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Securities and Exchange Commission
Fort Worth District Office
Burnett Plaza, Suite 1900
801 Cherry Street, Unit #18
Fort Worth, TX 76102-6882

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

SECURITIES AND EXCHANGE COMMISSION, §
§
Plaintiff, §
§
vs. §
§
KING CHUEN TANG a/k/a CHEN TANG, §
RONALD YEE, ZISEN YU, JOSEPH SETO, §
MING SIU, KING S. TANG a/k/a JAMES K. TANG, §
and YING KIT YU a/k/a EDDIE YU, §
Defendants, §
and §
VENTURE ASSOCIATES FUND I, §
TANG CAPITAL PARTNERS, §
ACCELERATION CAPITAL PARTNERS, §
AMERICAN PEGASUS LONG SHORT FUND §
SEGREGATED PORTFOLIO, PING LEE TANG, §
KA LING LEE, YIN LEE KA, CHEUNG-TING KA, §
SYLVIA TSUI, DOI PING SIU, YUEN-LAI MA, §
LEUNG-KEE SIU, ROSALIE CHO, and §
MINOR CHILD I and MINOR CHILD II, §
minor children of Defendant King Chuen Tang §
a/k/a Chen Tang, §
Relief Defendants. §
§

Case No.: 3:09-cv-05146-JCS

~~Proposed~~ AGREED
FINAL JUDGMENT AS TO
DEFENDANT ZISEN YU

Judge: Hon. Joseph C. Spero

1 The Securities and Exchange Commission (“Commission”) filed a Complaint, and Defendant Zisen
2 Yu (“Defendant”): entered a general appearance; consented to the Court’s jurisdiction over
3 Defendant and the subject matter of this action; consented to entry of this Agreed Final Judgment
4 (“Final Judgment”); waived findings of fact and conclusions of law; and waived any right to appeal
5 from this Final Judgment. Therefore:
6

7 I.

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

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

18 (b) to make any untrue statement of a material fact or to omit to state a material fact
19 necessary in order to make the statements made, in the light of the circumstances under which they
20 were made, not misleading, or
21

22 (c) to engage in any act, practice, or course of business which operates or would operate
23 as a fraud or deceit upon any person.
24

25 II.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant, his agents,
27 servants, employees, attorneys, and all other persons in active concert or participation with him, who
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1 receive actual notice of this order, by personal service or otherwise, and each of them, be and hereby
2 are restrained and enjoined from violating Section 17(a) of the Securities Act [15 U.S.C. §77q(a)],
3 directly or indirectly, in the offer or sale of a security, by making use of any means or instruments of
4 transportation or communication in interstate commerce or by use of the mails:

5 A. to employ any device, scheme or artifice to defraud;

6 B. to obtain money or property by means of any untrue statement of a material
7 fact or any omission to state a material fact necessary in order to make the statements made, in the
8 light of the circumstances under which they were made, not misleading; and/or
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10 C. to engage in any transaction, practice or course of business which operates or
11 would operate as a fraud or deceit upon any purchaser.
12

13 III.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for
15 disgorgement of \$899,443.59, representing profits gained as a result of the conduct alleged in the
16 Complaint, together with prejudgment interest thereon in the amount of \$105,801.39, for a total of
17 \$1,005,244.98. Based on Defendant’s sworn representations in his Statement of Financial Condition
18 and other documents and information submitted to the Commission and the Defendant’s guilty plea
19 in *United States v. Zisen Yu*, Case No. 3:11-cr-397-JSW (N.D. Cali. [San Francisco Div.]), however,
20 the Court is not ordering Defendant to pay a civil penalty and all but \$204,032.00 of the
21 disgorgement is waived (\$188,032 of which represents illegal trading profits held in the possession of
22 Relief Defendant Acceleration Capital Partners (“ACP”).
23

24 Defendant shall satisfy this obligation by, within 60 days after the entry of this Final
25 Judgment: (1) paying \$16,000.00 to the Commission; and (2) liquidating the assets of ACP as its
26 general partner, and causing ACP to pay to the Commission \$188,032 ACP holds in illegal insider
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1 trading profits as described in the Complaint. Defendant may transmit payment electronically to the
2 Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment
3 may also be made directly from a bank account via Pay.gov through the SEC website at
4 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
5 cashier's check, or United States postal money order payable to the Securities and Exchange
6 Commission, which shall be delivered or mailed to

8 Enterprise Services Center
9 Accounts Receivable Branch
10 6500 South MacArthur Boulevard
11 Oklahoma City, OK 73169

12 and shall be accompanied by a letter identifying the case title, civil action number, and name of this
13 Court; Defendant's name as a defendant in this action; and specifying that payment is made pursuant
14 to this Final Judgment.

15 Defendant shall simultaneously transmit photocopies of evidence of payment and case
16 identifying information to the Commission's counsel in this action. By making this payment,
17 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the
18 funds shall be returned.

19 The determination not to impose a civil penalty and to waive payment of a portion of the
20 disgorgement and pre-judgment interest is contingent upon the accuracy and completeness of
21 Defendant's Statement of Financial Condition. If at any time following the entry of this Final
22 Judgment the Commission obtains information indicating that Defendant's representations to the
23 Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading,
24 inaccurate, or incomplete in any material respect as of the time such representations were made, the
25 Commission may, at its sole discretion and without prior notice to Defendant, petition the Court for
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1 an order requiring Defendant to pay the unpaid portion of the disgorgement, pre-judgment and post-
2 judgment interest thereon, and the maximum civil penalty allowable under the law. In connection
3 with any such petition, the only issue shall be whether the financial information provided by
4 Defendant was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the
5 time such representations were made. In its petition, the Commission may move this Court to
6 consider all available remedies, including, but not limited to, ordering Defendant to pay funds or
7 assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The
8 Commission may also request additional discovery. Defendant may not, by way of defense to such
9 petition: (1) challenge the validity of the Consent or this Final Judgment; (2) contest the allegations
10 in the Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-judgment
11 and post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of
12 disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the
13 maximum civil penalty allowable under the law; or (6) assert any defense to liability or remedy,
14 including, but not limited to, any statute of limitations defense. Defendant shall also pay post-
15 judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.
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19 IV.

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

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24 V.

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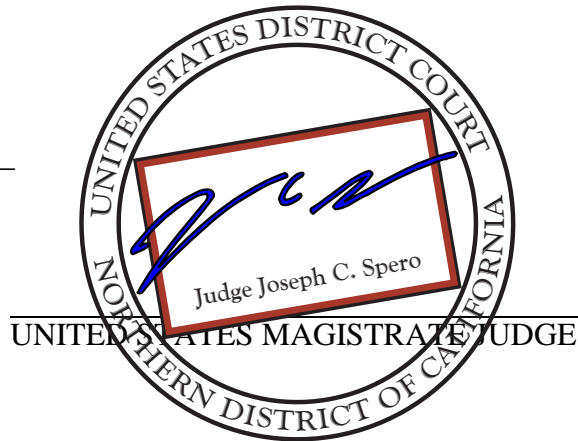
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VI.

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.

IT IS SO ORDERED.

Dated: 3/13/13



1 Approved as to form:

2

3 *s/ Ismail Ramsey*

4 Ismail Ramsey
5 Ramsey & Ehrlich LLP
6 803 Hearst Avenue
7 Berkeley, CA 94710
8 Ph: 510-548-3600
9 *izzy@ramsey-ehrllich.com*
10 Attorney for Defendant Zisen Yu and
11 Relief Defendant ACP

8

9 *s/Jennifer D. Brandt*

10 Jennifer D. Brandt
11 Attorney for Plaintiff Securities and Exchange Commission

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