

JS-6

1 UNITED STATES DISTRICT COURT
2 CENTRAL DISTRICT OF CALIFORNIA

3 SECURITIES AND EXCHANGE
4 COMMISSION,
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6 Plaintiff,
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8 v.
9 PROVISION OPERATION SYSTEMS,
10 INC. et al.,
11
12 Defendants.

Case No. 8:07-CV-1130-
AHS

11 **FINAL JUDGMENT OF DEFENDANT**
12 **JAMES STOCK**

13 The Securities and Exchange Commission having filed a Complaint and
14 Defendant James Stock (“Defendant”) having entered a general appearance;
15 consented to the Court’s jurisdiction over Defendant and the subject matter of this
16 action; consented to entry of this Final Judgment without admitting or denying the
17 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
18 conclusions of law; and waived any right to appeal from this Final Judgment:
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I.

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

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

23 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
24 that Defendant and Defendant's agents, servants, employees, attorneys, and all
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1 persons in active concert or participation with them who receive actual notice of
2 this Final Judgment by personal service or otherwise are permanently restrained
3 and enjoined from violating Section 17(b) of the Securities Act of 1933 (the
4 “Securities Act”) [15 U.S.C. § 77q(b)] by the use of any means or instruments of
5 transportation or communication in interstate commerce or by use of the mails, to
6 publish, give publicity to, or circulate any notice, circular, advertisement,
7 newspaper, article, letter, investment service, or communication which, though not
8 purporting to offer a security for sale, describes such security for a consideration
9 received or to be received, directly or indirectly, from an issuer, underwriter, or
10 dealer, without fully disclosing the receipt, whether past or prospective, of such
11 consideration and the amount thereof.

12 III.

13 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
14 that Defendant is barred from participating in an offering of penny stock for a
15 period of five years from the date of entry of an order of final judgment in this
16 matter, including engaging in activities with a broker, dealer, or issuer for purposes
17 of issuing, trading, or inducing or attempting to induce the purchase or sale of any
18 penny stock. A penny stock is any equity security that has a price of less than five
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1 dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R.
2 240.3a51-1].

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4 IV.

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
6 that Defendant is liable for disgorgement of 250,000 shares of ProVision Operation
7 Systems, Inc. common stock, representing profits gained as a result of the conduct
8 alleged in the complaint. Defendant shall satisfy this obligation by turning over
9 the shares of ProVision Operation Systems, Inc. securities he owns to ProVision
10 Operation Systems, Inc.'s transfer agent with instructions that they be canceled.
11 Defendant shall transmit evidence of the cancellation of those 250,000 shares
12 within ten (10) business days of the entry of this Final Judgment to the
13 Commission's counsel in this action. By directing the cancellation of those shares,
14 Defendant relinquishes all legal and equitable right, title, and interest in such
15 shares and no part of the shares shall be returned to Defendant. The Commission
16 may enforce the Court's judgment for disgorgement by moving for civil contempt
17 (and/or through other collection procedures authorized by law) at any time after ten
18 days following entry of this Final Judgment. In response to any such civil
19 contempt motion by the Commission, Defendant may assert any legally
20 permissible defense.
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V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that

Defendant shall pay a civil penalty in the amount of \$20,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) [15 U.S.C. § 78u(d)] of the Exchange Act. Defendant shall make this payment within ten (10) business days after entry of this 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 James Stock 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 Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

1 VI.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
3 Consent is incorporated herein with the same force and effect as if fully set forth
4 herein, and that Defendant shall comply with all of the undertakings and
5 agreements set forth therein.
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7 VII.

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

13 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
14 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment
15 forthwith and without further notice.
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18 Dated: August 18, 2009
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20 ALICEMARIE H. STOTLER
21 UNITED STATES DISTRICT JUDGE
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