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11 **UNITED STATES DISTRICT COURT**
12 **DISTRICT OF NEVADA**

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 v.

17 DANIEL KAISER, et al.,

18 Defendants.

Case No.

JUDGMENT
AGAINST STEPHEN H.
ROEBUCK

19
20 The Securities and Exchange Commission having filed a Complaint and
21 Defendant Stephen H. Roebuck having entered a general appearance; consented to
22 the Court's jurisdiction over Defendant and the subject matter of this action;
23 consented to entry of this Judgment without admitting or denying the allegations of
24 the Complaint (except as to jurisdiction); waived findings of fact and conclusions
25 of law; and waived any right to appeal from this Judgment:

26 I.

27 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and
28 Defendant's agents, servants, employees, attorneys, and all persons in active

1 concert or participation with them who receive actual notice of this Judgment by
2 personal service or otherwise are permanently restrained and enjoined from
3 violating, directly or indirectly, Section 17(a) of the Securities Act of 1933
4 (“Securities Act”), 15 U.S.C. § 77q(a), in the offer or sale of any securities by the
5 use of any means or instruments of transportation or communication in interstate
6 commerce or by use of the mails, directly or indirectly:

- 7 (a) to employ any device, scheme, or artifice to defraud; or
- 8 (b) to obtain money or property by means of any untrue statement of a
9 material fact or any omission to state a material fact necessary in order
10 to make the statements made, in light of the circumstances under
11 which they were made, not misleading; or
- 12 (c) to engage in any transaction, practice, or course of business which
13 operates or would operate as a fraud or deceit upon the purchaser.

14 II.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
16 Defendant and Defendant’s agents, servants, employees, attorneys, and all persons
17 in active concert or participation with them who receive actual notice of this
18 Judgment by personal service or otherwise are permanently restrained and enjoined
19 from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act
20 of 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated
21 thereunder, 17 C.F.R. § 240.10b-5, by the use of any means or instrumentality of
22 interstate commerce, or of the mails, or of any facility of any national securities
23 exchange, in connection with the purchase or sale of any security:

- 24 (a) to employ any device, scheme, or artifice to defraud; or
- 25 (b) to make any untrue statement of a material fact or to omit to state a
26 material fact necessary in order to make the statements made, in the
27 light of the circumstances under which they were made, not
28 misleading; or

1 (c) to engage in any act, practice, or course of business which operates or
2 would operate as a fraud or deceit upon any person.

3 III.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
5 Defendant and Defendant's agents, servants, employees, attorneys, and all persons
6 in active concert or participation with them who receive actual notice of this
7 Judgment by personal service or otherwise are permanently restrained and enjoined
8 from violating Section 5 of the Securities Act, 15 U.S.C. § 77e, directly or
9 indirectly, in the absence of any applicable exemption:

10 (a) Unless a registration statement is in effect as to a security, making use
11 of any means or instruments of transportation or communication in
12 interstate commerce or of the mails to sell such security through the
13 use or medium of any prospectus or otherwise; or

14 (b) Unless a registration statement is in effect as to a security, carrying or
15 causing to be carried through the mails or in interstate commerce, by
16 any means or instruments of transportation, any such security for the
17 purpose of sale or for delivery after sale; or

18 (c) Making use of any means or instruments of transportation or
19 communication in interstate commerce or of the mails to offer to sell
20 or offer to buy through the use or medium of any prospectus or
21 otherwise any security, unless a registration statement has been filed
22 with the Commission as to such security, or while the registration
23 statement is the subject of a refusal order or stop order or (prior to the
24 effective date of the registration statement) any public proceeding or
25 examination under Section 8 of the Securities Act, 15 U.S.C. § 77h.

26 IV.

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
28 Defendant is permanently barred from participating in an offering of penny stock,

1 including engaging in activities with a broker, dealer, or issuer for purposes of
2 issuing, trading, or inducing or attempting to induce the purchase or sale of any
3 penny stock. A penny stock is any equity security that has a price of less than five
4 dollars, except as provided in Rule 3a51-1 under the Exchange Act, 17 C.F.R.
5 240.3a51-1.

6 V.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
8 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,
9 and a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. §
10 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The
11 Court shall determine the amounts of the disgorgement and civil penalty upon
12 motion of the Commission. Prejudgment interest shall be calculated from
13 November 2, 2005, based on the rate of interest used by the Internal Revenue
14 Service for the underpayment of federal income tax as set forth in 26 U.S.C. §
15 6621(a)(2). In connection with the Commission's motion for disgorgement and/or
16 civil penalties, and at any hearing held on such a motion: (a) Defendant will be
17 precluded from arguing that he did not violate the federal securities laws as alleged
18 in the Complaint; (b) Defendant may not challenge the validity of the Consent or
19 this Judgment; (c) solely for the purposes of such motion, the allegations of the
20 Complaint shall be accepted as and deemed true by the Court; and (d) the Court
21 may determine the issues raised in the motion on the basis of affidavits,
22 declarations, excerpts of sworn deposition or investigative testimony, and
23 documentary evidence, without regard to the standards for summary judgment
24 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection
25 with the Commission's motion for disgorgement and/or civil penalties, the parties
26 may take discovery, including discovery from appropriate non-parties.

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1 VI.

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

6 VII.

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

10 VII.

11 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
12 Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and
13 without further notice.

14
15 DATED:


UNITED STATES DISTRICT JUDGE