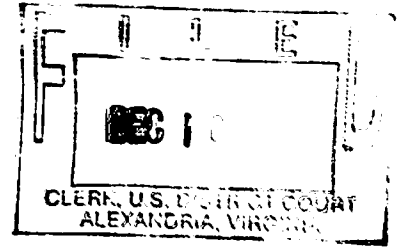


IN THE UNITED STATES COURT FOR THE
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION



UNITED STATES OF AMERICA)
)
 Plaintiff,)
)
 v.)
)
 HEDGELENDER, LLC; DANIEL STAFFORD;)
 FRED R. WAHLER, JR; WILLIAM)
 CHAPMAN; ALEXANDER CAPITAL)
 MARKETS, LLC; and ALEXANDER)
 FINANCIAL, LLC)
)
 Defendants.)

Civil No. 1:10-cv-1054

**FINAL JUDGMENT OF PERMANENT INJUNCTION
AGAINST WILLIAM CHAPMAN, ALEXANDER CAPITAL MARKETS, LLC,
AND ALEXANDER FINANCIAL, LLC**

Plaintiff United States of America has filed a complaint for permanent injunction in this matter against defendants William Chapman, Alexander Capital Markets, LLC, and Alexander Financial, LLC (collectively "Defendants"); and others. Defendants, without admitting the allegations contained in the complaint, but in order to settle this matter without further litigation, hereby consent to the entry of this Final Judgment of Permanent Injunction without further notice.

Defendants enter into this Final Judgment of Permanent Injunction voluntarily and waive any right they may have to appeal from it. Defendants also waive entry of findings of fact and conclusions of law under Rule 52 of the Federal Rules of Civil Procedure. The parties agree that entry of this injunction neither precludes the Internal Revenue Service from assessing penalties against Defendants for asserted violations of the Internal Revenue Code nor preclude Defendants

from contesting any such penalties. Defendants agree that the Court shall retain jurisdiction over them for the purpose of implementing and enforcing this injunction.

NOW, THEREFORE, it is accordingly ORDERED, ADJUDGED, AND DECREED that:

1. The Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1340 and 1345, and 26 U.S.C. §§ 7402(a) and 7408.
2. Defendants William Chapman, Alexander Capital Markets, LLC, and Alexander Financial, LLC, and their representatives, agents, servants, employees, attorneys, and those acting in concert with them, are permanently enjoined from, directly or indirectly, by use of any means or instrumentalities:
 - a. Organizing, promoting, marketing, selling, or implementing the HedgeLoan scheme that is the subject of the complaint herein;
 - b. Organizing, promoting, marketing, selling, or implementing any program, plan or arrangement similar to the HedgeLoan scheme that is the subject of the complaint herein that purports to enable customers to receive valuable consideration in exchange for stocks or other securities that are transferred or pledged by those customers, without the need to pay tax on any gains because the transaction is characterized as a loan rather than a sale;
 - c. Organizing, promoting, marketing, or selling any plan or arrangement that advises or assists others to attempt to violate the internal revenue laws or unlawfully evade the assessment or collection of their federal tax liabilities;
 - d. Engaging in conduct subject to penalty under I.R.C. § 6700, including by making or furnishing, in connection with the organization or sale of a shelter, plan, or arrangement, a statement about the securing of any tax benefit that they know or

have reason to know to be false or fraudulent as to any material federal tax matter;
and

e. Engaging in any conduct that interferes with the administration and enforcement of the internal revenue laws.

3. Within 30 days of the day of entry of this Final Judgment of Permanent Injunction, William Chapman, Alexander Capital Markets, LLC, and Alexander Financial, LLC shall give to counsel for the United States a list of the names, addresses, email addresses, telephone numbers, and Social Security and federal tax identification numbers of all customers who have participated in the HedgeLoan scheme that is the subject of the complaint herein (“HedgeLoan customers”).

4. The United States may engage in full post-judgment discovery to monitor compliance with the injunction.

5. The Court shall retain jurisdiction over this action for purposes of implementing and enforcing the final judgment and any additional orders necessary and appropriate to the public interest.

SO ORDERED this 10th day of December, 2010.

T.S. ELLIS, III
United States District Judge



T. S. Ellis, III
United States District Judge

Agreed and submitted by:

Dated: 12/6/10.

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Dated: Dec. 3, 2010

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