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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

DEREK COHEN, MICHAEL FLEISCHLI
and ROBERT HERMAN,

Defendants,

Case No. 14-cv-1189 JAH (NLS)

**FINAL JUDGMENT AS TO
DEFENDANT DEREK COHEN**

The Securities and Exchange Commission (the “SEC”) having filed a Complaint and Defendant Derek Cohen (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment; 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 and Defendant’s agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from

1 violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of
2 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated
3 thereunder, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of
4 interstate commerce, or of the mails, or of any facility of any national securities
5 exchange, in connection with the purchase or sale of any security:

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

13 **II.**

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
15 Defendant is liable for a civil penalty in the amount of \$199,999.00 pursuant to
16 under Section 21A of the Exchange Act (the Insider Trading and Securities Fraud
17 Enforcement Act of 1988, or “ITSFEA”), 15 U.S.C. § 78u-1. Defendant shall
18 satisfy this obligation by paying \$199,999 to the Securities and Exchange
19 Commission within 14 days after entry of this Final Judgment.

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

26 Enterprise Services Center
27 Accounts Receivable Branch
28 6500 South MacArthur Boulevard
Oklahoma City, OK 73169

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

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

10 Defendant shall pay post judgment interest on any delinquent amounts
11 pursuant to 28 U.S.C. § 1961.

12 **III.**

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

17 **IV.**

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

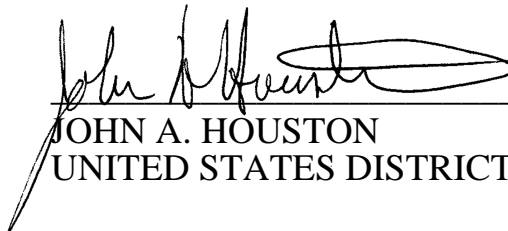
V.

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

VI.

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.

Dated: April 21, 2015



JOHN A. HOUSTON
UNITED STATES DISTRICT JUDGE

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