

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65030 / August 4, 2011

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3310 / August 4, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14500

In the Matter of

KARLHEINZ REDEKOPP,
CGA,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Karlheinz Redekopp, CGA (“Respondent” or “Redekopp”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Redekopp, age 40, is the former Chief Financial Officer of International Commercial Television, Inc. ("ICTV"), having served in that capacity from approximately March 2006 to August 2008, when he tendered his resignation. Redekopp holds an active Certified General Accountant designation issued in 1998 in British Columbia, Canada. Redekopp is a resident of Vancouver, Canada.

2. ICTV was, at all relevant times, a Nevada corporation headquartered in Bainbridge Island, Washington. Founded in 2001, the Company sells health and beauty products internationally via infomercials and through various televised shopping networks. ICTV's common stock is registered under Section 12(g) of the Securities Exchange Act of 1934 ("Exchange Act") and is quoted on the Pink Sheets under the symbol "ICTL."

3. On July 26, 2011, a final judgment was entered against Redekopp, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13a-14 and 13b2-1 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder, in the civil action entitled Securities and Exchange Commission v. Karlheinz Redekopp, Civil Action Number 3:10-cv-05557, in the United States District Court for the Western District of Washington. The final judgment also prohibits Redekopp from acting as an officer or director of a public company for a period of 5 years.

4. The Commission's complaint alleged, among other things, that Redekopp engaged in a financial reporting fraud which caused ICTV to materially overstate revenue and net income in periodic reports filed with the Commission during a six-quarter period in 2007 and 2008. The Complaint alleged that Redekopp engaged in a number of improper accounting practices that materially increased ICTV's annual and quarterly revenue and net income in a departure from Generally Accepted Accounting Principles. These practices included, among other things, recognizing revenue on sales that did not exist, prematurely recognizing revenue on product sales through the Home Shopping Network, improperly recognizing revenue on sales made directly to consumers prior to expiration of a free trial period, failing to establish a return allowance, and failing to properly recognize returns on direct consumer sales. During the relevant period, ICTV sold securities in a private placement, and the related subscriptions agreements, counter-signed by

Redekopp on behalf of ICTV, included the materially false representation that “[a]ll of the accounts receivable and net receivables of the Company are valid and enforceable claims, are subject to no known set-off or counterclaim, and to the knowledge of the Company are fully collectible in the normal course of business.”

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Redekopp’s Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Redekopp is suspended from appearing or practicing before the Commission as an accountant.

B. After three years from the date of this order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company’s financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent’s work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board (“Board”) in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the Respondent’s or the firm’s quality control system that would indicate that the Respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to

comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

C. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his CGA designation is current and he has resolved all other disciplinary issues with the applicable boards of accountancy. However, if his CGA designation is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

By the Commission.

Elizabeth M. Murphy
Secretary