

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

v.

YOSSEF KAHLON, TJ MANAGEMENT
GROUP, LLC,

Defendants.

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Case No. 4:12-CV-517

FINAL JUDGMENT

This final judgment is entered pursuant to FED. R. CIV. P. 58 and the court’s “Memorandum Opinion and Order Denying Cross Motions for Summary Judgment” (docket entry #59), signed on September 30, 2015, as well as the court’s “Memorandum Opinion and Order Granting Plaintiff Securities and Exchange Commission’s Motion for Remedies,” signed on this date. In accordance with the rulings set forth in the above-referenced orders, it is hereby **ORDERED** and the court enters **JUDGMENT** against Defendants Yossef Kahlon and TJ Management Group, LLC (the Defendants) as follows:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants and Defendants’ 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, 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 HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are 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].

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are jointly

and severally liable for disgorgement of \$7,758,178, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$1,522,895. Defendants shall satisfy this obligation by paying \$9,281,073 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Yossef Kahlon is liable for a civil penalty in the amount of \$200,000 pursuant to 15 U.S.C. § 77t(d). Defendant Kahlon shall satisfy this obligation by paying \$200,000 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment.

Defendants 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>. Defendants 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; the Defendants' names; and specifying that payment is made pursuant to this Final Judgment.

Defendants shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendants relinquish all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendants. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.


The Commission may enforce the court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. Defendants shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961 at an annual rate of 0.6% until paid. The Plaintiff is the prevailing party and is entitled to recover its reasonable and necessary costs of court.

IV.

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. Any relief not specifically granted is denied.

IT IS SO ORDERED.

SIGNED this the 30th day of September, 2016.



RICHARD A. SCHELL
UNITED STATES DISTRICT JUDGE