(c)(1) of the Exchange Act [15 U.S.C. § 78o-4(c)(1)], and Rule G-17 of the MSRB, by the use of the mails

or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any municipal security by:

- (i) not dealing fairly with all persons; or
- (ii) engaging in any deceptive, dishonest, or unfair practice.

IV.

IT IS FURTHER ORDERED that Pannone pay a civil penalty in the amount of \$30,000 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)], and any post-judgment interest that might accrue, calculated pursuant to 28 U.S.C. § 1961.

V.

IT IS FURTHER ORDERED that payment by Pannone of the penalty, as provided in Paragraph IV. above, shall be made within ten (10) days of the entry of the Final Judgment. Such payment shall be made to the United States Treasury by money order, bank cashier's check or bank money order, payable to the Securities and Exchange Commission, and hand-delivered to the Comptroller, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Stop 0-3, Alexandria, VA 22312. Such payment shall be under cover of a letter that identifies Pannone, the caption and case number of this action, and the name of the Court. Copies of such check or money order and accompanying cover letter shall be simultaneously transmitted to Kevin Harnisch, Senior Counsel, Division of Enforcement, 450 5th Street, N.W., Mail Stop 7-2, Washington, D.C. 20549.

VI.

IT IS FURTHER ORDERED that Pannone, at the Commission's request, on reasonable notice and without service of a subpoena, will provide discovery and testify at any deposition and at any judicial or administrative proceeding related to the Complaint filed herein or any allegations therein and any continuing litigation or proceeding based hereon or related to any other proceeding brought by the Commission as a result of this proceeding.

VII.

IT IS FURTHER ORDERED that the annexed Consent is incorporated by reference herein with the same force and effect as if fully set forth herein.

There being no cause for delay, the Clerk of the Court is hereby directed, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith.

So ordered.

16th day of February, 1999

Wayne A. Cullen
United States District Judge

ENTERED ON JUDGMENT DOCKET ON 2-17-99