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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

MARK KORB,

Defendant.

Case No. 2:22-cv-04031-CAS-ASx

**FINAL JUDGMENT AS TO
DEFENDANT MARK KORB**

The Securities and Exchange Commission having filed a Complaint and Defendant Mark Korb (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and subject matter jurisdiction; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph VIII); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a)(3) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)(3)] in the offer or sale of any

1 security by the use of any means or instruments of transportation or communication
2 in interstate commerce or by use of the mails, directly or indirectly, to engage in any
3 transaction, practice, or course of business which operates or would operate as a fraud
4 or deceit upon the purchaser.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
6 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
7 binds the following who receive actual notice of this Final Judgment by personal
8 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
9 attorneys; and (b) other persons in active concert or participation with Defendant or
10 with anyone described in (a).

11 II.

12 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
13 Defendant is permanently restrained and enjoined from violating Section 13(b)(5) of
14 the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78m(b)(5)] and
15 Rule 13b2-1 promulgated thereunder [17 C.F.R. § 240.13b2-1] by:

- 16 (a) knowingly circumventing or knowingly failing to implement a
17 system of internal accounting controls or knowingly falsifying any
18 book, record, or account described in Section 13(b)(2) of the
19 Exchange Act; or
20 (b) falsifying or causing to be falsified, directly or indirectly, any
21 book, record, or account subject to Section 13(b)(2)(A) of the
22 Exchange Act.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
24 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
25 binds the following who receive actual notice of this Final Judgment by personal
26 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
27 attorneys; and (b) other persons in active concert or participation with Defendant or
28 with anyone described in (a).

1 III.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
3 Defendant is permanently restrained and enjoined from violating Rule 13a-14
4 promulgated under the Exchange Act [17 C.F.R. § 240.13a-14] by filing or causing to
5 be filed on behalf of any issuer any annual or quarterly report required to be filed
6 with the Commission pursuant to Section 13(a) of the Exchange Act [15 U.S.C. §
7 78m(a)], and the rules and regulations promulgated thereunder, which contains a
8 certification required by Rule 13a-14 [17 C.F.R. § 240.13a-14] that includes an
9 untrue statement of material fact, or fails to include, in addition to the information
10 required to be stated in such certification, such further material information as may be
11 necessary to make the required statements, in light of the circumstances under which
12 they were made, not misleading, or fails to disclose any information required to be
13 disclosed therein.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
15 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
16 binds the following who receive actual notice of this Final Judgment by personal
17 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
18 attorneys; and (b) other persons in active concert or participation with Defendant or
19 with anyone described in (a).

20 IV.

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant is permanently restrained and enjoined from aiding and abetting any
23 violation of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-
24 20, 13a-1, 13a-13, and 13a-15(a) promulgated thereunder [17 C.F.R. §§ 240.12b-20,
25 240.13a-1, 240.13a-13, and 240.13a-15(a)] by knowingly or recklessly providing
26 substantial assistance to an issuer, whose securities are registered pursuant to Section
27 12 of the Exchange Act [15 U.S.C. § 78l] or which has a requirement to file reports
28 pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)], that violates,

1 directly or indirectly, Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and
2 Rules 12b-20, 13a-1, 13a-13, or 13a-15(a) promulgated thereunder [17 C.F.R. §§
3 240.12b-20, 240.13a-1, 240.13a-13, or 13a-15(a)], by failing to:

- 4 (a) file annual, current, or quarterly reports in conformity with the
5 instructions on Form 10-K, Form 8-K, and Form 10-Q,
6 respectively;
- 7 (b) file such reports in conformity with the Commission's integrated
8 reporting and disclosure regulations, Regulation S-K and S-X [17
9 C.F.R. §§ 229.10 et seq. and 210.1-01 et seq.];
- 10 (c) include such further material information as may be necessary to
11 make the required statements in such reports, in light of the
12 circumstances under which they were made, not misleading; or
- 13 (d) design and maintain disclosure controls and procedures, and
14 internal controls over financial reporting.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
16 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
17 binds the following who receive actual notice of this Final Judgment by personal
18 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
19 attorneys; and (b) other persons in active concert or participation with Defendant or
20 with anyone described in (a).

21 V.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Defendant is permanently restrained and enjoined from aiding and abetting any
24 violation of Sections 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act [15 U.S.C. §§
25 78m(b)(2)(A) or 78(b)(2)(B)] by knowingly or recklessly providing substantial
26 assistance to an issuer that:

- 27 (a) fails to make and keep books, records, or accounts, which, in
28 reasonable detail, accurately and fairly reflect the transactions and

1 dispositions of the issuer's assets; or
2 (b) fails to devise and maintain a system of internal accounting
3 controls sufficient to provide reasonable assurances that (i)
4 transactions are executed in accordance with management's
5 general or specific authorization; (ii) transactions are recorded as
6 necessary (A) to permit preparation of financial statements in
7 conformity with generally accepted accounting principles or any
8 other criteria applicable to such statements, and (B) to maintain
9 accountability for assets; (iii) access to assets is permitted only in
10 accordance with management's general or specific authorization;
11 and (iv) the recorded accountability for assets is compared with
12 the existing assets at reasonable intervals and appropriate action is
13 taken with respect to any differences.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
15 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
16 binds the following who receive actual notice of this Final Judgment by personal
17 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
18 attorneys; and (b) other persons in active concert or participation with Defendant or
19 with anyone described in (a).

20 VI.

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant is liable for a civil penalty in the amount of \$60,000 pursuant to Section
23 20(d)(2)(C) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the
24 Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall satisfy this obligation
25 pursuant to the terms of the payment schedule set forth in paragraph VII below after
26 entry of this Final Judgment.

27 Defendant may transmit payment electronically to the Commission, which will
28 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also

1 be made directly from a bank account via Pay.gov through the SEC website at
2 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified
3 check, bank cashier's check, or United States postal money order payable to the
4 Securities and Exchange Commission, which shall be delivered or mailed to

5 Enterprise Services Center
6 Accounts Receivable Branch
7 6500 South MacArthur Boulevard
8 Oklahoma City, OK 73169

9 and shall be accompanied by a letter identifying the case title, civil action number,
10 and name of this Court; Mark Korb as a defendant in this action; and specifying that
11 payment is made pursuant to this Final Judgment.

12 Defendant shall simultaneously transmit photocopies of evidence of payment
13 and case identifying information to the Commission's counsel in this action. By
14 making this payment, Defendant relinquishes all legal and equitable right, title, and
15 interest in such funds and no part of the funds shall be returned to Defendant.

16 The Commission may enforce the Court's judgment for penalties by the use of
17 all collection procedures authorized by law, including the Federal Debt Collection
18 Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the
19 violation of any Court orders issued in this action. Defendant shall pay post
20 judgment interest on any amounts due after 30 days of the entry of this Final
21 Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds,
22 together with any interest and income earned thereon (collectively, the "Fund"),
23 pending further order of the Court.

24 The Commission may propose a plan to distribute the Fund subject to the
25 Court's approval. Such a plan may provide that the Fund shall be distributed
26 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of
27 2002. The Court shall retain jurisdiction over the administration of any distribution
28 of the Fund and the Fund may only be disbursed pursuant to an Order of the Court.

1 Defendant shall contact the staff of the Commission for the amount due for the final
2 payment.

3 If Defendant fails to make any payment by the date agreed and/or in the
4 amount agreed according to the schedule set forth above, all outstanding payments
5 under this Final Judgment, including post-judgment interest, minus any payments
6 made, shall become due and payable immediately at the discretion of the staff of the
7 Commission without further application to the Court.

8 VIII.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
10 Consent is incorporated herein with the same force and effect as if fully set forth
11 herein, and that Defendant shall comply with all of the undertakings and agreements
12 set forth therein.

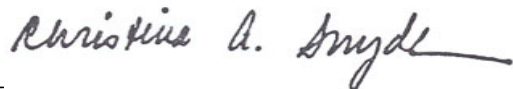
13 IX.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
15 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
16 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
17 and further, any debt for disgorgement, prejudgment interest, civil penalty, or other
18 amounts due by Defendant under this Final Judgment or any other judgment, order,
19 consent order, decree, or settlement agreement entered in connection with this
20 proceeding, is a debt for the violation by Defendant of the federal securities laws or
21 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
22 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

23 X.

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

27 Dated: April 10, 2024



28 UNITED STATES DISTRICT JUDGE