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CLERK, U.S. DISTRICT COURT  
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CENTRAL DISTRICT OF CALIFORNIA  
EASTERN DIVISION BY DEPUTY

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UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

EASTERN DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Civil Action No .

Plaintiff,

EDCV 00-861 (SGL) RT

v

FINAL JUDGMENT OF  
PERMANENT  
INJUNCTION AS TO  
JEFFREY R. BENDER

NEMDACO, INC , STANLEY SCHULMAN,  
JEFFREY R BENDER and GARY J LARKIN,

Defendants.

- Docketed
- Copies / NTC Sent
- JS - 5 / JS - 6
- JS - 2 / JS - 3
- CLSD

ENTER ON ICMs  
NOV

1 Plaintiff Securities and Exchange Commission (the "Commission"), having filed its Complaint, and  
2 defendant Jeffrey R. Bender ("Bender"), in his Consent of Jeffrey R. Bender ("Consent"), filed  
3 simultaneously with this Final Judgment of Permanent Injunction as to Jeffrey R. Bender ("Final  
4 Judgment") and incorporated herein by reference, having entered a general appearance, having admitted  
5 the jurisdiction of this Court over himself and over the subject matter of this action, having waived service  
6 of process, having waived filing an answer, having waived the entry of findings of fact and conclusions of  
7 law pursuant to Rule 52 of the Federal Rules of Civil Procedure, having waived any right he may have to  
8 appeal from the entry of this Final Judgment, and, without admitting or denying any of the allegations of the  
9 Complaint, except as to jurisdiction, which he admits, having consented to the entry of this Final Judgment  
10 enjoining him from engaging in transactions, acts, practices and courses of business that constitute  
11 violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. §§  
12 77e(a), 77e(c) and 77q(a)], and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange  
13 Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], and further  
14 enjoining him from aiding and abetting violations of Section 13(a) of the Exchange Act of 1934 [15 U.S.C.  
15 § 78m(a)] and Rules 12b-20, 13a-1, 13a-11 and 13a-13 thereunder [17 C.F.R. §§ 240.12b-20,  
16 240.13a-1, 240.13a-11 and 240.13a-13], and it further appearing that this Court has jurisdiction over  
17 defendant Bender and the subject matter hereof, and the Court being fully advised in the premises.  
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I

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2 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Bender, his agents,  
3 servants, employees, attorneys-in-fact and all persons in active concert or participation with them who  
4 receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and  
5 they hereby are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities  
6 Act [15 U S C § 77e(a) and 77e(c)] by in the absence of an applicable exemption, directly or indirectly,  
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- 8 a) unless a registration statement is in effect as to a security, i) making use of any means or  
9 instruments of transportation or communication in interstate commerce or of the mails to  
10 sell such security through the use or medium of any prospectus or otherwise or ii) carrying  
11 or causing to be carried through the mails or in interstate commerce, by any means or  
12 instruments of transportation, any such security for the purpose of sale or delivery or  
13  
14 b) making use of any means or instruments of transportation or communication in interstate  
15 commerce or of the mails to offer to sell or offer to buy through the use or medium of any  
16 prospectus or otherwise any security, unless a registration statement has been filed as to  
17 such security, or while the registration statement is the subject of a refusal or stop order or  
18 (prior to the effective date of the registration statement) any public proceeding under  
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20 Section 8 of the Securities Act [15 U.S.C. § 77h]  
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II

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2 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that defendant Bender, his agents,  
3 servants, employees, attorneys-in-fact and all persons in active concert or participation with them who  
4 receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and  
5 they hereby are permanently restrained and enjoined from violating Section 17(a) of the Securities Act [15  
6 U S C § 77q(a)] by, in the offer or sale of any securities, using any means or instruments of transportation  
7 or communication in interstate commerce, or using the mails, directly or indirectly  
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- 9 (a) employing any device, scheme, or artifice to defraud,  
10 (b) obtaining money or property by means of any untrue statement of a material fact  
11 or any omission to state a material fact necessary in order to make the statements  
12 made, in the light of the circumstances under which they were made, not  
13 misleading, or  
14 (c) engaging in any transaction, practice, or course of business which operates or  
15 would operate as a fraud or deceit upon a purchaser.  
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18 III

19 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Bender, his agents,  
20 servants, employees, attorneys-in-fact and all persons in active concert or participation with them who  
21 receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and  
22 they hereby are permanently restrained and enjoined from violating Section 10(b) of the Exchange Act [15  
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1 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5] by, directly or  
2 indirectly, through the use of any means or instrumentality of interstate commerce, or of the mails, or of any  
3 facility of a national securities exchange

- 4 (a) employing any device, scheme, or artifice to defraud,  
5 (b) making any untrue statement of a material fact or omitting to state a material fact  
6 necessary in order to make the statements made, in light of the circumstances  
7 under which they are made, not misleading, or  
8 (c) engaging in any act, practice, or course of business which operates or would  
9 operate as a fraud or deceit upon any person,

10 in connection with the purchase or sale of any security  
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13 IV

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Bender, his agents,  
15 employees, servants, attorneys-in-fact, and those persons in active concert or participation with them who  
16 receive actual notice of this Final Judgment by personal service or otherwise, and each of them, be and  
17 they hereby are enjoined and restrained from, directly or indirectly, aiding and abetting violations of  
18 Sections 13(a) of the Exchange Act of 1934 [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1, 13a-11  
19 and 13a-13 promulgated thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-11 and 240.13a-  
20 13] by directly or indirectly, filing or causing to be filed with the Commission, on behalf of any issuer, any  
21 annual, quarterly or other report required to be filed with the Commission pursuant to Section 13(a) of the  
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1 Exchange Act [15 U.S.C § 78m(a)] and the rules and regulations promulgated thereunder, which contains  
2 any untrue statement of material fact, which omits to state any material fact necessary in order to make the  
3 statements made, in the light of the circumstances under which they were made, not misleading, or which  
4 omits to disclose any information required to be disclosed

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6 V.

7 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that based upon Bender's  
8 sworn representations in his Statement of Financial Condition dated August 2, 1999, and submitted to  
9 the Commission, the Court is not ordering him to pay a civil penalty pursuant to Section 20(d) of the  
10 Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §  
11 78u(d)(3)] The determination not to impose a civil penalty and to waive payment of and pre-judgment  
12 interest thereon is contingent upon the accuracy and completeness of Bender's Statement of Financial  
13 Condition If at any time following the entry of this Final Judgment the Commission obtains information  
14 indicating that Bender's representations to the Commission concerning his assets, income, liabilities, or  
15 net worth were fraudulent, misleading, inaccurate or incomplete in any material respect as of the time  
16 such representations were made, the Commission may, at its sole discretion and without prior notice to  
17 Bender, petition this Court for an order requiring Bender to pay a civil penalty and pre-judgment and  
18 post-judgment interest thereon In connection with any such petition, the only issues shall be whether  
19 the financial information provided by Bender was fraudulent, misleading, inaccurate or incomplete in any  
20 material respect as of the time such representations were made, and the amount of civil penalty to be  
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1 imposed In its petition, the Commission may move this Court to consider all available remedies,  
2 including, but not limited to, ordering Bender to pay funds or assets, directing the forfeiture of any  
3 assets, or sanctions for contempt of this Final Judgment, and the Commission may also request  
4 additional discovery. Bender may not, by way of defense to such petition, challenge the validity of his  
5 Consent or the Final Judgment, contest the allegations in the Complaint filed by the Commission, or  
6 assert that payment of a civil penalty should not be ordered.  
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8 VI

9 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court shall retain  
10 jurisdiction over this action for all purposes, including the implementation and enforcement of this Final  
11 Judgment  
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13 VII.

14 There being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to Rule  
15 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment forthwith  
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19 United States District Judge

20 DATED 11/9, 2000  
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