

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Securities and Exchange Commission,

Plaintiff,

v.

Conrad A Coggeshall, et al.,

Defendants.

No. CV-19-05667-PHX-SMB

JUDGMENT

JUDGMENT AS TO DEFENDANT CONRAD A. COGGESHALL

The Securities and Exchange Commission having filed a Complaint and Defendant Conrad A. Coggeshall 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 Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph V); waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is 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 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

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

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

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

7 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided
8 in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the
9 following who receive actual notice of this Judgment by personal service or otherwise: (a)
10 Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in
11 active concert or participation with Defendant or with anyone described in (a).

12 **II.**

13 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that
14 Defendant is permanently restrained and enjoined from violating Section 17(a) of the
15 Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of
16 any security by the use of any means or instruments of transportation or communication in
17 interstate commerce or by use of the mails, directly or indirectly:

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

19 (b) to obtain money or property by means of any untrue statement of a material
20 fact or any omission of a material fact necessary in order to make the statements made, in
21 light of the circumstances under which they were made, not misleading; or

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

24 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, as provided
25 in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the
26 following who receive actual notice of this Judgment by personal service or otherwise: (a)
27 Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in
28 active concert or participation with Defendant or with anyone described in (a).

1 **III.**

2 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that
 3 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and a
 4 civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and
 5 Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. The Court shall determine
 6 the amounts of the disgorgement and civil penalty upon motion of the Commission.
 7 Prejudgment interest shall be calculated based on the rate of interest used by the Internal
 8 Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. §
 9 6621(a)(2). In connection with the Commission's motion for disgorgement and/or civil
 10 penalties, and at any hearing held on such a motion: (a) Defendant will be precluded from
 11 arguing that he did not violate the federal securities laws as alleged in the Complaint; (b)
 12 Defendant may not challenge the validity of the Consent or this Judgment; (c) solely for
 13 the purposes of such motion, the allegations of the Complaint shall be accepted as and
 14 deemed true by the Court; and (d) the Court may determine the issues raised in the motion
 15 on the basis of affidavits, declarations, excerpts of sworn deposition or investigative
 16 testimony, and documentary evidence, without regard to the standards for summary
 17 judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection
 18 with the Commission's motion for disgorgement and/or civil penalties, the parties may take
 19 discovery, including discovery from appropriate non-parties.

20 **IV.**

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

24 **V.**

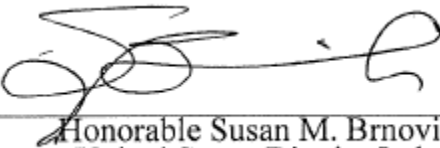
25 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, solely for
 26 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11
 27 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and
 28 further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts

1 due by Defendant under this Judgment or any other judgment, order, consent order, decree
2 or settlement agreement entered in connection with this proceeding, is a debt for the
3 violation by Defendant of the federal securities laws or any regulation or order issued under
4 such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
5 §523(a)(19).

6 **VI.**

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

10 Dated this 20th day of March, 2020.

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15 Honorable Susan M. Brnovich
16 United States District Judge
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