

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF KANSAS  
WICHITA DIVISION**

**SECURITIES AND EXCHANGE COMMISSION,** :

Plaintiff, :

vs. :

Civil Action No.  
08-1278-MLB

**DELTA ONSHORE MANAGEMENT, LLC,** :  
**JERRY P. JACKSON, PETER J. BROOKS, DANIEL** :  
**COHEN, and JASON HERTZ,** :

Defendants, :

And :

**ONSHORE LEASING, LLC AND PJB** :  
**ENTERPRISES, INC.** :

Relief Defendants. :

**FINAL JUDGMENT BY DEFAULT AGAINST JASON HERTZ**

This matter came before this Court on the motion of plaintiff, Securities and Exchange Commission, seeking entry of a final judgment by default providing it with the relief requested in its Complaint against defendant Jason Hertz (“Defendant”) by reason of his failure to timely file an answer or other responsive pleading in accordance with the Federal Rules of Civil Procedure.

This Court, having considered the pleadings and evidence on file herein, makes the following findings of fact and conclusions of law:

1. The Commission’s Complaint commencing this civil action against Defendant was filed on September 19, 2008. Defendant was served with the Commission’s Complaint and

this Court's Summons but failed to appear herein. The Court has jurisdiction over this cause and over Defendant. Based on Defendant's failure to deny the factual allegations in the Commission's Complaint, all factual allegations therein are deemed admitted against Defendant. Accordingly, the Court finds that Defendant violated Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act") and Section 15(a)(1) of the Securities Exchange Act of 1934 ("Exchange Act").

2. The Court further finds that Defendant realized illicit proceeds from the conduct alleged in the Complaint in the amount of \$862,087 and that it is appropriate to require Defendant to pay this amount to the Commission to deprive them of his ill gotten gain. The Court further finds that it is appropriate to order Defendant to pay \$23,869.04 in prejudgment interest on the amount of his ill gotten gain.

3. Defendant is not an infant, nor incompetent. Defendant is not eligible for relief under the Soldiers' and Sailors' Civil Relief Act of 1940 [50 U.S.C. Appendix, § 501 et seq.].

4. The Commission seeks a final judgment and an order prohibiting Defendant from committing future violations, directly or indirectly, of Sections 5(a) and 5(c) of the Securities Act and Section 15(a)(1) of the Securities Exchange Act, as alleged in the Complaint.

On the basis of the foregoing findings of fact and conclusions of law,

I.

IT IS ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, 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 Section 5(a) and 5(c) of the Securities Act [15 U.S.C. § 77e(a) and 77e(c)] by, directly or indirectly, in the absence of any applicable exemption:

- (a) unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and his agents, servants, employees, attorneys, and all persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise, and each of them, is restrained and enjoined from directly or indirectly, engaging in the business of effecting transactions in securities, in the form of investment contracts, or any other security, for his own account or for the account of others, while making use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to

induce the purchase or sale of, any security (other than an exempted security or commercial paper, banker's acceptances, or commercial bills) unless Defendant is registered as a broker or dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)] and all applicable rules promulgated thereunder or is otherwise exempt from registration under Section 15(a)(1) of the Exchange Act [15 U.S.C. §78o(a)(1)]

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay disgorgement in the amount of \$862,087, representing benefits realized from the activities alleged in the complaint, plus \$23,869.04 in prejudgment interest thereon for a total of \$885,956.04. Defendant shall satisfy these obligations by paying the amount ordered herein within thirty days of the date of the entry of this Final Judgment to the Clerk of this Court. At the time of payment, Defendant shall submit to the Clerk of the Court a cover letter identifying the paying defendant's name as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court, and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making these payments, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to the Defendant.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$100,000.00 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. 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 order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Jason Hertz as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

V.

The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS"). These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held by the CRIS until further order of the Court. In accordance with the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may by motion propose a plan to distribute the Fund subject to the Court's approval.

VI.

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.

VII.

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: April 21, 2010

s/ Monti L. Belot  
UNITED STATES DISTRICT JUDGE