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6 Securities and Exchange Commission

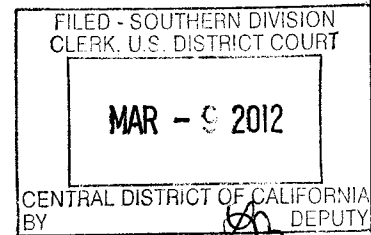
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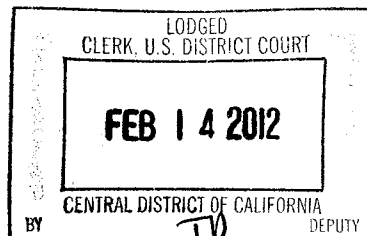
14 Securities and Exchange Commission

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16 Los Angeles, CA 90036-3648

17 Telephone: (323) 965-3998

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19 UNITED STATES DISTRICT COURT
20 FOR THE CENTRAL DISTRICT OF CALIFORNIA
21 SOUTHERN DIVISION

22 SECURITIES AND EXCHANGE
23 COMMISSION,

24 Plaintiff,

25 v.

26 BRENDA A. ESCHBACH,

27 Defendant.

Case No.:

SACV12 0244 AG (JPRx)

FINAL JUDGMENT OF
PERMANENT INJUNCTION AND
OTHER RELIEF AGAINST
BRENDA A. ESCHBACH

28 The Securities and Exchange Commission having filed a Complaint and
Defendant Brenda A. Eschbach ("Defendant") having entered a general appearance;

1 consented to the Court's jurisdiction over Defendant and the subject matter of this
2 action; consented to entry of this Final Judgment; waived findings of fact and
3 conclusions of law; and waived any right to appeal from this Final Judgment:
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5 I.

6 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
7 and her agents, servants, employees, attorneys, and all ^{other} persons, in active concert or
8 participation with them who receive actual notice of this Final Judgment by personal
9 service or otherwise, are permanently restrained and enjoined from violating Section
10 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)] in the offer or sale of any
11 security by the use of any means or instruments of transportation or communication in
12 interstate commerce or by use of the mails, directly or indirectly:
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- 16 (a) to employ any device, scheme, or artifice to defraud;
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18 (b) to obtain money or property by means of any untrue statement of a
19 material fact or any omission of a material fact necessary in order to make
20 the statements made, in light of the circumstances under which they were
21 made, not misleading; or
22
23 (c) to engage in any transaction, practice, or course of business which
24 operates or would operate as a fraud or deceit upon the purchaser.
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1 II.

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

- 12 (a) to employ any device, scheme, or artifice to defraud;
13
14 (b) to make any untrue statement of a material fact or to omit to state a
15 material fact necessary in order to make the statements made, in the light
16 of the circumstances under which they were made, not misleading; or
17
18 (c) to engage in any act, practice, or course of business which operates or
19 would operate as a fraud or deceit upon any person.
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23 III.

24 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
25 Defendant and her agents, servants, employees, attorneys, and all ^{other} persons, in active
26 concert or participation with them who receive actual notice of this Final Judgment by
27
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1 personal service or otherwise, are permanently restrained and enjoined from violating,
2 directly or indirectly, Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)], by
3 making use of the mails or any means or instrumentality of interstate commerce to
4 effect any transactions in, or to induce or attempt to induce the purchase or sale of, any
5 security (other than an exempted security or commercial paper, bankers' acceptances,
6 or commercial bills), unless registered as a broker or dealer under Section 15(b) of the
7 Exchange Act, or associated with a broker or dealer registered under Section 15(b).
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11 IV.

12 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
13 Defendant and her agents, servants, employees, attorneys, and all ^{other} persons, in active
14 concert or participation with them who receive actual notice of this Final Judgment by
15 personal service or otherwise, are permanently restrained and enjoined from violating,
16 directly or indirectly, Sections 206(1) and (2) of the Investment Advisers Act of 1940
17 [15 U.S.C. §§ 80b-6(1) and (2)] by using the mails or any means or instrumentality of
18 interstate commerce:
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- 21 (a) to employ any device, scheme, or artifice to defraud any client or
22 prospective client; or
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24 (b) to engage in any transaction, practice, or course of business which
25 operates as a fraud or deceit upon any client or prospective client.
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V.

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2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
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4 shall pay disgorgement of \$2,561,873 representing profits gained as a result of the
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6 conduct alleged in the Complaint. This disgorgement amount shall be deemed
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8 satisfied, on a dollar-for-dollar basis, by the criminal restitution ordered in the matter
9
10 of *United States v. Brenda A. Eschbach*, No. 8:10-cr-00017-JVS-1, pending in this
11
12 district. Defendant shall make any necessary payment pursuant to this Final Judgment
13
14 by certified check, bank cashier's check, or United States postal money order payable
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16 to the Securities and Exchange Commission. The payment shall be delivered or
17
18 mailed to the Office of Financial Management, Securities and Exchange Commission,
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20 100 F Street, NE, Stop 6042, Washington, DC 20549, and shall be accompanied by a
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22 letter identifying Brenda A. Eschbach as a defendant in this action; setting forth the
23
24 title and civil action number of this action and the name of this Court; and specifying
25
26 that payment is made pursuant to this Final Judgment. A copy of the cover letter and
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28 money order or check shall also be sent to David Frohlich, Assistant Director, Division
of Enforcement, Securities and Exchange Commission, 100 F Street, N.E.,
Washington, D.C. 20549-5546. By making any payment, Defendant relinquishes all
legal and equitable right, title, and interest in such funds, and no part of the funds shall
be returned to Defendant.

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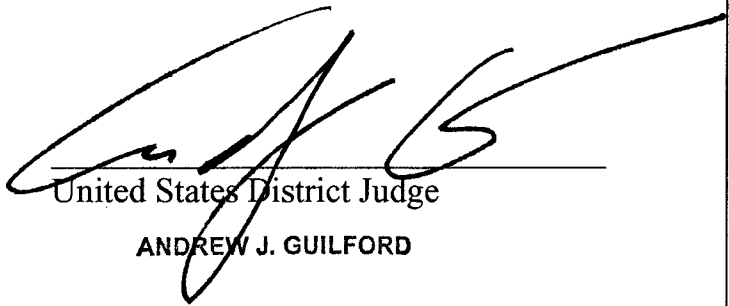
VI.

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

VII.

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.

Dated: MARCH 9, 2012


United States District Judge
ANDREW J. GUILFORD

Presented by:

/s/ Kenneth W. Donnelly

Kenneth W. Donnelly
Paul W. Sharratt

Attorneys for Plaintiff
Securities and Exchange Commission