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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE COMMISSION,  
  
Plaintiff,  
  
vs.  
  
STEPHEN WONG,  
  
Defendant.

Case No. CV 08 4239 CW

FINAL JUDGMENT

The Securities and Exchange Commission having filed a Complaint and Defendant Stephen Wong 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, attorneys-in-fact, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are

1 permanently restrained and enjoined directly or indirectly, from violating Section 17(a) of the  
 2 Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)] by:

- 3 1. employing any device, scheme, or artifice to defraud;
- 4 2. obtaining money or property by means of untrue statements of material fact or by omitting  
 5 to state a material fact necessary in order to make the statements made, in light of the  
 6 circumstances under which they were made, not misleading; or
- 7 3. engaging in any transaction, practice, or course of business which operates or would  
 8 operate as a fraud or deceit upon the purchaser

9 in the offer or sale of any securities by the use of any means or instrumentality of interstate  
 10 commerce, or of the mails.

## 11 II.

12 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and  
 13 Defendant's agents, servants, employees, attorneys-in-fact, and all persons in active concert or  
 14 participation with them who receive actual notice of this Final Judgment by personal service or  
 15 otherwise are permanently restrained and enjoined directly or indirectly, from violating Section 10(b)  
 16 of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 [17  
 17 C.F.R. § 240.10b-5] thereunder by:

- 18 1. employing any device, scheme, or artifice to defraud;
- 19 2. making any untrue statement of a material fact or omitting to state a material fact  
 20 necessary in order to make the statements made, in the light of the circumstances  
 21 under which they were made, not misleading; or
- 22 3. engaging in any act, practice, or course of business which operates or would operate as  
 23 a fraud or deceit upon any person,

24 in connection with the purchase or sale of the securities of any issuer, by the use of any means or  
 25 instrumentality of interstate commerce, or of the mails, or of any facility of any national securities  
 26 exchange.  
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III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently enjoined and restrained from aiding and abetting any violation of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1, 13a-11, and 13a-13 promulgated thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1, 240.13a-11, and 240.13a-13] by knowingly providing substantial assistance to an issuer which has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] in failing to file with the Commission such accurate and complete information, reports, and documents as are required to be filed with the Commission pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the Commission's rules thereunder, including but not limited to, quarterly reports on Form 10-Q [17 C.F.R. § 249.308a] as prescribed by Commission Rule 13a-13 [17 C.F.R. § 240.13a-13], current reports on Form 8-K [17 C.F.R. § 249.308] as prescribed by Commission Rule 13a-11 [17 C.F.R. § 240.13a-11], and annual reports on Form 10-K [17 C.F.R. § 249.308] as prescribed by Commission Rule 13a-1 [17 C.F.R. § 240.13a-1], such information and documents to contain, in addition to such information as is expressly required to be included in a statement or report to the Commission, such further material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they are made, not misleading, as prescribed by Commission Rule 12b-20 [17 C.F.R. § 240.12b-20].

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently enjoined and restrained from aiding and abetting any violation of Section 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] by knowingly

1 providing substantial assistance to any issuer which has a class of securities registered pursuant to  
2 Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. §  
3 78o] in failing to make or keep books, records or accounts, which, in reasonable detail, accurately  
4 and fairly reflect the transactions and dispositions of the assets of the issuer.  
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7 V.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and  
9 Defendant's agents, servants, employees, attorneys-in-fact, and all persons in active concert or  
10 participation with any of them, who receive actual notice of this Final Judgment, by personal service  
11 or otherwise, and each of them, are permanently enjoined and restrained from aiding and abetting any  
12 violation of Section 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)(B)] by knowingly  
13 providing substantial assistance to any issuer which has a class of securities registered pursuant to  
14 Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. §  
15 78o] in failing to devise and maintain a system of internal accounting controls sufficient to provide  
16 reasonable assurances that:

17 A. transactions are executed in accordance with management's general or specific  
18 authorization;

19 B. transactions are recorded as necessary (i) to permit preparation of financial  
20 statements in conformity with generally accepted accounting principles or any other criteria  
21 applicable to such statements, and (ii) to maintain accountability for assets;

22 C. access to assets is permitted only in accordance with management's general or  
23 specific authorization; and

24 D. the recorded accountability for assets is compared with the existing assets at  
25 reasonable intervals and appropriate action is taken with respect to any differences.  
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## VI.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently enjoined and restrained from, directly or indirectly, violating Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing or failing to implement a system of internal accounting controls or knowingly falsifying any book, record, or account described in Section 13(b)(2) of the Exchange Act [15 U.S.C. § 78m(b)(2)].

## VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys-in-fact, and all persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, are permanently restrained and enjoined from violating Section 14(a) of the Exchange Act [15 U.S.C. § 78n(a)] and Rule 14a-9 promulgated thereunder [17 C.F.R. § 240.14a-9] by making or causing to be made solicitations by means of a proxy statement, form of proxy, notice of meeting, or other communication, written or oral, containing a statement which, at the time and in the light of the circumstances under which it was made, was false or misleading with respect to any material fact, or which omitted to state any material fact necessary in order to make the statements therein not false or misleading or necessary to correct any statement in any earlier communication with respect to the solicitation of a proxy for the same meeting or subject matter which has become false or misleading.

## VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$250,000 pursuant to Section 20(d) of the Securities Act and Section 21(a) of the Exchange Act. Defendant shall make this payment within ten (10) business days after entry of this Final Judgment by certified check, bank cashier's check, or United States postal money

1 order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed  
2 to the Office of Financial Management, Securities and Exchange Commission, Operations Center,  
3 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a  
4 letter identifying Stephen Wong as a defendant in this action; setting forth the title and civil action  
5 number of this action and the name of this Court; and specifying that payment is made pursuant to  
6 this Final Judgment. A copy of the cover letter and money order or check shall be sent to Marc J.  
7 Fagel, Associate Regional Director, San Francisco Regional Office, United States Securities and  
8 Exchange Commission, 44 Montgomery Street, Suite 2600, San Francisco, California 94104.  
9 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.  
10 The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.  
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12 IX.

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(2) of  
14 the Exchange Act [15 U.S.C. § 78u(d)(2)] and Section 20(e) of the Securities Act [15 U.S.C.  
15 § 77t(e)], Defendant is prohibited, for a period of five years following the date of entry of this Final  
16 Judgment, from acting as an officer or director of any issuer that has a class of securities registered  
17 pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports  
18 pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].  
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20 X.

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

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

XII.

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

PRESENTED BY:

/s/ William T. Salzmann

Marc J. Fagel

Michael S. Dicke

Jina L. Choi

William T. Salzmann

Attorneys for Plaintiff

SECURITIES AND EXCHANGE COMMISSION

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APPROVED AS TO FORM:

/s/ David Schindler

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ATTORNEY FOR DEFENDANT STEPHEN WONG

Dated this 16th day of September, 2008

  
UNITED STATES DISTRICT JUDGE