

TURRES J

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KAREEM SERAGELDIN, DAVID HIGGS,
FAISAL SIDDIQUI and SALMAAN SIDDIQUI

Defendants.

12 Civ. 0796 (AT)

JUDGMENT ON CONSENT IMPOSING PERMANENT
INJUNCTION AND OTHER RELIEF AS TO DEFENDANT KAREEM
SERAGELDIN

The Securities and Exchange Commission (“SEC”) having filed a Complaint, and Defendant Kareem Serageldin (“Defendant” or “Serageldin”), through his attached consent (“Consent”), 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 Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant’s 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 [15 U.S.C. § 78j(b)] (the “Exchange Act”) 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 that operates or would operate as a fraud or deceit upon any person.

II.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's 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 aiding and abetting any violation of Section 10(b) of the Securities Exchange Act of 1934 [15 U.S.C. § 78j(b)] (the "Exchange Act") 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 that operates or would operate as a fraud or deceit upon any person.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's 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 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] and Rule 13b2-1 thereunder [17 C.F.R. 240.13b2-1], by knowingly circumventing or failing to implement a system of internal accounting controls or by knowingly falsifying or causing to be falsified books, records, and accounts that are subject to Section 13(b)(2)(A) of the Exchange Act.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's 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 aiding and abetting, directly or indirectly, any violations of Section 13(a) of the Exchange Act [[15 U.S.C. § 78m(a)] and Rules 12b-20 and 13a-16 thereunder [17 C.F.R. §§ 240.12b-20 and 240.13a-16].

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's 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 aiding and abetting, directly or indirectly, any violations of Section 13(b)(2)(A) [15 U.S.C. § 78m(b)(2)(A)] or Section 13(b)(2)(B) [15 U.S.C. § 78m(b)(2)(B)] of the Exchange Act.

VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that the Defendant is liable for disgorgement in the amount of \$1,003,368.61, which includes all outstanding pre- and post-judgment interest. Defendant's disgorgement obligations, including all outstanding pre- and post-judgment interest, will be credited dollar for dollar by \$1,003,368.61, which is the amount in forfeiture ordered against Defendant in the criminal case before the United States District Court for the Southern District of New York, titled *United States v. Kareem Serageldin*, 12 Cr. 90 (S.D.N.Y.).

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant's 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.

VIII.

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 Judgment.

Dated: January 17, 2014



ANALISA TORRES
United States District Judge



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,	:	
	:	
<i>Plaintiff,</i>	:	
v.	:	12 Civ. 0796 (AT)
	:	
KAREEM SERAGELDIN, DAVID HIGGS, FAISAL SIDDIQUI and SALMAAN SIDDIQUI,	:	
	:	
<i>Defendants.</i>	:	
	:	

CONSENT OF DEFENDANT KAREEM SERAGELDIN

1. Defendant Kareem Serageldin (“Defendant”) waives service of a summons and the Complaint in this action, enters a general appearance, and consents to the Court’s jurisdiction over Defendant and over the subject matter of this action.

2. Defendant has pleaded guilty to criminal conduct relating to certain matters alleged in the complaint in this action. Specifically, in *United States v. Kareem Serageldin*, 12 Crim. No. 90 (S.D.N.Y.), Defendant pleaded guilty to conspiracy to commit the falsification of books and records, in violation of 18 U.S.C. § 371. In connection with that guilty plea, Defendant admitted that he, along with others, engaged in a mispricing conspiracy involving certain RMBS bonds. The conspiracy contributed to Credit Suisse Group’s financial results being materially overstated as of December 31, 2007. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in *United States v. Kareem Serageldin*.

3. Defendant hereby consents to the entry of the proposed Judgment On Consent Imposing Permanent Injunction and Other Relief as to Defendant Kareem Serageldin in the form

attached hereto (the “Judgment”) and incorporated by reference herein, which, among other things:

- (a) permanently restrains and enjoins Defendant from violating, or aiding and abetting violations of, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]; from violating Section 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(2)(A)] and Rule 13b2-1 thereunder [17 C.F.R. 240.13b2-1]; from aiding and abetting any violations of Section 13(a) of the Exchange Act [[15 U.S.C. § 78m(a)] and Rules 12b-20 and 13a-16 thereunder [17 C.F.R. §§ 240.12b-20 and 240.13a-16]; and from aiding and abetting of any violations of Section 13(b)(2)(A) [15 U.S.C. § 78m(b)(2)(A)] or Section 13(b)(2)(B) [15 U.S.C. § 78m(b)(2)(B)] of the Exchange Act;
- (b) orders that Defendant is liable for disgorgement in the amount of \$1,003,368.61 and that Defendant’s disgorgement obligations, which includes all outstanding pre- and post-judgment interest, will be credited dollar for dollar by \$1,003,368.61, which is the amount in forfeiture ordered against Defendant in the criminal case before the United States District Court for the Southern District of New York, titled *United States v. Kareem Serageldin*, 12 Cr. 90 (S.D.N.Y.).

4. Defendant waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

5. Defendant waives the right, if any, to a jury trial and to appeal from the entry of the proposed Judgment.

6. Defendant enters into this Consent voluntarily and represent that no threats, offers, promises, or inducements of any kind have been made by the SEC or any member, officer, employee, agent, or representative of the SEC to induce Defendant to enter into this Consent.

7. Defendant agrees that this Consent shall be incorporated into the Judgment with the same force and effect as if fully set forth therein.

8. Defendant will not oppose the enforcement of the Judgment on the ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby waive any objection based thereon.

9. Defendant waives service of the Judgment and agrees that entry of the Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions.

10. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant acknowledges that no promise or representation has been made by the Commission or any member, officer, employee, agent, or representative of the Commission with regard to any criminal liability that may have arisen or may arise from the facts underlying this action or immunity from any such criminal liability. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant further acknowledges that the Court's entry of a permanent injunction may have collateral consequences under federal or state law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations. Such collateral consequences include, but are not limited to, a statutory disqualification with respect to membership or participation in, or association with a

member of, a self-regulatory organization. This statutory disqualification has consequences that are separate from any sanction imposed in an administrative proceeding. In addition, in any disciplinary proceeding before the Commission based on the entry of the injunction in this action, Defendant understands that he shall not be permitted to contest the factual allegations of the complaint in this action.

11. Defendant understands and agrees to comply with the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings." 17 C.F.R. § 202.5. In compliance with this policy, Defendant acknowledges his plea agreement for related criminal conduct described in paragraph 2 above, and agrees: (i) not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or creating the impression that the complaint is without factual basis; and (ii) that upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the complaint. If Defendant breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

12. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Defendant to defend against this action. For these purposes,

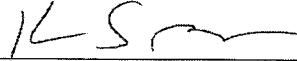
Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.

13. In connection with this action and any related judicial or administrative proceeding or investigation commenced by the Commission or to which the Commission is a party, Defendant (i) agrees to be interviewed by Commission staff at such times and places as the staff requests upon reasonable notice upon due consultation with Defendant; (ii) will accept service by mail or facsimile transmission of notices or subpoenas issued by the Commission for documents or testimony at depositions, hearings, or trials, or in connection with any related investigation by Commission staff; (iii) appoints Defendant's undersigned attorney as agent to receive service of such notices and subpoenas; (iv) with respect to such notices and subpoenas, waives the territorial limits on service contained in Rule 45 of the Federal Rules of Civil Procedure and any applicable local rules, provided that the party requesting the testimony reimburses Defendant's travel, lodging, and subsistence expenses at the then-prevailing U.S. Government per diem rates; and (v) consents to personal jurisdiction over Defendant in any United States District Court for purposes of enforcing any such subpoena.

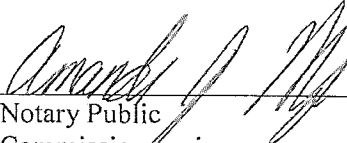
14. Defendant agrees that the Commission may present the Judgment to the Court for signature and entry without further notice.

15. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Judgment.

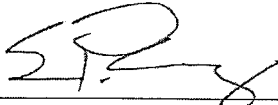
Dated: 1/10/14


Kareem Serageldin

On January 10, 2014, Kareem Serageldin, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.


Notary Public
Commission expires:

Approved as to form:


Sean Casey, Esq.
Scott K. McCulloch, Esq.
Kobre & Kim LLP
800 Third Avenue
New York, NY 10022
Counsel to Kareem Serageldin

AMANDA J MAYO
Notary Public - State of New York
No. 01MA6248490
Qualified in New York County
Commission Expires 09/19/2015