

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CONRAD P. SEGHERS

Defendant.

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Civil Action No. 3-04CV-1320-K

AMENDED FINAL JUDGMENT

This case having been tried to a jury regarding liability, and the jury having returned a verdict in favor of Plaintiff Securities and Exchange Commission (“Commission”) on its claims that Defendant Conrad P. Seghers (“Seghers”) violated the antifraud provisions of Section 17(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a), Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (“Advisers Act”), 15 U.S.C. §§ 80b-6(1) & 80b-6(2), and in favor of Defendant Seghers on the Commission’s claim that he violated the securities registration provisions of Section 5 of the Securities Act, 15 U.S.C. § 77(e); the Court having issued a Memorandum Opinion and Order on September 14, 2006, setting forth its findings of fact and conclusions of law pursuant to Fed. R. Civ. P. 52(a) as to the

appropriate relief; and the Court having granted the Motion By Plaintiff Securities and Exchange Commission to Correct Final Judgment Pursuant to Fed. R. Civ. P. 60(a):

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Seghers and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Corrected Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a), in the offer or sale of any security 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) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Seghers and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Corrected Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using 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 security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Seghers and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Corrected Final Judgment

by personal service or otherwise are permanently restrained and enjoined from, while acting as an investment adviser, or while associated with an investment adviser, violating, directly or indirectly, Sections 206(1) or 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(1) & 80b-6(2), by use of the mails or any means or instrumentality of interstate commerce:

- (a) to employ any device, scheme or artifice to defraud any client or prospective client; or
- (b) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Seghers shall pay a civil penalty in the amount of \$50,000 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), and Section 209(e) of the Advisers Act, 15 U.S.C. § 80b-9(e). Seghers shall make this payment within ten (10) business days after entry of this Corrected Final Judgment by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Seghers as a defendant in this action; setting forth the title and civil action number of this

action and the name of this Court; and specifying that payment is made pursuant to this Corrected Final Judgment. Seghers shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Commission's request for disgorgement and prejudgment interest is denied.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that all relief not expressly granted herein is denied.

VII.


IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VIII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Corrected Final Judgment forthwith and without further notice.

SO ORDERED.

Signed November 20th, 2006


ED KINKEADE
UNITED STATES DISTRICT JUDGE