

ORIGINAL

1 SANDRA J. HARRIS, Cal. Bar # 134153
 JAMES A. HOWELL, Cal. Bar # 92721
 2 NICOLAS MORGAN, Cal. Bar # 166441
 3 Attorneys for Plaintiff
 Securities and Exchange Commission
 4 Valerie Caproni, Regional Director
 5670 Wilshire Boulevard, 11th Floor
 5 Los Angeles, California 90036-3648
 Phone: (323) 965-3998
 6 Fax: (323) 965-3908

FILED
 99 NOV 17 AM 8:23
 DISTRICT COURT
 SOUTHERN DISTRICT OF CALIFORNIA
 BY: *[Signature]* DEPUTY

7
 8 UNITED STATES DISTRICT COURT
 9 FOR THE SOUTHERN DISTRICT OF CALIFORNIA
 10

11 SECURITIES AND EXCHANGE COMMISSION,
 12 Plaintiff,
 13 vs.
 14 SATCOM, INC., SATCOM MARKETING AND
 DISTRIBUTION, INC., TRICAP VENTURES,
 15 COASTAL ENTERPRISES, LLOYD D. PAINE,
 SCOTT C. MESSIER and LAWRENCE C.
 16 HARVEY,
 17 Defendants.

Case No. 99 CV 0234 IEG (LAB)
 FINAL JUDGMENT OF PERMANENT
 INJUNCTION AND OTHER RELIEF
 AGAINST LAWRENCE C. HARVEY

18
 19
 20
 21 Plaintiff Securities and Exchange Commission ("Commission"),
 22 having filed and served upon Defendant Lawrence C. Harvey ("Harvey")
 23 a Summons and Complaint in this action; Harvey having admitted
 24 service upon him of the Summons and Complaint in this action and the
 25 jurisdiction of this Court over him and over the subject matter of
 26 this action; having been fully advised and informed of his right to
 27 a judicial determination of this matter; having waived the entry of
 28 findings of fact and conclusions of law as provided by Rule 52 of

54

ENTERED ON 11-17-99

1 the Federal Rules of Civil Procedure; having consented to the entry
2 of this Final Judgment Of Permanent Injunction And Other Relief
3 Against Defendant Lawrence C. Harvey ("Final Judgment"), without
4 admitting or denying the allegations in the Complaint except as
5 specifically set forth in the Consent Of Defendant Lawrence C.
6 Harvey To Entry Of Final Judgment Of Permanent Injunction And Other
7 Relief ("Consent"); no notice of hearing upon the entry of this
8 Final Judgment being necessary; and this Court being fully advised:

9 I.

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

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

22 B. carrying or causing to be carried through the mails or
23 in interstate commerce, by any means or instruments of
24 transportation, for the purpose of sale or for delivery
25 after sale, the securities of any issuer, unless and
26 until a registration statement is in effect as to such
27 securities; and
28

1 C. making use of any means or instruments of
2 transportation or communication in interstate commerce
3 or of the mails to offer to sell or offer to buy,
4 through the use or medium of any prospectus or
5 otherwise, the securities of any issuer, unless and
6 until a registration statement has been filed with the
7 Commission as to such securities, or while a
8 registration statement has been filed with the
9 Commission as to such securities, or while a
10 registration statement as to such securities is the
11 subject of a refusal order or stop order or (prior to
12 the effective date of the registration statement) any
13 public proceeding or examination under Section 8 of the
14 Securities Act [15 U.S.C. § 77h];
15 in violation of Sections 5(a) and 5(c) of the Securities Act [15
16 U.S.C. §§ 77e(a) & 77e(c)]; provided, however, that nothing in this
17 Judgment shall apply to any security or transaction which is exempt
18 from the provisions of Section 5 of the Securities Act [15 U.S.C. §
19 77e].

20 II.

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

- 1 A. employing any device, scheme or artifice to defraud;
2 B. obtaining money or property by means of any untrue
3 statement of a material fact or any omission to state a
4 material fact necessary in order to make the statements
5 made, in the light of the circumstances under which
6 they were made, not misleading; or
7 C. engaging in any transaction, practice, or course of
8 business which operates or would operate as a fraud or
9 deceit upon the purchaser;

10 in violation of Section 17(a) of the Securities Act of 1933 [15
11 U.S.C. § 77q(a)].

12 III.

13 IT IS ORDERED, ADJUDGED AND DECREED that Harvey and his
14 agents, servants, employees and attorneys, and all persons in active
15 concert or participation with any of them, who receive actual notice
16 of this Final Judgment by personal service or otherwise, and each of
17 them, are permanently restrained and enjoined from, directly or
18 indirectly, in connection with the purchase or sale of any security,
19 by the use of any means or instrumentality of interstate commerce,
20 or of the mails, or of any facility of any national securities
21 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 Harvey shall pay disgorgement in the amount of \$128,915 representing
9 his gains from the conduct alleged in the Complaint, plus
10 prejudgment interest. Based upon Harvey's sworn representations in
11 his Statement of Financial Condition dated February 28, 1999, and
12 submitted to the Commission, payment of the disgorgement and pre-
13 judgment interest thereon is waived. This waiver, and the
14 Commission's determination not to seek civil money penalties
15 pursuant to 15 U.S.C. §§ 77t(d) and 78u(d)(3), are contingent upon
16 the accuracy and completeness of his Statement of Financial
17 Condition. If at any time following the entry of this Judgment the
18 Commission obtains information indicating that Harvey's
19 representations to the Commission concerning his assets, income,
20 liabilities, or net worth were fraudulent, misleading, inaccurate or
21 incomplete in any material respect as of the time such
22 representations were made, the Commission may, at its sole
23 discretion and without prior notice to Harvey, petition this Court
24 for an order modifying this Judgment to require other payment of
25 disgorgement, pre-judgment and post-judgment interest, pursuant to
26 15 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 Harvey 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 Harvey 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. Harvey
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 and penalties, or assert that disgorgement, interest and
11 penalties should not be ordered.

12 V.

13 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the
14 provisions of the Consent filed concurrently with this Final
15 Judgment are incorporated by this reference, and that Harvey shall
16 comply with the Consent.

17 *
18 *
19 *
20 *
21 *
22 *
23 *
24 *
25 *
26 *
27 *
28 *

VI.

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

* * * * *

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

DATED: *Nov. 16, 1999*

Anna E. Gonnery
UNITED STATES DISTRICT JUDGE