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 10 **UNITED STATES DISTRICT COURT**
 11 **CENTRAL DISTRICT OF CALIFORNIA**
 12 **SOUTHERN DIVISION**

13
 14 SECURITIES AND EXCHANGE
 15 COMMISSION,

16 Plaintiff,

17 vs.

18 NANCY M. TULLOS,
 19

20 Defendant.
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Case No. SACV 08-242-CJC (MLGx)

**[PROPOSED] AMENDED FINAL
 JUDGMENT OF DEFENDANT
 NANCY M. TULLOS**

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1 The Securities and Exchange Commission (the "Commission") having filed
2 a Complaint and Defendant Nancy M. Tullos ("Tullos") having entered a general
3 appearance; consented to the Court's jurisdiction over Tullos and the subject
4 matter of this action; consented to entry of this Final Judgment without admitting
5 or denying the allegations of the Complaint (except as to jurisdiction); waived
6 findings of fact and conclusions of law; and waived any right to appeal from this
7 Final Judgment:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Tullos
10 and her agents, servants, employees, attorneys, and all persons in active concert or
11 participation with them who receive actual notice of this Final Judgment by
12 personal service or otherwise are permanently restrained and enjoined from
13 violating Section 17(a)(3) of the Securities Act of 1933 (the "Securities Act"), 15
14 U.S.C. § 77q(a)(3), in the offer or sale of any security by the use of any means or
15 instruments of transportation or communication in interstate commerce or by use
16 of the mails, directly or indirectly, to obtain money or property by means of any
17 untrue statement of a material fact or any omission of a material fact necessary in
18 order to make the statements made, in light of the circumstances under which they
19 were made, not misleading; or to engage in any transaction, practice, or course of
20 business which operates or would operate as a fraud or deceit upon the purchaser.

21 II.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Tullos
23 and her agents, servants, employees, attorneys, and all persons in active concert or
24 participation with them who receive actual notice of this Final Judgment by
25 personal service or otherwise are permanently restrained and enjoined from
26 violating Section 13(b)(5) of the Securities Exchange Act of 1934 (the "Exchange
27 Act"), 15 U.S.C. § 78m(b)(5), by knowingly circumventing or knowingly failing to
28 implement a system of internal accounting controls or knowingly falsifying any

1 book, record or account described in Section 13(b)(2) of the Exchange Act, 15
2 U.S.C. § 78m(b)(2).

3 III.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Tullos
5 and her agents, servants, employees, attorneys, and all persons in active concert or
6 participation with them who receive actual notice of this Final Judgment by
7 personal service or otherwise are permanently restrained and enjoined from aiding
8 and abetting any violation of Section 13(a) of the Exchange Act, 15 U.S.C.
9 § 78m(a), and Rules 12b-20, 13a-1 and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-
10 20, 240.13a-1, and 240.13a-13, by knowingly providing substantial assistance to an
11 issuer which has a class of securities registered pursuant to Section 12 of the
12 Exchange Act, 15 U.S.C. § 78l, that files quarterly and annual reports with the
13 Commission on Forms 10-Q and Forms 10-K that fail to contain material
14 information necessary to make the required statements in the Forms 10-Q and
15 Forms 10-K, in light of the circumstances under which they are made, not
16 misleading.

17 IV.

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Tullos
19 and her agents, servants, employees, attorneys, and all persons in active concert or
20 participation with them who receive actual notice of this Final Judgment by
21 personal service or otherwise are permanently restrained and enjoined from aiding
22 and abetting any violation of Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C.
23 § 78m(b)(2)(A), by knowingly providing substantial assistance to an issuer which
24 has a class of securities registered pursuant to Section 12 of the Exchange Act, 15
25 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the
26 Exchange Act, 15 U.S.C. § 78o(d), in failing to make and keep books, records, and

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1 accounts, which, in reasonable detail, accurately and fairly reflect the transactions
2 and disposition of the assets of the issuer.

3 V.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Tullos
5 and her agents, servants, employees, attorneys, and all persons in active concert or
6 participation with them who receive actual notice of this Final Judgment by
7 personal service or otherwise are permanently restrained and enjoined from aiding
8 and abetting any violation of Section 13(b)(2)(B) of the Exchange Act, 15 U.S.C.
9 § 78m(b)(2)(B), by knowingly providing substantial assistance to an issuer which
10 has a class of securities registered pursuant to Section 12 of the Exchange Act, 15
11 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the
12 Exchange Act, 15 U.S.C. § 78o(d), in failing to devise and maintain a system of
13 internal accounting controls sufficient to provide reasonable assurances that
14 (i) transactions are executed in accordance with management's general or specific
15 authorization; (ii) transactions are recorded as necessary (I) to permit preparation
16 of financial statements in conformity with generally accepted accounting principles
17 or any other criteria applicable to such statements, and (II) to maintain
18 accountability for assets; (iii) access to assets is permitted only in accordance with
19 management's general or specific authorization; and (iv) the recorded
20 accountability for assets is compared with the existing assets at reasonable
21 intervals and appropriate action is taken with respect to any differences.

22 VI.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Tullos
24 and her agents, servants, employees, attorneys, and all persons in active concert or
25 participation with them who receive actual notice of this Final Judgment by
26 personal service or otherwise are permanently restrained and enjoined from
27 violating Rule 13b2-1 of the Exchange Act, 17 C.F.R. § 240.13b2-1, by, directly or

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1 indirectly, falsifying or causing to be falsified, any book, record or account subject
2 to Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A).

3 VII.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Tullos
5 shall pay a civil penalty in the amount of \$100,000 pursuant to Section 20(d) of the
6 Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15
7 U.S.C. § 78u(d)(3). Tullos shall make this payment within ten (10) business days
8 after entry of this Final Judgment by certified check, bank cashier's check, or
9 United States postal money order payable to the Securities and Exchange
10 Commission. The payment shall be delivered or mailed to the Office of Financial
11 Management, Securities and Exchange Commission, Operations Center, 6432
12 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be
13 accompanied by a letter identifying Nancy M. Tullos as a defendant in this action;
14 setting forth the title and civil action number of this action and the name of this
15 Court; and specifying that payment is made pursuant to this Final Judgment.
16 Tullos shall pay post-judgment interest on any delinquent amounts pursuant to 28
17 U.S.C. § 1961. The Commission shall remit the funds paid pursuant to this
18 paragraph to the United States Treasury.

19 VIII.

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
21 Consent is incorporated herein with the same force and effect as if fully set forth
22 herein, and that Tullos shall comply with all of the undertakings and agreements
23 set forth therein.

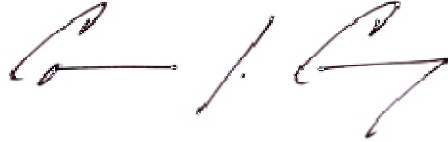
24 IX.

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

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X.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Amended Final Judgment shall be entered *nunc pro tunc*, and stand in place of the Final Judgment entered by this Court on March 10, 2008.



Dated: November 10, 2010

CORMAC J. CARNEY
UNITED STATES DISTRICT JUDGE

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