

Honorable Richard A. Jones

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

MERENDON MINING (NEVADA) INC,
et al.,

Defendants.

Case No. 2:10-cv-00955-RAJ

JUDGMENT AND PERMANENT
INJUNCTION AGAINST MARTIN
WERNER

In accordance with the court's October 30, 2012 order, the court enters this judgment and permanent injunction against Defendant Martin Werner.

I.

IT IS HEREBY ORDERED that Defendant Martin Werner and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are 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

1 [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of
2 the mails, or of any facility of any national securities exchange, in connection with the purchase
3 or sale of any security:

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

10 II.

11 IT IS HEREBY FURTHER ORDERED that Defendant Martin Werner and his agents,
12 servants, employees, attorneys, and all persons in active concert or participation with them who
13 receive actual notice of this Judgment by personal service or otherwise are permanently
14 restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the
15 “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any
16 means or instruments of transportation or communication in interstate commerce or by use of
17 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 fact
20 or any omission of a material fact necessary in order to make the statements
21 made, in light of the circumstances under which they were made, not
22 misleading; or
- 23

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

3 III.

4 IT IS HEREBY FURTHER ORDERED that Defendant Martin Werner and his agents,
5 servants, employees, attorneys, and all persons in active concert or participation with them who
6 receive actual notice of this Judgment by personal service or otherwise are permanently
7 restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §
8 77e] by, directly or indirectly, in the absence of any applicable exemption:

9 (a) Unless a registration statement is in effect as to a security, making use of any
10 means or instruments of transportation or communication in interstate commerce
11 or of the mails to sell such security through the use or medium of any prospectus
12 or otherwise; or

13 (c) Making use of any means or instruments of transportation or communication in
14 interstate commerce or of the mails to offer to sell or offer to buy through the
15 use or medium of any prospectus or otherwise any security, unless a registration
16 statement has been filed with the Commission as to such security, or while the
17 registration statement is the subject of a refusal order or stop order or (prior to
18 the effective date of the registration statement) any public proceeding or
19 examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

20 IV.

21 IT IS FURTHER ORDERED that, pursuant to Section 21(d)(2) of the Exchange Act
22 [15 U.S.C. § 78u(d)(2)] and Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)], Defendant
23 Martin Werner is prohibited from acting as an officer or director of any issuer that has a class

1 of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78L] or that is
2 required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

3 V.

4 IT IS HEREBY FURTHER that Defendant Martin Werner is liable for disgorgement of
5 \$1,076,673.47, together with prejudgment interest thereon in the amount of \$191,970.76, for a
6 total of \$1,268,644.23. The Commission may enforce the Court's judgment for disgorgement
7 and prejudgment interest by moving for civil contempt (and/or through other collection
8 procedures authorized by law) at any time after 14 days following entry of this judgment.
9 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC
10 § 1961.

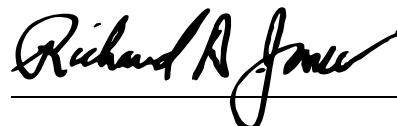
11 VI.

12 IT IS FURTHER ORDERED that Defendant Martin Werner shall pay a civil penalty in
13 the amount of \$300,000 pursuant to 15 U.S.C. § 77t(d)(2); 15 U.S.C. § 78u(d)(3)(B)..
14 Defendant shall make this payment within 14 days after entry of this Order. Defendant shall
15 pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The
16 Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

17 VII.

18 IT IS FURTHER ORDERED that Werner's Consent is incorporated herein with the same force
19 and effect as if fully set forth herein, and that Defendant shall comply with all of the
20 undertakings and agreements set forth therein.

21 Dated: October 30, 2012

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23 The Honorable Richard A. Jones
United States District Court Judge