

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

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CENTRAL DISTRICT OF CALIFORNIA  
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SECURITIES AND EXCHANGE  
COMMISSION,  
  
Plaintiff,

v.

RENAISSANCE ASSET FUND, INC.,  
RONALD J. NADEL and JOSEPH M.  
MELONE

Defendants.

Case No. SACV06-661-JVS (ANX)

FINAL JUDGMENT AS TO DEFENDANT  
RONALD J. NADEL

Before the Honorable  
JAMES V. SELNA  
United States District Court  
Judge for the Central District  
of California

The Securities and Exchange Commission ("Commission") having filed a Complaint and Defendant Ronald J. Nadel ("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 without admitting or denying the allegations of the Complaint (except as to jurisdiction); 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, 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 violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5

**THIS CONSTITUTES NOTICE OF ENTRY  
AS REQUIRED BY FRP, RULE 77 (d).**

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1 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any  
2 means or instrumentality of interstate commerce, or of the mails,  
3 or of any facility of any national securities exchange, in  
4 connection with the purchase or sale of any security:

5 (a) to employ any device, scheme, or artifice to defraud;

6 (b) to make any untrue statement of a material fact or to  
7 omit to state a material fact necessary in order to make the  
8 statements made, in the light of the circumstances under  
9 which they were made, not misleading; or

10 (c) to engage in any act, practice, or course of business  
11 which operates or would operate as a fraud or deceit upon  
12 any person.

13  
14 II.

15 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
16 Defendant and Defendant's agents, servants, employees, and all  
17 persons in active concert or participation with them who receive  
18 actual notice of this Final Judgment by personal service or  
19 otherwise are permanently restrained and enjoined from violating  
20 Section 17(a) of the Securities Act of 1933 (the "Securities  
21 Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security  
22 by the use of any means or instruments of transportation or  
23 communication in interstate commerce or by use of the mails,  
24 directly or indirectly:

25 (a) to employ any device, scheme, or artifice to defraud;  
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1 (b) to obtain money or property by means of any untrue  
2 statement of a material fact or any omission of a material  
3 fact necessary in order to make the statements made, in  
4 light of the circumstances under which they were made, not  
5 misleading; or

6 (c) to engage in any transaction, practice, or course of  
7 business which operates or would operate as a fraud or  
8 deceit upon the purchaser.

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10 III.

11 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
12 Defendant and Defendant's agents, servants, employees, and all  
13 persons in active concert or participation with them who receive  
14 actual notice of this Final Judgment by personal service or  
15 otherwise are permanently restrained and enjoined from violating  
16 Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or  
17 indirectly, in the absence of any applicable exemption:

18 (a) Unless a registration statement is in effect as to a  
19 security, making use of any means or instruments of  
20 transportation or communication in interstate commerce  
21 or of the mails to sell such security through the use  
22 or medium of any prospectus or otherwise;

23 (b) Unless a registration statement is in effect as to a  
24 security, carrying or causing to be carried through the  
25 mails or in interstate commerce, by any means or  
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1 instruments of transportation, any such security for  
2 the purpose of sale or for delivery after sale; or

3 (c) Making use of any means or instruments of  
4 transportation or communication in interstate commerce  
5 or of the mails to offer to sell or offer to buy  
6 through the use or medium of any prospectus or  
7 otherwise any security, unless a registration statement  
8 has been filed with the Commission as to such security,  
9 or while the registration statement is the subject of a  
10 refusal order or stop order or (prior to the effective  
11 date of the registration statement) any public  
12 proceeding or examination under Section 8 of the  
13 Securities Act [15 U.S.C. § 77h].  
14

15 IV.

16 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
17 Defendant and Defendant's agents, servants, employees, and all  
18 persons in active concert or participation with them who receive  
19 actual notice of this Final Judgment by personal service or  
20 otherwise are permanently restrained and enjoined from violating  
21 Section 15(a) of the Exchange Act [15 U.S.C. § 78o] by acting as  
22 a broker or dealer (other than such a broker or dealer whose  
23 business is exclusively intrastate and who does not make use of  
24 any facility of a national securities exchange) and making use of  
25 the mails or any means or instrumentality of interstate commerce  
26 to effect any transactions in, or to induce or attempt to induce  
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1 the purchase or sale of, any security (other than an exempted  
2 security or commercial paper, bankers' acceptances, or commercial  
3 bills) unless he is registered as provided by law.

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5 V.

6 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
7 Defendant is liable for disgorgement of \$2,300,000 representing  
8 profits gained as a result of the conduct alleged in the  
9 Complaint, together with prejudgment interest thereon in the  
10 amount of \$929,555 for a total of \$3,229,555. Based on  
11 Defendant's sworn representations in his Statement of Financial  
12 Condition dated April 20, 2007, and other documents and  
13 information submitted to the Commission, however, the Court is  
14 not ordering Defendant to pay a civil penalty and payment of the  
15 disgorgement and pre-judgment interest thereon is waived. The  
16 determination not to impose a civil penalty and to waive payment  
17 of the disgorgement and pre-judgment interest is contingent upon  
18 the accuracy and completeness of Defendant's Statement of  
19 Financial Condition. If at any time following the entry of this  
20 Final Judgment the Commission obtains information indicating that  
21 Defendant's representations to the Commission concerning his  
22 assets, income, liabilities, or net worth were fraudulent,  
23 misleading, inaccurate, or incomplete in any material respect as  
24 of the time such representations were made, the Commission may,  
25 at its sole discretion and without prior notice to Defendant,  
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1 petition the Court for an order requiring Defendant to pay the  
2 unpaid portion of the disgorgement, pre-judgment and post-  
3 judgment interest thereon, and the maximum civil penalty  
4 allowable under the law. In connection with any such petition,  
5 the only issue shall be whether the financial information  
6 provided by Defendant was fraudulent, misleading, inaccurate, or  
7 incomplete in any material respect as of the time such  
8 representations were made. In its petition, the Commission may  
9 move this Court to consider all available remedies, including,  
10 but not limited to, ordering Defendant to pay funds or assets,  
11 directing the forfeiture of any assets, or sanctions for contempt  
12 of this Final Judgment. The Commission may also request  
13 additional discovery. Defendant may not, by way of defense to  
14 such petition: (1) challenge the validity of the Consent or this  
15 Final Judgment; (2) contest the allegations in the Complaint  
16 filed by the Commission; (3) assert that payment of disgorgement,  
17 pre-judgment and post-judgment interest or a civil penalty should  
18 not be ordered; (4) contest the amount of disgorgement and pre-  
19 judgment and post-judgment interest; (5) contest the imposition  
20 of the maximum civil penalty allowable under the law; or (6)  
21 assert any defense to liability or remedy, including, but not  
22 limited to, any statute of limitations defense.  
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VI.

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

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7 VII.

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

11 VIII.

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

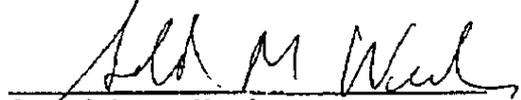
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19 UNITED STATES DISTRICT JUDGE  
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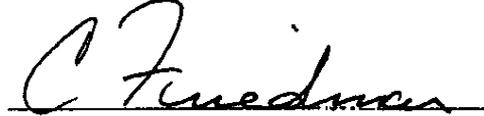
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Attorney for Defendant

Approved as to form:



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Securities and Exchange Commission