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7 UNITED STATES DISTRICT COURT
8 NORTHERN DISTRICT OF CALIFORNIA
9 SAN JOSE DIVISION

11 SECURITIES AND EXCHANGE COMMISSION,
12 Plaintiff,
13 v.
14 JASON NIELSEN,
15 Defendant.

Case No. 5:20-CV-03788-EJD

~~PROPOSED~~ FINAL JUDGMENT

17 ~~PROPOSED~~ FINAL JUDGMENT

18 The Securities and Exchange Commission having filed a Complaint and Defendant Jason
19 Nielsen (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction
20 over Defendant and the subject matter of this action; consented to entry of this Final Judgment;
21 waived findings of fact and conclusions of law; and waived any right to appeal from this Final
22 Judgment:

23 I.

24 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently
25 restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities
26 Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated
27 thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or
28

1 of the mails, or of any facility of any national securities exchange, in connection with the purchase or
2 sale of any security:

- 3 (a) to employ any device, scheme, or artifice to defraud;
- 4 (b) to make any untrue statement of a material fact or to omit to state a material fact
5 necessary in order to make the statements made, in the light of the circumstances
6 under which they were made, not misleading; or
- 7 (c) to engage in any act, practice, or course of business which operates or would
8 operate as a fraud or deceit upon any person.

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

14
15 II.

16 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is
17 permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the
18 “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or
19 instruments of transportation or communication in interstate commerce or by use of the mails,
20 directly or indirectly:

- 21 (a) to employ any device, scheme, or artifice to defraud;
- 22 (b) to obtain money or property by means of any untrue statement of a material fact or any
23 omission of a material fact necessary in order to make the statements made, in light of
24 the circumstances under which they were made, not misleading; or
- 25 (c) to engage in any transaction, practice, or course of business which operates or
26 would operate as a fraud or deceit upon the purchaser.

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal
28 Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive

1 actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers,
2 agents, servants, employees, and attorneys; and (b) other persons in active concert or participation
3 with Defendant or with anyone described in (a).

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5 III.

6 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is
7 permanently restrained and enjoined from violating Section 9(a)(2) of the Exchange Act [15 U.S.C. §
8 78i(a)(2)] by, directly or indirectly, by use of the mails or the means or instrumentality of interstate
9 commerce, or of any facility of any national securities exchange, alone or with any other person,
10 effecting a series of transactions in any security registered on a national securities exchange, any
11 security not so registered, or in connection with any security-based swap or security-based swap
12 agreement with respect to such security creating actual or apparent active trading in such security, or
13 raising or depressing the price of such security, for the purpose of inducing the purchase or sale of
14 such security by others.

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

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21 IV.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently
23 restrained and enjoined from directly or indirectly, including, but not limited to, through any entity
24 owned or controlled by Defendant, participating in an offering of penny stock, including engaging in
25 activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to
26 induce the purchase or sale of any penny stock under Section 20(g) of the Securities Act [15 U.S.C. §
27 77t] and Section 21(d)(6) of the Exchange Act [15 U.S.C. § 78u(d)(6)];

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$137,000 representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$14,112 for a total of \$151,112. Defendant's \$151,112 payment obligation shall be offset by the amount of the Order of Restitution in the amount of \$1,197 entered in *United States v. Jason Nielsen*, U.S. District Court for the Northern District of California, Case No. 5:22-cr-00161-EJD [#32], leaving a balance due of \$149,915. The Court finds that sending the disgorged funds to the United States Treasury, as ordered below, is consistent with equitable principles. Defendant shall satisfy this/these obligation(s) by paying \$149,915 to the Securities and Exchange Commission within 30 days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

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

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

1 The Commission may enforce the Court’s judgment for disgorgement and prejudgment
2 interest by using all collection procedures authorized by law, including, but not limited to, moving for
3 civil contempt at any time after 30 days following entry of this Final Judgment.

4 Defendant shall pay post judgment interest on any amounts due after 30 days of the entry of
5 this Final Judgment pursuant to 28 U.S.C. § 1961.

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7 VI.

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

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17 VII.

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

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21 VIII.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent of Defendant
23 to Entry of Final Judgment is incorporated herein with the same force and effect as if fully set forth
24 herein.

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IX.

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 Final Judgment forthwith and without further notice.

IT IS SO ORDERED.

Dated: March 28, 2024



THE HONORABLE EDWARD J. DAVILA
UNITED STATES DISTRICT JUDGE