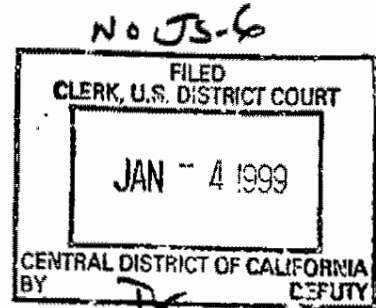


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8 UNITED STATES DISTRICT COURT  
9 FOR THE CENTRAL DISTRICT OF CALIFORNIA  
10 WESTERN DIVISION

90 DEC 30 PM 2:4  
1000 U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES  
MORGAN

11 SECURITIES AND EXCHANGE COMMISSION

Case No. 98-6467 MRP (RNBx)

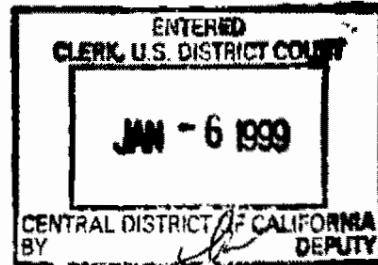
12 Plaintiff,

FINAL JUDGMENT OF PERMANENT  
INJUNCTION AND OTHER RELIEF  
AGAINST ROBERT MATIAS

13 vs.

14 INTERNET CASINO SPORTS GAMING, LLC  
15 INTERNET CASINO SPORTS GAMING,  
16 INC., ROBERT MATIAS a/k/a ROBERT  
17 DUVALL, and ALAN LENCHNER a/k/a  
18 ALAN LANE,

19 Defendants.



20 Plaintiff Securities and Exchange Commission ("Commission"),  
21 having filed and served upon Defendant Robert Matias ("Matias") a  
22 Summons and Complaint in this action; Matias having admitted service  
23 upon it of the Summons and Complaint in this action and the  
24 jurisdiction of this Court over him and over the subject matter of  
25 this action; having been fully advised and informed of his right to  
26 a judicial determination of this matter; having waived the entry of  
27 findings of fact and conclusions of law as provided by Rule 52 of  
28 the Federal Rules of Civil Procedure; having consented to the entry

ICSG-C&E

JAN 06 1999 ENTERED ON ICWS [Signature] MATIAS JUDGMENT

✓  
✓  
No JS-3

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1 of this Final Judgment Of Permanent Injunction And Other Relief  
2 Against Defendant Robert Matias ("Final Judgment"), without  
3 admitting or denying the allegations in the Complaint except as  
4 specifically set forth in the Consent Of Defendant Robert Matias To  
5 Entry Of Final Judgment Of Permanent Injunction And Other Relief  
6 ("Consent"); no notice of hearing upon the entry of this Final  
7 Judgment being necessary; and this Court being fully advised:

8 I.

9 IT IS ORDERED, ADJUDGED & DECREED that Matias and its  
10 officers, agents, servants, employees, attorneys, and all persons in  
11 active concert or participation with any of them, who receive actual  
12 notice of this Judgment, by personal service or otherwise, and each  
13 of them, are permanently restrained and enjoined from, directly or  
14 indirectly:

15 A. making use of any means or instruments of  
16 transportation or communication in interstate commerce  
17 or of the mails to sell the securities of any issuer,  
18 through the use or medium of any prospectus or  
19 otherwise, unless and until a registration statement is  
20 in effect as to such securities;

21 B. carrying or causing to be carried through the mails or  
22 in interstate commerce, by any means or instruments of  
23 transportation, for the purpose of sale or for delivery  
24 after sale, the securities of any issuer, unless and  
25 until a registration statement is in effect as to such  
26 securities; and

27 C. making use of any means or instruments of  
28 transportation or communication in interstate commerce

1 or of the mails to offer to sell or offer to buy,  
 2 through the use or medium of any prospectus or  
 3 otherwise, the securities of any issuer, unless and  
 4 until a registration statement has been filed with the  
 5 Commission as to such securities, or while a  
 6 registration statement has been filed with the  
 7 Commission as to such securities, or while a  
 8 registration statement as to such securities is the  
 9 subject of a refusal order or stop order or (prior to  
 10 the effective date of the registration statement) any  
 11 public proceeding or examination under Section 8 of the  
 12 Securities Act [15 U.S.C. § 77h];

13 in violation of Sections 5(a) and 5(c) of the Securities Act [15  
 14 U.S.C. §§ 77e(a) & 77e(c)]; provided, however, that nothing in this  
 15 Judgment shall apply to any security or transaction which is exempt  
 16 from the provisions of Section 5 of the Securities Act [15 U.S.C. §  
 17 77e].

18 II.

19 IT IS ORDERED, ADJUDGED AND DECREED that Matias and its  
 20 agents, servants, employees and attorneys, and all persons in active  
 21 concert or participation with any of them, who receive actual notice  
 22 of this Final Judgment by personal service or otherwise, and each of  
 23 them, are permanently restrained and enjoined from, directly or  
 24 indirectly, in the offer or sale of the securities of any issuer, by  
 25 the use of any means or instruments of transportation or  
 26 communication in interstate commerce or by the use of the mails:

- 27 A. employing any device, scheme or artifice to defraud;

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1 B. obtaining money or property by means of any untrue  
2 statement of a material fact or any omission to state a  
3 material fact necessary in order to make the statements  
4 made, in the light of the circumstances under which  
5 they were made, not misleading; or  
6 C. engaging in any transaction, practice, or course of  
7 business which operates or would operate as a fraud or  
8 deceit upon the purchaser;  
9 in violation of Section 17(a) of the Securities Act of 1933 [15  
10 U.S.C. § 77q(a)].

11 III.

12 IT IS ORDERED, ADJUDGED AND DECREED that Matias and its agents,  
13 servants, employees and attorneys, and all persons in  
14 active concert or participation with any of them, who  
15 receive actual notice of this Final Judgment by personal  
16 service or otherwise, and each of them, are permanently  
17 restrained and enjoined from, directly or indirectly, in  
18 connection with the purchase or sale of any security, by  
19 the use of any means or instrumentality of interstate  
20 commerce, or of the mails, or of any facility of any  
21 national securities exchange:

- 22 A. employing any device, scheme, or artifice to defraud;  
23 B. making any untrue statement of a material fact or  
24 omitting to state a material fact necessary in order  
25 to make the statements made, in the light of the  
26 circumstances under which they were made, not  
27 misleading; or  
28

1 C. engaging in any act, practice, or course of business  
2 which operates or would operate as a fraud or deceit  
3 upon any person;  
4 in violation of Section 10(b) of the Securities Exchange Act of 1934  
5 [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5].

6 IV.

7 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant  
8 Matias shall pay disgorgement in the amount of \$195,572.07  
9 representing his gains from the conduct alleged in the Complaint,  
10 plus prejudgment interest thereon in the amount of \$5,003.33  
11 (through December 1, 1998), totalling \$200,575.40. Based upon  
12 Matias's sworn representations in his Statement of Financial  
13 Condition dated August 31, 1998, and submitted to the Commission,  
14 payment of all but \$26,800 of the disgorgement and pre-judgment  
15 interest thereon is waived. This waiver is contingent upon the  
16 accuracy and completeness of his Statement of Financial Condition.  
17 If at any time following the entry of this Judgment the Commission  
18 obtains information indicating that Matias's representations to the  
19 Commission concerning his assets, income, liabilities, or net worth  
20 were fraudulent, misleading, inaccurate or incomplete in any  
21 material respect as of the time such representations were made, the  
22 Commission may, at its sole discretion and without prior notice to  
23 Matias, petition this Court for an order modifying this Judgment to  
24 require other payment of disgorgement, and pre-judgment and post-  
25 judgment interest thereon, and civil money penalties pursuant to 15  
26 U.S.C. §§ 77t(d) and 78u(d)(3). In connection with any such  
27 petition, the only issue shall be whether the financial information  
28 provided by Matias was fraudulent, misleading, inaccurate or



1 incomplete in any material respect as of the time such  
2 representations were made. In its petition, the Commission may move  
3 this Court to consider all available remedies, including, but not  
4 limited to, ordering Matias to pay funds or assets, directing the  
5 surrender of any assets, or sanctions for contempt of this Judgment,  
6 and the Commission may also request additional discovery. Matias  
7 may not, by way of defense to such petition, challenge the validity  
8 of this Consent or the Judgment, contest the allegations in the  
9 Complaint filed by the Commission, the amount of disgorgement,  
10 interest or penalties, or assert that disgorgement, interest and  
11 penalties should not be ordered.

12 V.

13 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Matias  
14 pay disgorgement in the total amount of \$26,800 in four equal  
15 installments, plus interest calculated pursuant to 28 U.S.C. § 1961,  
16 due each six months and beginning six months from the entry of this  
17 judgment. Matias shall pay these sums by cashier's check, certified  
18 check or postal money order made payable to the United States  
19 Securities and Exchange Commission, and shall be transmitted to the  
20 Comptroller, Securities and Exchange Commission, Operations Center,  
21 6432 General Green Way, Stop 0-3, Alexandria, VA 22312, under cover  
22 of a letter that identifies the defendant, the name and case number  
23 of this litigation, and the court. A copy of each such cover letter  
24 shall be simultaneously transmitted to counsel for the Commission in  
25 this action at its Los Angeles Office.

26 VI.

27 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Matias shall  
28 either cancel or transfer to Internet Casino Sports Gaming, L.L.C.

1 any membership, claim, or other interest held by him, directly or  
2 indirectly, in Internet Casino Sports Gaming, L.L.C. and Internet  
3 Casino Sports Gaming, Inc.

4 VII.

5 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the provisions  
6 of the Consent filed concurrently with this Final Judgment are  
7 incorporated by this reference, and that Matias shall comply with  
8 the Consent.

9 VIII.

10 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court  
11 shall retain jurisdiction over this action for all purposes,  
12 including to determine the liability of any remaining defendants in  
13 this action, to implement and enforce the terms of this Final  
14 Judgment and other orders and decrees which may be entered, and to  
15 grant such other relief as this Court may deem necessary and just.

16 \* \* \* \* \*

17 There being no just reason for delay, the Clerk of the Court is  
18 directed, pursuant to Rule 54(b) of the Federal Rules of Civil  
19 Procedure, to enter this Final Judgment.

20  
21 DATED: *January 4, 1999*

*Mariana R. Paez*  
UNITED STATES DISTRICT JUDGE

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