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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

MICHAEL B. ROTHENBERG, and
ROTHENBERG VENTURES LLC (f/k/a
FRONTIER TECHNOLOGY VENTURE CAPITAL
LLC and ROTHENBERG VENTURES
MANAGEMENT COMPANY, LLC),

Defendants.

Case No. 3:18-cv-05080-JST

**~~PROPOSED~~ JUDGMENT AS
TO DEFENDANT MICHAEL B.
ROTHENBERG**

The Securities and Exchange Commission, having filed a Complaint, and Defendant Michael B. Rothenberg, 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 As to Defendant Michael B.

1 Rothenberg (“Judgment”) without admitting or denying the allegations of the Complaint (except as to
 2 jurisdiction and except as otherwise provided herein in paragraph IV.); waived findings of fact and
 3 conclusions of law; and waived any right to appeal from this Judgment:

4 I.

5 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently
 6 restrained and enjoined from violating Sections 206(1) or 206(2) of the Investment Advisers Act of 1940
 7 (“Advisers Act”), 15 U.S.C. § 80b-6(1), (2), by directly or indirectly, while acting as an investment
 8 adviser or associated person of an investment adviser, using the mails or any means or instrumentality of
 9 interstate commerce:

- 10 (1) employing any device, scheme, or artifice to defraud any client or prospective client; or
 11 (2) engaging in any transaction, practice, or course of business which operates as a fraud or
 12 deceit upon any client or prospective client.

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

18 II.

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently
 20 restrained and enjoined from violating Section 206(4) of the Advisers Act, 15 U.S.C. § 80b-6(4), and
 21 Rule 206(4)-8 thereunder, 17 C.F.R. § 275.206(4)-8, by directly or indirectly, while acting as an
 22 investment adviser to any pooled investment vehicle, using the mails or any means or instrumentalities
 23 of interstate commerce to employ any device, scheme, or artifice to defraud any client or prospective
 24 client, to make any untrue statement of a material fact or to omit to state a material fact necessary to
 25 make the statements made, in light of the circumstances under which they were made, not misleading, to
 26 any investor or prospective investor in the pooled investment vehicle, or otherwise to engage in any act,
 27 practice, or course of business that is fraudulent, deceptive, or manipulative with respect to any investor
 28 or prospective investor in the pooled investment vehicle.

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

6 III.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay
 8 disgorgement of ill-gotten gains, prejudgment interest thereon, and a civil penalty pursuant to Section
 9 209(e)(2)(C) of the Advisers Act, 15 U.S.C. § 80b-9(e)(2)(C). The Court shall determine the amounts of
 10 the disgorgement and civil penalty upon motion of the Commission. Prejudgment interest shall be
 11 calculated from April 1, 2015, based on the rate of interest used by the Internal Revenue Service for the
 12 underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the
 13 Commission's motion for disgorgement and civil penalties, and at any hearing held on such a motion: (a)
 14 Defendant is precluded from arguing that he did not violate the federal securities laws as alleged in the
 15 Complaint; (b) Defendant may not challenge the validity of the Consent or this Judgment; (c) solely for
 16 the purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true by
 17 the Court; and (d) the Court may determine the issues raised in the motion on the basis of affidavits,
 18 declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence,
 19 without regard to the standards for summary judgment contained in Rule 56(c) of the Federal Rules of
 20 Civil Procedure. In connection with the Commission's motion for disgorgement and civil penalties, the
 21 parties may take discovery, including discovery from appropriate non-parties.

22 IV.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of
 24 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations
 25 in the complaint are true and admitted by Defendant, and further, any debt for disgorgement,
 26 prejudgment interest, civil penalty or other amounts due by Defendant under this Judgment or any other
 27 judgment, order, consent order, decree or settlement agreement entered in connection with this
 28 proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or

1 order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
2 §523(a)(19).

3 V.

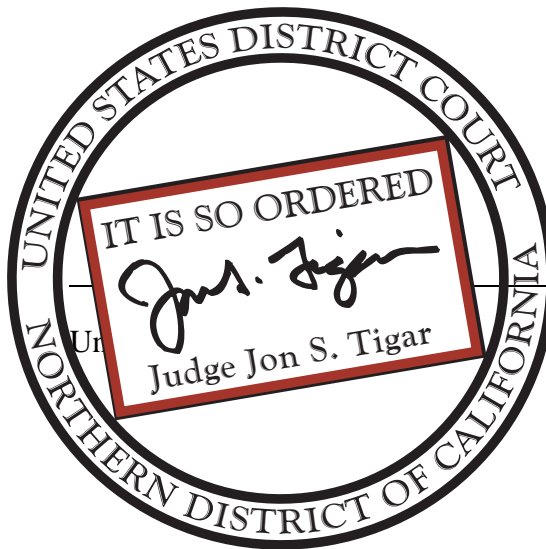
4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
5 jurisdiction of this matter, including among other purposes, for the purpose of enforcing the terms of this
6 Judgment.

7 VI.

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

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11 IT IS SO ORDERED.

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16 Dated: October 17, 2018

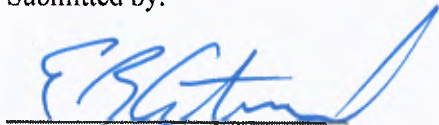


1 Approved as to form:

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10 Submitted by:

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