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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 OAKLAND DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 THOMAS S. WU, et al.,

18 Defendants.

Case No. 4:11-CV-4988 JSW

~~[PROPOSED]~~

FINAL JUDGMENT AS TO DEFENDANT
THOMAS YU

FINAL JUDGMENT AS TO DEFENDANT THOMAS YU

The Securities and Exchange Commission having filed a Complaint and Defendant Thomas Yu 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 Final Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Final 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:

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

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

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any

1 means or instruments of transportation or communication in interstate commerce or by use of the
2 mails, directly or indirectly:

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

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

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

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

15 III.

16 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
17 is permanently restrained and enjoined from, directly or indirectly, violating Section 13(b)(5) of
18 the Exchange Act [15 U.S.C. § 78m(b)(5)] by knowingly circumventing or failing to implement
19 a system of internal accounting controls.

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

25 IV.

26 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
27 is permanently restrained and enjoined from, directly or indirectly, violating Rule 13b2-2 under
28 the Exchange Act [17 C.F.R. § 240.13b2-2] by making or causing to be made a materially false

1 or misleading statement to an accountant, or omitting any material fact necessary in order to
2 make statements made to an accountant not misleading, in connection with any audit, review or
3 examination of the financial statements of an issuer.

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

9 V.

10 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
11 is permanently restrained and enjoined from, directly or indirectly, aiding and abetting any
12 violation of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)], and Rules 12b-20, 13a-1,
13 and 13a-11 [17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-11] under the Exchange Act, by
14 knowingly providing substantial assistance to an issuer which has a class of securities registered
15 pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange
16 Act [15 U.S.C. § 78o] in failing to file with the Commission such accurate and complete
17 information, reports, and documents as are required to be filed with the Commission pursuant to
18 Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the Commission's Rules, including
19 annual reports on Form 10-K and current reports on Form 8-K.

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

25 VI.

26 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
27 is permanently restrained and enjoined from aiding and abetting any violation of Section
28 13(b)(2)(A) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] by knowingly providing substantial

1 assistance to any issuer which has a class of securities registered pursuant to Section 12 of the
2 Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] in
3 failing to make or keep books, records or accounts, which, in reasonable detail, accurately and
4 fairly reflect the transactions and dispositions of the assets of the issuer.

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

10 VII.

11 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
12 is permanently restrained and enjoined from aiding and abetting any violation of Section
13 13(b)(2)(B) of the Exchange Act [15 U.S.C. § 78m(b)(2)(B)] by knowingly providing substantial
14 assistance to any issuer which has a class of securities registered pursuant to Section 12 of the
15 Exchange Act [15 U.S.C. § 78l] or Section 15(d) of the Exchange Act [15 U.S.C. § 78o] in
16 failing to devise and maintain a system of internal accounting controls sufficient to provide
17 reasonable assurance that transactions are recorded as necessary to permit preparation of
18 financial statements in conformity with generally accepted accounting principles or other
19 applicable criteria, and to maintain accountability for assets.

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

25 VIII.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section
27 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and Section 20(e) of the Securities Act [15
28 U.S.C. § 77t(e)], Defendant is prohibited from acting as an officer or director of any issuer that

1 has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78I]
2 or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. §
3 78o(d)].

4 IX.

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

8 X.

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

11 XI.

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

14 Dated: July 10, 2015

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16 _____
17 UNITED STATES DISTRICT JUDGE