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9 **UNITED STATES DISTRICT COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA**  
11

12  
13 **SECURITIES AND EXCHANGE**  
14 **COMMISSION,**

15 Plaintiff,

16 vs.

17 **ANAND JAYAPALAN, ANANDA**  
18 **KUMAR ANANDA, also known as**  
19 **“Kumar Ananda,” RAJNI NAIR, and**  
**VIJAYA ANANDA,**

20 Defendants.  
21

Case No. CV 17-7186 PA (MRWx)

**FINAL JUDGMENT AS TO**  
**DEFENDANT KUMAR ANANDA**

22 The Securities and Exchange Commission having filed a Complaint and  
23 Defendant Kumar Ananda having entered a general appearance; consented to the  
24 Court’s jurisdiction over Defendant and the subject matter of this action; consented to  
25 entry of this Final Judgment without admitting or denying the allegations of the  
26 Complaint (except as to jurisdiction and except as otherwise provided herein in  
27 paragraph IV); waived findings of fact and conclusions of law; and waived any right  
28 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 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3] promulgated thereunder, in connection with any tender offer or request or invitation

1 for tenders, from engaging in any fraudulent, deceptive, or manipulative act or  
2 practice, by:

3 (a) purchasing or selling or causing to be purchased or sold the securities  
4 sought or to be sought in such tender offer, securities convertible into or  
5 exchangeable for any such securities or any option or right to obtain or  
6 dispose of any of the foregoing securities while in possession of material  
7 information relating to such tender offer that Defendant knows or has  
8 reason to know is nonpublic and knows or has reason to know has been  
9 acquired directly or indirectly from the offering person; the issuer of the  
10 securities sought or to be sought by such tender offer; or any officer,  
11 director, partner, employee or other person acting on behalf of the  
12 offering person or such issuer, unless within a reasonable time prior to  
13 any such purchase or sale such information and its source are publicly  
14 disclosed by press release or otherwise; or

15 (b) communicating material, nonpublic information relating to a tender  
16 offer, which Defendant knows or has reason to know is nonpublic and  
17 knows or has reason to know has been acquired directly or indirectly  
18 from the offering person; the issuer of the securities sought or to be  
19 sought by such tender offer; or any officer, director, partner, employee,  
20 advisor, or other person acting on behalf of the offering person of such  
21 issuer, to any person under circumstances in which it is reasonably  
22 foreseeable that such communication is likely to result in the purchase or  
23 sale of securities in the manner described in subparagraph (a) above,  
24 except that this paragraph shall not apply to a communication made in  
25 good faith

26 (i) to the officers, directors, partners or employees of the  
27 offering person, to its advisors or to other persons, involved  
28

1 in the planning, financing, preparation or execution of such  
2 tender offer;

3 (ii) to the issuer whose securities are sought or to be sought by  
4 such tender offer, to its officers, directors, partners,  
5 employees or advisors or to other persons involved in the  
6 planning, financing, preparation or execution of the  
7 activities of the issuer with respect to such tender offer; or

8 (iii) to any person pursuant to a requirement of any statute or  
9 rule or regulation promulgated thereunder.  
10

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as  
12 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also  
13 binds the following who receive actual notice of this Final Judgment by personal  
14 service or otherwise: (a) Defendant's officers, agents, servants, employees, and  
15 attorneys; and (b) other persons in active concert or participation with Defendant or  
16 with anyone described in (a).  
17

18 III.

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant  
20 is liable for disgorgement of \$209,940.96, representing profits gained as a result of  
21 the conduct alleged in the Complaint, together with prejudgment interest thereon in  
22 the amount of \$2,099.41, and a civil penalty in the amount of \$209,940.96 pursuant  
23 to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall  
24 satisfy this obligation by paying \$421,981.33 to the Securities and Exchange  
25 Commission within 45 days after entry of this Final Judgment.  
26

27 Defendant may transmit payment electronically to the Commission, which will  
28 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

1 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified  
2 check, bank cashier's check, or United States postal money order payable to the  
3 Securities and Exchange Commission, which shall be delivered or mailed to

4 Enterprise Services Center  
5 Accounts Receivable Branch  
6 6500 South MacArthur Boulevard  
7 Oklahoma City, OK 73169

8 and shall be accompanied by a letter identifying the case title, civil action number,  
9 and name of this Court; Kumar Ananda as a defendant in this action; and specifying  
10 that payment is made pursuant to this Final Judgment.

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

17 The Commission may enforce the Court's judgment for disgorgement and  
18 prejudgment interest by moving for civil contempt (and/or through other collection  
19 procedures authorized by law) at any time after 14 days following entry of this Final  
20 Judgment. Defendant shall pay post judgment interest on any delinquent amounts  
21 pursuant to 28 U.S.C. § 1961.

22  
23 IV.


24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for  
25 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,  
26 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,  
27 and further, any debt for disgorgement, prejudgment interest, civil penalty or other  
28 amounts due by Defendant under this Final Judgment or any other judgment, order,

1 consent order, decree or settlement agreement entered in connection with this  
2 proceeding, is a debt for the violation by Defendant of the federal securities laws or  
3 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of  
4 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

5  
6 V.

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

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11  
12 Dated: February 26, 2018

  
13 Percy Anderson  
14 UNITED STATES DISTRICT JUDGE