UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 5855 / September 10, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20534

In the Matter of **DIASTOLE WEALTH MANAGEMENT, INC. and ELIZABETH D. EDEN,** **Respondents.**	**ORDER INSTITUTING ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS, PURSUANT TO SECTIONS 203(e), 203(f) AND 203(k) OF THE INVESTMENT ADVISERS ACT OF 1940, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act"), against Diastole Wealth Management, Inc. ("Diastole") and Elizabeth D. Eden ("Eden") (collectively, "Respondents").

II.

In anticipation of the institution of these proceedings, Respondents each have submitted an Offer of Settlement (the "Offers"), which the Commission has determined to accept. Solely for the 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 Respondents and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondents consent to the entry of this Order Instituting Administrative and Cease-And-Desist Proceedings, Pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-And-Desist Order ("Order"), as set forth below.

III.

On the basis of this Order and the Offers, the Commission finds[1] that:

Summary

1. This matter involves an investment adviser and its principal's failure to adequately disclose conflicts of interest related to investments they managed for a private fund client. Diastole and Eden invested certain of the private fund's assets in a company that Eden's son principally owned and operated. The fund's limited partners were all also individual advisory clients, such that Diastole and Eden owed a fiduciary duty both to the fund and directly to the fund's limited partners. However, Diastole and Eden initially did not disclose that the fund had invested in Eden's son's company. Diastole and Eden also did not make adequate disclosures of material financial conflicts relating to the fund's investments in Eden's son's company. For example, Diastole and Eden did not disclose that fund investment amounts could and would be used to pay off loans Diastole had made to the son's company. Diastole and Eden breached their fiduciary duties as investment advisers by making conflicted investments without disclosing material facts, and they also made certain misleading statements to investors in a pooled investment vehicle, all in violation of various provisions of the Advisers Act.

2. In addition, Diastole failed to comply with the Advisers Act's custody rule because, among other things, it did not deliver audited financial statements to fund investors in a timely manner for multiple years. Diastole also failed to comply with the Advisers Act's compliance rule because it did not adopt and implement written compliance policies and procedures reasonably designed to prevent Advisers Act violations related to identifying and disclosing conflicts of interest associated with providing investment advice. Eden caused Diastole's violations of these Advisers Act rules.

Respondents

3. Diastole is a Connecticut corporation with its principal place of business in Guilford, Connecticut. Diastole has been registered with the Commission as an investment adviser since May 2000. Diastole provides investment advisory services to individuals and two unregistered investment funds, including the Eden Partners Absolute Growth Fund, LP (the "EPAG Fund"). As of December 31, 2020, Diastole reported regulatory assets under management of approximately $740 million.

4. Eden is 65 years old and a resident of Old Saybrook, Connecticut. Eden is the founder of Diastole and, together with her co-founder who is also a Diastole employee, owns 80% of Diastole. At all relevant times, Eden was the president, chief executive officer, and chief investment officer of Diastole and had sole authority over Diastole's operations. At all times prior

[1] The findings herein are made pursuant to the Respondents' Offers and are not binding on any other person or entity in this or any other proceeding.

to October 2020, Eden was also Diastole's chief compliance officer. From December 1984 through December 2013, Eden was a registered representative associated with various broker-dealers registered with the Commission. Eden holds a Series 65 license and previously held Series 7, 8, 24, 27, 53 and 63 licenses.

Other Relevant Entity

5. EPAG Fund is a limited partnership formed in 2005. EPAG Fund is a fund of funds and claims an exemption from registration with the Commission as an investment company pursuant to Section 3(c)(1) of the Investment Company Act of 1940. As of December 31, 2020, Diastole reported that EPAG Fund had gross assets of approximately $21 million. The general partner of EPAG Fund is Eden Investment Partners, LLC ("EIP"), a Connecticut limited liability company. Eden, another Diastole employee, and Eden's son are each one-third owners of EIP.

Background

6. Diastole provides investment advisory services primarily to individuals on both a discretionary and non-discretionary basis, and to two unregistered investment funds, including the EPAG Fund, on a discretionary basis. Eden is the sole investment decision maker for her advisory clients for whom Diastole has investment discretion, including the EPAG Fund. EPAG Fund is a pooled investment vehicle within the meaning of Section 206(4) of the Advisers Act and Rule 206(4)-8 thereunder.

7. As investment advisers, Diastole and Eden are obligated to disclose all material facts to their advisory clients, including any conflicts of interest that could affect the advisory relationship. Diastole and Eden also are obligated to disclose all material facts relating to how those conflicts could affect the investment advice they provide to clients. To meet this fiduciary obligation, Diastole and Eden are required to provide advisory clients with full and fair disclosure that is sufficiently specific so that clients can understand the conflicts of interest concerning Diastole and Eden's investment advice and have an informed basis on which they can consent to or reject the conflicts.

8. Diastole and Eden formed the EPAG Fund to provide investment opportunities in a pooled vehicle structure to Diastole clients who might not meet investment minimums on their own. All of the EPAG Fund's investors, or limited partners, are individual clients of Diastole, and therefore Diastole and Eden owe a fiduciary duty to both the fund and the fund's limited partners.

9. Diastole and Eden at all times had investment discretion over the EPAG Fund's assets.

Conflicted Investments

10. For many years prior to 2009, Eden's son was a Diastole employee. Eden's son is also an approximately 20% owner of Diastole. Many of Diastole's longtime individual clients

knew or knew of Eden's son, either from the time he worked at Diastole or from his childhood. In approximately July 2009, Eden's son left Diastole to form his own company (the "Company"), which aimed to provide an affordable client database platform for small investment advisers.

11. In April 2017, Eden's son formed a second company (the "Second Company"), which was a similar type of business as the Company, and which intended to acquire or merge with the Company, but the two entities (collectively the "Companies") continued to exist separately.

12. Eden's son operated the Companies with few other support staff. At various times, the Companies used the same mailing address as Diastole's offices. In addition, Diastole used the Company's client database platform. Diastole also periodically made short-term, intra-quarter loans to the Companies.

13. Between December 2010 and December 2017, nearly two dozen of Diastole's individual clients invested total capital of nearly $3.5 million in the Company. These investments included the purchase of over $2.1 million in convertible notes from the Company between June 2015 and December 2017, which have not been repaid. Several individual clients made more than one investment in the Company during this period. In addition, between September 2017 and March 2018, nine of Diastole's individual clients (including some who had previously invested in the Company) purchased convertible notes from the Second Company, which also have not been repaid. The clients who made these investments were aware of the relationship between the Companies and Eden's son. Diastole and Eden were aware of these investments but did not select or recommend these investments to individual clients and did not receive advisory fees related to these investments.

14. Between May 2017 and July 2017, Diastole and Eden caused the EPAG Fund to purchase convertible notes totaling $446,000 from the Company. These investments were evidenced by six separate notes payable from the Company to the EPAG Fund or the EPAG Fund's general partner, EIP. The notes all had two-year terms. As of the end of 2020, the Company had not repaid these notes.

15. Diastole and Eden funded the EPAG Fund's purchase of the notes from the Company with the proceeds of a 2016 year-end distribution from a separate investment. The year-end distribution was deposited into the EPAG Fund's account in January 2017. Diastole and Eden wired the full amount to EIP's account in March 2017. Diastole and Eden then wired amounts from EIP's account to the Company, largely matching the dates and amounts reflected in the notes. Of the $446,000 total amount of the convertible notes, $160,000 was transferred to the accounts of Diastole or an affiliated entity, as repayment of loans that Diastole had made to the Company.

16. In 2021, Diastole and Eden caused $160,000, plus interest, to be restored to the EPAG Fund.

Disclosure Failures

17. Diastole and Eden did not disclose that the EPAG Fund had made investments in the Company, or that Eden's son was the principal of the Company, until at least several months after the purchase of the convertible notes.

18. The EPAG Fund's audited financial statements for 2017, which were issued in December 2018, included a receivable of $446,000 but did not identify the source or nature of the receivable and did not otherwise mention the EPAG Fund's purchase of the convertible notes from the Company. The EPAG Fund's investment in the notes from the Company were identified as such in the EPAG Fund's annual audited financial statements for 2018, which were issued in December 2019.

19. The EPAG Fund's quarterly newsletters, which Eden drafted, did not include any reference to the EPAG Fund's investment in the Company for the fourth quarter of 2017 and the first three quarters of 2018. The newsletters did not identify the notes from the Company in lists of EPAG Fund investments, although other similar investments were included in these lists. The newsletter for the fourth quarter of 2018, which Diastole and Eden sent to investors in January 2019, listed the EPAG Fund's investment in the Company but did not disclose the Company's connection to Eden's son.

20. Prior to June 2018, Diastole's Form ADV Part 2A brochure filed with the Commission, which Eden signed, disclosed that the Company was a Diastole service provider and that some clients had invested in the Company but described the Company as "not affiliated" with Diastole because Diastole did not have ownership or control over the Company. Beginning in June 2018, Diastole amended the disclosure in its Form ADV Part 2A brochure to state that both Companies were affiliated with Diastole based on the minority ownership interest Eden's son has in Diastole, which minority ownership Diastole previously had disclosed in its Forms ADV filed with the Commission.

21. Diastole and Eden did not disclose to any EPAG Fund investors that Diastole periodically made loans to the Company or that any portion of the EPAG Fund's investment in the Company could be used to repay loans Diastole had made to the Company.

22. In light of the family relationship between Eden and her son, and the fact that the Company owed periodic debts to Diastole, the EPAG Fund's investments in the Company created a conflict of interest that Diastole and Eden, consistent with their fiduciary duties as investment advisers, should have disclosed but did not adequately disclose.

23. Beginning in approximately September 2017, Diastole and Eden provided a three-page document titled "Disclosure and Conflicts of Interest Waiver" (the "Document") to certain Diastole individual clients and later to all EPAG Fund investors.

24. The Document described the ownership structures of each of Diastole, EIP, and the Companies. The Document further stated that Diastole and Eden "may" recommend investments in the Companies and that Diastole and EIP "may" themselves invest in the Companies. In addition, the Document purported to have the signer waive any objection to any actual or potential conflicts of interest arising from the arrangements or relationships described in the Document. However, the Document did not mention the EPAG Fund and did not state that Diastole and Eden had already made recommendations to invest in the Companies, namely the EPAG Fund's purchase of convertible notes from the Company earlier in 2017.

25. In or around September 2017, the nine Diastole individual clients who invested in the Second Company signed the Document. All of these nine clients were also EPAG Fund investors who knew that Eden's son operated the Companies. However, as noted above, the Document did not reference the EPAG Fund and did not state that the EPAG Fund had made investments in the Company.

26. In the spring of 2018, Diastole and Eden provided the Document to the remaining EPAG Fund investors, nearly all of whom signed the Document either at that time or thereafter. Approximately one dozen EPAG Fund investors had not made direct individual investments in the Companies, and, in many cases, these investors did not know about the Companies or the connection between the Companies and Eden's son.

Custody and Compliance Failures

27. For the calendar years 2016 through 2018, Diastole did not send a copy of EPAG Fund's annual audited financial statements to EPAG Fund investors within 180 days of the end of EPAG Fund's fiscal year, as the Advisers Act's custody rule requires for funds of funds. The delay in the completion of EPAG Fund's audits resulted from delays in the issuance of K-1 reports for certain private funds in which EPAG Fund had invested. In addition, the most recent auditor that conducted EPAG Fund's audits was not registered with the Public Company Accounting Oversight Board ("PCAOB") prior to 2018, and was not subject to regular inspection by the PCAOB, as required by the Advisers Act's custody rule. The auditor is no longer conducting EPAG Fund's audits.

28. As of 2017, Diastole did not, as required by the Advisers Act's compliance rule, adopt or implement written policies or procedures reasonably designed to identify and adequately disclose conflicts of interest associated with entities affiliated with Diastole's business and the effect of these conflicts on the provision of investment advice to clients. In October 2019, Diastole revised its written policies and procedures to reflect recent Commission guidance concerning compliance with investment advisory fiduciary duties.

29. Eden caused Diastole's violations of the Advisers Act's custody and compliance rules by virtue of her sole control over Diastole's operations.

Violations

30. As a result of the conduct described above, Diastole and Eden willfully[2] violated Section 206(2) of the Advisers Act, which prohibits an investment adviser from engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client. Scienter is not required to establish a violation of Section 206(2), but rather a violation may rest on a finding of negligence. *SEC v. Steadman*, 967 F.2d 636, 643 n.5 (D.C. Cir. 1992) (citing *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 194-95 (1963)).

31. As a result of the conduct described above, Diastole and Eden willfully violated Section 206(4) of the Advisers Act and Rule 206(4)-8 promulgated thereunder, which makes it unlawful for an investment adviser to a pooled investment vehicle to (i) make any untrue statement of a material fact or to omit to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading, to any investor or prospective investor in the pooled investment vehicle, and (ii) otherwise engage in any act, practice, or course of business that is fraudulent, deceptive, or manipulative with respect to any investor or prospective investor in the pooled investment vehicle. Proof of scienter is not required to establish a violation of Section 206(4) of the Advisers Act and the rules thereunder. *Steadman*, 967 F.2d at 647.

32. As a result of the conduct described above, Diastole willfully violated, and Eden caused Diastole's violation of, Section 206(4) of the Advisers Act and Rule 206(4)-2 promulgated thereunder, which requires a registered investment adviser to a fund of funds that chooses to rely on the audit exception to (i) to retain an independent public accountant registered with the PCAOB and subject to regular inspection by the PCAOB to conduct an annual audit, and (ii) to deliver audited financial statements to investors within 180 days of each fiscal year end (in the case of a fund of funds).

33. As a result of the conduct described above, Diastole willfully violated, and Eden caused Diastole's violation of, Section 206(4) of the Advisers Act and Rule 206(4)-7 promulgated thereunder, which requires a registered investment adviser to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder by the adviser and its supervised persons.

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[2] "Willfully," for purposes of imposing relief under Sections 203(e) and 203(f) of the Advisers Act, "'means no more than that the person charged with the duty knows what he is doing.'" *Wonsover v. SEC*, 205 F.3d 408, 414 (D.C. Cir. 2000) (quoting *Hughes v. SEC*, 174 F.2d 969, 977 (D.C. Cir. 1949)). There is no requirement that the actor "also be aware that he is violating one of the Rules or Acts." *Tager v. SEC*, 344 F.2d 5, 8 (2d Cir. 1965). The decision in *The Robare Group, Ltd. v. SEC*, which construed the term "willfully" for purposes of a differently structured statutory provision, does not alter that standard. 922 F.3d 468, 478-79 (D.C. Cir. 2019) (setting forth the showing required to establish that a person has "willfully omit[ted]" material information from a required disclosure in violation of Section 207 of the Advisers Act).

Undertakings

34. Respondents have undertaken to:

a. Retain, within thirty (30) days of the issuance of this Order, the services of an Independent Compliance Consultant ("Independent Consultant") not unacceptable to the staff of the Commission and provide a copy of this Order to the Independent Consultant. No later than ten (10) days following the date of the Independent Consultant's engagement, Respondents shall provide the Commission staff with a copy of the engagement letter detailing the Independent Consultant's responsibilities, which shall include the review and report to be made by the Independent Consultant as set forth in this Order. The Independent Consultant's compensation and expenses shall be borne exclusively by Respondents.

b. Require the Independent Consultant to conduct one review, not exceeding six (6) months, of Diastole's compliance policies and procedures that the Independent Consultant deems relevant with respect to: (i) the identification and disclosure of, and the adoption and implementation of compliance policies and procedures regarding, financial conflicts of interest in connection with the recommendation of investments in entities affiliated with Diastole and its associated persons; and (ii) adherence to the Advisers Act's custody rule.

c. Require the Independent Consultant, at the conclusion of the review, to produce a written report, which shall: describe the review; set forth the conclusions reached and the recommendations made by the Independent Consultant, as well as any proposals made by Respondents; and describe how Respondents will implement the Independent Consultant's recommendations.

d. Within sixty (60) days of receipt of the Independent Consultant's report, take all necessary and appropriate steps to adopt and implement all recommendations contained in the Independent Consultant's report.

e. Within thirty (30) days of the adoption and implementation of all recommendations in the Independent Consultant's report, certify in writing to the Independent Consultant and the Commission staff that Respondents have adopted and implemented all recommendations in the report. The Commission staff may make reasonable requests for further evidence of compliance, and Respondents agree to provide such evidence.

f. Cooperate fully with the Independent Consultant and provide the Independent Consultant with access to such files, books, records, and personnel as reasonably requested for the Independent Consultant's review, including access by on-site inspection.

g. Require the Independent Consultant to enter into an agreement that provides that, for the period of engagement and for a period of two years from completion of the engagement, the Independent Consultant shall not enter into any employment, consultant, attorney-client, auditing or other professional relationship with Respondents or any of their present or former affiliates, directors, officers, employees, or agents acting in their capacity. The agreement will also provide that the Independent Consultant will require that any firm with which he/she is affiliated or of which he/she is a member, and any person engaged to assist the Independent Consultant in performance of his/her duties under this Order shall not, without prior written consent of the Commission staff, enter into any employment, consultant, attorney-client, auditing or other professional relationship with Respondents or any of their present or former affiliates, directors, officers, employees, or agents acting in their capacity as such for the period of the engagement and for a period of two years after the engagement.

h. Agree that Respondents shall not be in, and shall not have, an attorney-client relationship with the Independent Consultant and shall not seek to invoke the attorney-client privilege or any other doctrine of privilege to prevent the Independent Consultant from transmitting any information, reports, or documents to the Commission staff.

35. The report by the Independent Consultant will likely include confidential financial, proprietary, competitive business or commercial information. Public disclosure of the report could discourage cooperation, impede pending or potential government investigations or undermine the objectives of the reporting requirement. For these reasons, among others, the report and the contents thereof are intended to remain and shall remain non-public, except (1) pursuant to court order, (2) as agreed to by the parties in writing, (3) to the extent that the Commission determines in its sole discretion that disclosure would be in furtherance of the Commission's discharge of its duties and responsibilities, or (4) as is otherwise required by law.

36. Respondents shall certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Respondents agree to provide such evidence. The certification and supporting material shall be submitted to: Robert Baker, Assistant Regional Director, Division of Enforcement, Securities and Exchange Commission, Boston Regional Office, 33 Arch Street, 24th Floor, Boston, MA 02110, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the undertakings. For good cause shown, the Commission staff may extend any of the deadlines set forth with respect to these undertakings.

IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest, to impose the sanctions agreed to in the Offers.

Accordingly, pursuant to Sections 203(e), 203(f) and 203(k) of the Advisers Act, it is hereby ORDERED that:

A. Diastole and Eden shall cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Advisers Act and Rules 206(4)-2, 206(4)-7 and 206(4)-8 promulgated thereunder.

B. Diastole and Eden are censured.

C. Eden shall be, and hereby is, subject to the following limitations on her activities: Eden shall not act in a chief compliance officer capacity with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

D. Any application by Eden to act in such a chief compliance officer capacity will be subject to the applicable laws and regulations governing the application process, and permission to act in such a chief compliance officer capacity may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's Order and the satisfaction of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (c) any arbitration award related to the conduct that served as the basis for the Commission Order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission Order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission Order.

E. Diastole shall pay a civil money penalty in the amount of $100,000, and Eden shall pay a civil money penalty in the amount of $60,000, to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Section 21F(g)(3) of the Securities Exchange Act of 1934. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717. Payment shall be made in the following installments: (i) within 10 days of the entry of this Order, Diastole shall pay $33,000 and Eden shall pay $20,000; (ii) within 6 months of the entry of this Order, Diastole shall pay another $33,000 and Eden shall pay another $20,000; and (iii) within 12 months of entry of this Order, Diastole shall pay the balance of $34,000 and Eden shall pay the balance of $20,000. Payments shall be applied first to post-order interest, which accrues pursuant to 31 U.S.C. § 3717. Prior to making the final payment set forth herein, Respondents shall contact the staff of the Commission for the amount due. If Respondents fail to make any payment by the date agreed and/or in the amount agreed according to the schedule

set forth above, all outstanding payments under this Order, including post-order interest, minus any payments made, shall become due and payable immediately at the discretion of the staff of the Commission without further application to the Commission.

Payment must be made in one of the following ways:

(1) Respondents may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

(2) Respondents may make direct payment from a bank account via Pay.gov through the SEC website at http://www.sec.gov/about/offices/ofm.htm; or

(3) Respondents may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying the Respondents and the file number of these proceedings; and a copy of the cover letter and check or money order must be sent to Robert B. Baker, Assistant Director, Division of Enforcement, Securities and Exchange Commission, Boston Regional Office, 33 Arch Street, 24th Floor, Boston, Massachusetts 02110.

F. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondents agree that in any Related Investor Action, they shall not argue that they are entitled to, nor shall they benefit by, offset or reduction of any award of compensatory damages by the amount of any part of their payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondents agree that they shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against any Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

G. Respondents shall comply with the undertakings enumerated in Section III, paragraphs 34-36, above.

V.

It is further ORDERED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Eden, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Eden under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Eden of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary