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11 **UNITED STATES DISTRICT COURT**  
12 **CENTRAL DISTRICT OF CALIFORNIA**

14 **SECURITIES AND EXCHANGE**  
**COMMISSION,**

15 Plaintiff,

16 vs.

17 **TIMOTHY N. JENSON and TDH**  
18 **ENTERPRISES, LLC ,**

19 Defendants.  
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Case No. SACV 08-0241 CJC (MLGx)

**FINAL JUDGMENT OF**  
**PERMANENT INJUNCTION AND**  
**OTHER RELIEF AGAINST**  
**DEFENDANTS TIMOTHY N.**  
**JENSON AND TDH ENTERPRISES,**  
**LLC**

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1 Plaintiff Securities and Exchange Commission (“Commission”), having filed  
2 a Complaint, and Defendants Timothy N. Jenson (“Defendant Jenson”) and TDH  
3 Enterprises, LLC (“Defendant TDH”) (collectively, “Defendants”), having entered  
4 a general appearance; consented to the Court’s jurisdiction over Defendants and  
5 the subject matter of this action; consented to entry of this Final Judgment without  
6 admitting or denying the allegations of the Complaint (except as to jurisdiction);  
7 waived findings of fact and conclusions of law; and waived any right to appeal  
8 from this Final Judgment:

9 I.

10 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that  
11 Defendants and Defendants’ agents, servants, employees, attorneys, and all persons  
12 in active concert or participation with them who receive actual notice of this Final  
13 Judgment by personal service or otherwise are permanently restrained and enjoined  
14 from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act  
15 of 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated  
16 thereunder, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of  
17 interstate commerce, or of the mails, or of any facility of any national securities  
18 exchange, in connection with the purchase or sale of any security:

- 19 (a) to employ any device, scheme, or artifice to defraud;
- 20 (b) to make any untrue statement of a material fact or to omit to state a  
21 material fact necessary in order to make the statements made, in the  
22 light of the circumstances under which they were made, not  
23 misleading; or
- 24 (c) to engage in any act, practice, or course of business which operates or  
25 would operate as a fraud or deceit upon any person.

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1 II.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
3 Defendants and Defendants' agents, servants, employees, attorneys, and all persons  
4 in active concert or participation with them who receive actual notice of this Final  
5 Judgment by personal service or otherwise are permanently restrained and enjoined  
6 from violating, directly or indirectly, Section 14(a) of the Exchange Act, 15 U.S.C.  
7 § 78n(a), and Rule 14a-9 promulgated thereunder, 17 C.F.R. § 240.14a-9, by using  
8 the mails or by any means or instrumentality of interstate commerce or of any  
9 facility of a national securities exchange to solicit by means of any proxy  
10 statement, form of proxy, notice of meeting or other communication, written or  
11 oral, containing any statement which, at the time and in the light of the  
12 circumstances under which it is made, is false or misleading with respect to any  
13 material fact, or which omits to state any material fact necessary in order to make  
14 the statements therein not false or misleading or necessary to correct any statement  
15 in any earlier communications with respect to the solicitation of a proxy for the  
16 same meeting or subject matter which has become false or misleading.

17 III.

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
19 Defendant Jenson and his agents, servants, employees, attorneys, and all persons in  
20 active concert or participation with them who receive actual notice of this Final  
21 Judgment by personal service or otherwise are permanently restrained and enjoined  
22 from knowingly circumventing or knowingly failing to implement a system of  
23 internal accounting controls, or knowingly falsifying any book, record or account  
24 required to be kept by an issuer, in violation of Section 13(b)(5) of the Exchange  
25 Act, 15 U.S.C. § 78m(b)(5).

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1 IV.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
3 Defendant Jenson and his agents, servants, employees, attorneys, and all persons in  
4 active concert or participation with them who receive actual notice of this Final  
5 Judgment by personal service or otherwise are permanently restrained and enjoined  
6 from:

- 7 (a) aiding and abetting the failure by an issuer to make and keep books,  
8 records, and accounts, which, in reasonable detail, accurately and  
9 fairly reflect the transactions and dispositions of the assets of the  
10 issuer; or  
11 (b) directly or indirectly, falsifying or causing to be falsified, any book,  
12 record or account required to be kept by an issuer;

13 in violation of Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A)  
14 and Rule 13b2-1 thereunder, 17 C.F.R. § 240.13b2-1.

15 V.

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
17 Defendant Jenson and his agents, servants, employees, attorneys, and all persons in  
18 active concert or participation with them who receive actual notice of this Final  
19 Judgment by personal service or otherwise are permanently restrained and enjoined  
20 from aiding and abetting the failure by an issuer, in violation of Section  
21 13(b)(2)(B) of the Exchange Act, 15 U.S.C. §78m(b)(2)(B), to devise and maintain  
22 a system of internal accounting controls sufficient to provide reasonable assurances  
23 that:

- 24 (a) transactions are executed in accordance with management's general or  
25 specific authorization;  
26 (b) transactions are recorded as necessary to:

1 (1) permit preparation of financial statements in conformity with  
2 generally accepted accounting principles or any other criteria  
3 applicable to such statements; and

4 (2) maintain accountability for assets;

5 (c) access to assets is permitted only in accordance with management's  
6 general or specific authorization, and

7 (d) the recorded accountability for assets is compared with the existing  
8 assets at reasonable intervals and appropriate action is taken with  
9 respect to any differences.

10 VI.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
12 Defendant Jenson and his agents, servants, employees, attorneys, and all persons in  
13 active concert or participation with them who receive actual notice of this Final  
14 Judgment by personal service or otherwise are permanently restrained and enjoined  
15 from aiding and abetting any violation of Section 13(a) of the Exchange Act, 15  
16 U.S.C. § 78m(a), and Rules 12b-20, 13a-11, and 13a-13 thereunder, 17 C.F.R. §§  
17 240.12b-20, 240.13a-11 & 240.13a-13, by knowingly providing substantial  
18 assistance to an issuer that files quarterly or current reports with the Commission  
19 on Forms 10-Q and 8-K that fail to contain material information necessary to make  
20 the required statements in the Forms 10-Q and 8-K, in light of the circumstances in  
21 which they are made, not misleading,.

22 VII.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
24 Defendant TDH and its agents, servants, employees, attorneys, and all persons in  
25 active concert or participation with them who receive actual notice of this Final  
26 Judgment by personal service or otherwise are permanently restrained and enjoined  
27 from aiding and abetting any violation of Section 13(a) of the Exchange Act, 15  
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1 U.S.C. § 78m(a), and Rules 12b-20 and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-  
2 20 & 240.13a-13, by knowingly providing substantial assistance to an issuer that  
3 files quarterly reports with the Commission on Forms 10-Q that fail to contain  
4 material information necessary to make the required statements in the Forms 10-Q,  
5 in light of the circumstances in which they are made, not misleading.

6 VIII.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
8 Defendant Jenson and his agents, servants, employees, attorneys, and all persons in  
9 active concert or participation with them who receive actual notice of this Final  
10 Judgment by personal service or otherwise are permanently restrained and enjoined  
11 from violating Exchange Act Rule 13a-14, 17 C.F.R. § 240.13a-14, by falsely  
12 certifying that:

- 13 (a) any required issuer report does not contain any untrue statement of a  
14 material fact or omit to state a material fact necessary to make the  
15 statements made, in light of the circumstances under which such  
16 statements were made, not misleading with respect to the period  
17 covered by the report; and  
18 (b) the information contained in the report fairly presents in all material  
19 respects the financial condition, results of operations, and cash flows  
20 of the issuer as of, and for the periods presented in the report.

21 IX.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
23 Defendant Jenson and his agents, servants, employees, attorneys, and all persons in  
24 active concert or participation with them who receive actual notice of this Final  
25 Judgment by personal service or otherwise are permanently restrained and enjoined  
26 from, directly or indirectly, while an officer or director of an issuer:

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- 1 (a) making or causing to be made a materially false or misleading  
2 statement; or  
3 (b) omitting to state, or causing another person to omit to state, any  
4 material fact necessary in order to make statements made, in light of  
5 the circumstances under which such statements are made, not  
6 misleading;

7 to an accountant in connection with:

- 8 (1) any audit, review or examination of the financial statements of the  
9 issuer required to be made, or  
10 (2) the preparation or filing of any document or report required to be filed  
11 with the Commission;

12 in violation of Exchange Act Rule 13b2-2, 17 C.F.R. § 240.13b2-2.

13 X.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that,  
15 pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2),  
16 Defendant Jenson is permanently prohibited from acting as an officer or director of  
17 any issuer that has a class of securities registered pursuant to Section 12 of the  
18 Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to  
19 Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

20 XI.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
22 Defendant Jenson shall pay a civil penalty in the amount of \$275,000 pursuant to  
23 Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant Jenson  
24 shall make this payment pursuant to the terms of the payment schedule set forth in  
25 paragraph XII below after entry of this Final Judgment by certified check, bank  
26 cashier's check, or United States postal money order payable to the Securities and  
27 Exchange Commission. The payments shall be delivered or mailed to the Office of  
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1 Financial Management, Securities and Exchange Commission, Operations Center,  
2 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be  
3 accompanied by a letter identifying Timothy N. Jenson as a defendant in this  
4 action; setting forth the title and civil action number of this action and the name of  
5 this Court; and specifying that payment is made pursuant to this Final Judgment.  
6 Defendant Jenson shall pay post-judgment interest on any delinquent amounts  
7 pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant  
8 to this paragraph to the United States Treasury.

9 XII.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
11 Defendant Jenson shall pay the civil penalty set forth in paragraph XI plus post-  
12 judgment interest in four installments according to the following schedule: (1)  
13 \$68,750 plus \$241.10 in post-judgment interest, for a total of \$68,991.10, within  
14 ten days of entry of this Final Judgment; (2) \$68,750 plus \$1,374.25 in post-  
15 judgment interest, for a total of \$70,124.25, on or before March 31, 2008; (3)  
16 \$68,750 plus \$1,096.99 in post-judgment interest, for a total of \$69,846.99, on or  
17 before June 30, 2008; and (4) \$68,750 plus \$554.52 in post-judgment interest, for a  
18 total of \$69,304.52, on or before September 30, 2008. If Defendant Jenson fails to  
19 make any payment by the date agreed and/or in the amount agreed according to the  
20 schedule set forth above, all outstanding payments under this Final Judgment,  
21 including post-judgment interest, minus any payments made, shall become due and  
22 payable immediately without further application to the Court.

23 XIII.

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the  
25 Consent of Defendant Jenson and the Consent of Defendant TDH are incorporated  
26 herein with the same force and effect as if fully set forth herein, and that  
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1 Defendants shall comply with all of the respective undertakings and agreements set  
2 forth therein.

3 XIV.

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

7 XV.

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

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14 Dated: March 13, 2008



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15 UNITED STATES DISTRICT JUDGE  
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