

NOTE CHANGES BY THE COURT

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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

WESTERN DIVISION

13
 14 SECURITIES AND EXCHANGE
 COMMISSION,

15 Plaintiff,

16 vs.

17 RICHARD CONDON and
 18 JONATHAN ROSS,

19 Defendants, and

20 ALI SAGHEB,

21 Relief Defendant.

Case No. CV 15-07443-AB (FFMx)

**~~[PROPOSED]~~ JUDGMENT AS TO
 DEFENDANT JONATHAN ROSS**

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

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating, directly or indirectly, Section
11 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §
12 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using
13 any means or instrumentality of interstate commerce, or of the mails, or of any
14 facility of any national securities exchange, in connection with the purchase or sale of
15 any security:

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

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

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2 **II.**

3 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
4 Defendant is permanently restrained and enjoined from violating Section 14(e) of the
5 Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3]
6 promulgated thereunder, in connection with any tender offer or request or invitation
7 for tenders, from engaging in any fraudulent, deceptive, or manipulative act or
8 practice, by:

- 9 (a) purchasing or selling or causing to be purchased or sold the securities
10 sought or to be sought in such tender offer, securities convertible into or
11 exchangeable for any such securities or any option or right to obtain or
12 dispose of any of the foregoing securities while in possession of material
13 information relating to such tender offer that Defendant knows or has
14 reason to know is nonpublic and knows or has reason to know has been
15 acquired directly or indirectly from the offering person; the issuer of the
16 securities sought or to be sought by such tender offer; or any officer,
17 director, partner, employee or other person acting on behalf of the
18 offering person or such issuer, unless within a reasonable time prior to
19 any such purchase or sale such information and its source are publicly
20 disclosed by press release or otherwise; or
- 21 (b) communicating material, nonpublic information relating to a tender
22 offer, which Defendant knows or has reason to know is nonpublic and
23 knows or has reason to know has been acquired directly or indirectly
24 from the offering person; the issuer of the securities sought or to be
25 sought by such tender offer; or any officer, director, partner, employee,
26 advisor, or other person acting on behalf of the offering person of such
27 issuer, to any person under circumstances in which it is reasonably
28 foreseeable that such communication is likely to result in the purchase or
sale of securities in the manner described in subparagraph (a) above,

1 except that this paragraph shall not apply to a communication made in
2 good faith

- 3 (i) to the officers, directors, partners or employees of the offering
4 person, to its advisors or to other persons, involved in the
5 planning, financing, preparation or execution of such tender offer;
6 (ii) to the issuer whose securities are sought or to be sought by such
7 tender offer, to its officers, directors, partners, employees or
8 advisors or to other persons involved in the planning, financing,
9 preparation or execution of the activities of the issuer with respect
10 to such tender offer; or
11 (iii) to any person pursuant to a requirement of any statute or rule or
12 regulation promulgated thereunder.

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

19 **III.**

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
21 is liable for disgorgement of \$58,281, representing profits gained as a result of the
22 conduct alleged in the Complaint, together with prejudgment interest thereon in the
23 amount of \$589.91. Defendant shall satisfy this obligation by paying \$58,870.91 to
24 the Securities and Exchange Commission within ~~14 days~~ forty-five (45) days after
25 entry of this Final Judgment.

26 Defendant may transmit payment electronically to the Commission, which will
27 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also
28 be made directly from a bank account via Pay.gov through the SEC website at

1 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified
2 check, bank cashier's check, or United States postal money order payable to the
3 Securities and Exchange Commission, which shall be delivered or mailed to

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

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

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

17 The Commission may enforce the Court's judgment for disgorgement and
18 prejudgment interest by moving for civil contempt (and/or through other collection
19 procedures authorized by law) at any time after ~~14 days~~ **forty-five (45) days**
20 following entry of this Final Judgment. Defendant shall pay post judgment interest
21 on any delinquent amounts pursuant to 28 U.S.C. § 1961.

22 **IV.**

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
24 shall pay a civil penalty in the amount of \$58,281 to the Securities and Exchange
25 Commission pursuant to 15 U.S.C. § 78u-1. Defendant shall make this payment
26 within ~~14 days~~ **forty-five (45) days** after 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
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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. The
16 Commission shall send the funds paid pursuant to this Final Judgment to the United
17 States Treasury. Defendant shall pay post-judgment interest on any delinquent
18 amounts pursuant to 28 USC § 1961.

19 **V.**

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 Defendant shall comply with all of the undertakings and agreements
23 set forth therein.

24 **VI.**

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
26 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
27 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
28 and further, any debt for disgorgement, prejudgment interest, civil penalty or other

1 amounts due by Defendant under this Final Judgment or any other judgment, order,
2 consent order, decree or settlement agreement entered in connection with this
3 proceeding, is a debt for the violation by Defendant of the federal securities laws or
4 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
5 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

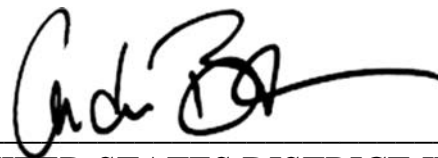
6 **VII.**

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

10 **VIII.**

11 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
12 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith
13 and without further notice.

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15 Dated: September 16, 2016



UNITED STATES DISTRICT JUDGE
ANDRÉ BIROTTE JR.

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21 cc: Fiscal
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