

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
Case No. 1:11-cv-20561-KING-MCALILEY

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SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

JONATHAN R. CURSHEN,  
MICHAEL S. KROME,  
DAVID C. RICCI,  
RONNY MORALES SALAZAR,  
ROBERT L. WEIDENBAUM,  
ARIAV "ERIC" WEINBAUM, and  
YITZCHAK ZIGDON a/k/a IZHACK ZIGDON,

Defendants.

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**██████████ FINAL JUDGMENT AS TO  
DEFENDANT IZHACK ZIGDON**

The Securities and Exchange Commission having filed a Complaint and Defendant Izhack Zigdon ("Zigdon" or "Defendant") 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 without admitting or denying the allegations of the Complaint (except as to jurisdiction); 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 Zigdon and his 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, 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 instruments 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 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

by, directly or indirectly, (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about:

- (A) the issuance of any free trading securities;
- (B) the price or trading market for any security;
- (C) the use of investor funds;
- (D) the misappropriation of investor funds or investment proceeds, or
- (E) any matter relating to a decision by an investor or prospective investor to buy or sell securities of any company.

**II.**

ORDERED, ADJUDGED AND DECREED that Zigdon and his 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, directly or indirectly, Section 17(a) of the Securities Act of 1933 (the "Securities Act")[15 U.S.C. § 77q(a)], by using any means or instruments of interstate commerce, or of the mails, or of any facility of any national securities exchange, in the offer or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud,
- (b) to obtain money or property by means of any untrue statement of a material fact or omission to state a material fact necessary in order to make the statements made, in 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

by, directly or indirectly, (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about:

- (A) the issuance of any free trading securities;
- (B) the price or trading market for any security;
- (C) the use of investor funds;
- (D) the misappropriation of investor funds or investment proceeds, or

(E) any matter relating to a decision by an investor or prospective investor to buy or sell securities of any company.

**III.**

ORDERED, ADJUDGED AND DECREED that Zigdon and his 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 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, and in the absence of any applicable exemption, acting as a necessary participant or substantial factor in the interstate offer or sale of any unregistered security.

**IV.**

ORDERED, ADJUDGED AND DECREED that Zigdon is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading or inducing or attempting to induce the purchase or sale of any penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. § 240.3a51-1].

**V.**

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Zigdon is liable for disgorgement in the amount of \$260,000, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$74,516, and a civil penalty in the amount of \$130,000 pursuant to Securities Act Section 20(g) and Exchange Act Section 21(d)(3) [15 U.S.C. §§ 77t(d), 78u(d)(3)] for a total of \$464,516. Zigdon shall satisfy this obligation by paying \$100,000 to the Commission within 10 days after entry of

this Final Judgment. The balance of the \$464,516 shall be paid in three installments according to the following schedule: (1) \$121,505, to be paid 180 days after the entry of this Final Judgment; (2) \$121,505, to be paid 270 days after entry of this Final Judgment; and (3) \$121,506, to be paid 365 days after entry of this Final Judgment. Zigdon may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Zigdon may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Zigdon as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Zigdon relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Zigdon.

The Commission shall hold the first \$334,516 of the funds (the "Fund") and may propose a plan to distribute the Fund subject to the Court's approval. The Court shall retain jurisdiction over the administration of any distribution of the Fund. If the Commission staff determines that the Fund will not be distributed, the Commission shall send the Fund to the

United States Treasury. Then the Commission shall pay the \$130,000 civil penalty amount to the United States Treasury.

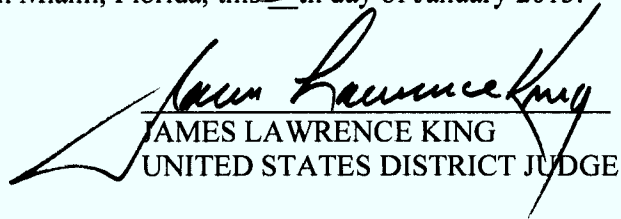
If Zigdon defaults by failing to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth above, all outstanding payments under this Final Judgment, minus any payments made, shall become due and payable immediately at the discretion of the staff of the Commission without further application to the Court, upon written notification to Zigdon and his present counsel of record. Irrespective of whether the outstanding balance shall become due and payable immediately, interest shall begin accruing pursuant to 28 U.S.C. § 1961 on the entire unpaid balance upon such a default.

The Commission may enforce the Court's judgment for disgorgement by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after the occurrence of a default.

VI.

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

DONE AND ORDERED in Chambers at the James Lawrence King Federal Justice Building and United States Courthouse in Miami, Florida, this 23th day of January 2013.

  
JAMES LAWRENCE KING  
UNITED STATES DISTRICT JUDGE

Copies to counsel of record