

JS-6

NOTE: CHANGES MADE BY THE COURT

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

BRADLEY L. RUDERMAN;
RUDERMAN CAPITAL
MANAGEMENT, LLC; RUDERMAN
CAPITAL PARTNERS, LLC; and
RUDERMAN CAPITAL
PARTNERS A, LLC;

Defendants.

Case No. 09-CV-02974-VBF (JCx)

~~[PROPOSED]~~ FINAL JUDGMENT
OF DISGORGEMENT,
PREJUDGMENT INTEREST, AND
CIVIL PENALTY

The Plaintiff, Securities and Exchange Commission (“Commission”), has filed a Motion for Summary Judgment pursuant to Rule 56, Fed. R. Civ. P against all Defendants: Bradley L. Ruderman (“Ruderman”), Ruderman Capital Management, LLC (“RCM”), Ruderman Capital Partners, LLC (“RCP”), and Ruderman Capital Partners-A, LLC (“RCP-A”) which was originally calendared for hearing on January 25, 2010. On January 12, 2010, the parties entered into a Settlement Agreement in this matter on the record before Magistrate Judge Jacqueline Chooljian.

I.

IT IS HEREBY ORDERED that the Settlement reached before Magistrate Judge Chooljian is approved and accepted and this Final Judgment of Disgorgement, Prejudgment Interest and Civil Penalty is entered pursuant to that Settlement and the related Joint Stipulation of the Parties for Entry of Final Judgment of Disgorgement, Prejudgment Interest and Civil Penalty.

II.

On May 7, 2009, this Court entered a Judgment of Permanent Injunction, order of Disgorgement, Appointment of Permanent Receiver and Other Relief as to Defendants Bradley L. Ruderman, Ruderman Capital Management, LLC, Ruderman Capital Partners LLC and Ruderman Capital Parties A, LLC. (Dkt No. 31) (“May 7, 2009 Judgment”). The May 7, 2009 Judgment remains in full force and effect. This Final Judgment incorporates the May 7, 2009 Judgment as though fully set forth herein and implements such May 7, 2009 Judgment by specifying amounts of disgorgement, prejudgment interest and statutory civil penalty.

III.

IT IS ORDERED, ADJUDGED AND DECREED that Ruderman, RCM, RCP and RCP-A shall be liable jointly and severally for disgorgement of \$25,132,373.00, representing proceeds gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of

1 \$97,389.28. Each Defendant Ruderman, RCM, RCP and/or RCP-A shall receive a
 2 credit for any sums paid by any other of these Defendants on this disgorgement
 3 and/or interest obligations. Defendants Ruderman, RCM, RCP and RCP-A shall
 4 also receive a credit made by Ruderman on any Restitution Order imposed in that
 5 proceeding entitled: *United States v. Bradley Lewis Ruderman*, Case No. CR 09-
 6 00757 JFW.

7 Defendants Ruderman, RCM, RCP and RCP-A acknowledge that this
 8 obligation of \$ ~~25,229,662.28~~ **25,229,762.28** (\$25,132,373.00 plus \$97,389.28) is
 9 due and payable within fourteen (14) business days after entry of this Final
 10 Judgment by certified check, bank cashier's check, or United States Postal money
 11 order payable to the Securities and Exchange Commission. The payment shall be
 12 delivered or mailed to the Court-appointed Receiver, David L. Ray (the
 13 "Receiver"), and shall be transmitted to David L. Ray, Esq., Saltzburg, Ray &
 14 Weissman, 12121 Wilshire Blvd., Suite 600, Los Angeles, CA 90025 under cover
 15 of a letter that identifies the Defendant, the name and case number of this
 16 litigation, and the court. After discharge of the Receiver, payment shall be made to
 17 the Commission or to such other successor in interest to the Receiver as may be
 18 appointed by this Court. Copies of this cover letter and the means of payment shall
 19 be simultaneously transmitted to counsel for the Commission in this action at its
 20 Pacific Regional Office. The Receiver shall apply to this Court for approval of any
 21 allocation of distribution of funds paid under this Disgorgement Order between
 22 investors in RCP and RCP-A.. Defendants are to pay post-judgment interest on
 23 any delinquent amounts pursuant to 28 U.S.C. § 1961.

24 IV.

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
 26 Defendant Ruderman shall pay a civil penalty in the amount of \$130,000.00
 27 pursuant to Section 20(d) of the Securities Act 15 U.S.C. § 77t(d), and Section
 28 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant acknowledges

1 that this payment is due and payable within fourteen (14) days after entry of this
2 Final Judgment by certified check, bank cashier's check, or United States postal
3 money order payable to the Securities and Exchange Commission. The payment
4 shall be delivered or mailed to the Office of Financial Management, Securities and
5 Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-
6 3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying the
7 payer's name as a Defendant in this action; setting forth the title and civil action
8 number of this action and the name of this Court; and specifying that payment is
9 made pursuant to this Final Judgment. Defendant agrees to pay post-judgment
10 interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission
11 shall remit the funds paid pursuant to this paragraph to the United States Treasury.

12 **V.**

13 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court,
14 the asset freeze, previously granted by this Court, shall continue in effect, until
15 further order of this Court, on all monies and assets in all accounts at any bank,
16 financial institution or brokerage firm, all certificates of deposit, and other funds or
17 assets, held in the name of, for the benefit of, or over which account authority is
18 held by Ruderman, RCM, RCP and RCP-A. Such asset freeze shall not affect any
19 accounts held or maintained by the Bankruptcy Trustee on behalf of RCP, all in
20 accordance with orders issued by the Bankruptcy Court.

21 **VI.**

22 IT IS FURTHER ORDERED that David L. Ray shall remain as Permanent
23 Receiver of RCM and RCP-A as ordered by this Court in the May 7, 2009
24 Judgment as modified by the Order dated September 9, 2009 on Petition for
25 Instructions of Receiver for an Order Approving Stipulation between Receiver and
26 the Bankruptcy Trustee, et al. (Dkt No. 62) (the "Petition Order"). The Receiver
27 shall continue to have such powers and duties as specified in the May 7, 2009
28 Judgment and as modified by the Petition Order until further order of this Court.

VII.

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 and all orders and decrees which have been entered or may be entered herein, and to grant such other relief as the Court may deem necessary and just.

VIII.

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.

Dated: January 19, 2010



Valerie Baker Fairbank
UNITED STATES DISTRICT JUDGE

Presented by:

Gregory C. Glynn
Morgan B. Ward Doran
Attorneys for Plaintiff
Securities and Exchange Commission