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**UNITED STATES DISTRICT COURT**  
**District of Minnesota**

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United States Securities and Exchange  
Commission,

Plaintiff,

v.

Jason Nordlund,

Defendant.

**JUDGMENT IN A CIVIL CASE**

Case Number: 22-cv-2406 JWB/DLM

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- Jury Verdict.** This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.
- Decision by Court.** This action came to trial or hearing before the Court. The issues have been tried or heard and a decision has been rendered.

IT IS ORDERED AND ADJUDGED 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** 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 ORDERED** that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act"), 15 U.S.C. § 77q(a), in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

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

**IT IS FURTHER ORDERED** 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).

**III.**

**IT IS HEREBY ORDERED** that Defendant is permanently restrained and enjoined from violating Section 206 of the Investment Advisers Act of 1940, 15 U.S.C. § 80b-6, and Rule 206(4)-8 thereunder, 17 C.F.R. § 275.206(4)-8, by the use of the mails or any means or instrumentality of interstate commerce, as an investment adviser, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud any client or prospective client;
- (b) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client; or
- (c) to engage in any act, practice, or course of business which is fraudulent, deceptive, or manipulative.

**IT IS FURTHER ORDERED** 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).

**IV.**

**IT IS HEREBY ORDERED** that, pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Defendant is prohibited, for five years following the date of entry of this Final Judgment, from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

**V.**

**IT IS HEREBY ORDERED** that Defendant is barred, for five years following the date of entry of this Final Judgment, from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or

attempting to induce the purchase or sale of any penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Exchange Act, 17 C.F.R. 240.3a51-1.

VI.

IT IS HEREBY ORDERED that Defendant is liable for disgorgement of \$8,994.00, representing net profits gained as a result of the conduct alleged in the Complaint, together with pre-judgment interest thereon in the amount of \$698.13, and a civil penalty in the amount of \$65,000 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant shall satisfy this obligation by paying \$74,692.13 to Plaintiff pursuant to the terms of the payment schedule set forth in section VII below.

Defendant may transmit payment electronically to Plaintiff, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through Plaintiff's website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order, payable to the "Securities and Exchange Commission," which shall be delivered or mailed to

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

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

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to Plaintiff's counsel in this action. By making this 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.

Plaintiff may enforce this judgment for disgorgement and pre-judgment interest by using all collection procedures authorized by law, including, but not limited to, moving for civil contempt at any time after 30 days following entry of this Final Judgment.

Plaintiff may enforce this judgment for penalties by the use of all collection procedures authorized by law, including the Federal Debt Collection Procedures Act, 28 U.S.C. § 3001 et seq., and moving for civil contempt for the violation of any court orders issued in this action. Defendant shall pay post-judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. Plaintiff shall hold the funds, together with any interest and income earned thereon (collectively, "the Fund"), pending further court order.

Plaintiff may propose a plan to distribute the Fund subject to court approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall retain jurisdiction over the administration of any distribution of the Fund and the Fund may only be disbursed pursuant to court order.

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as

civil penalties pursuant to this judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendant's payment of disgorgement in this action, argue that he is entitled to, nor shall he further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendant's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Defendant shall, within 30 days after entry of a final order granting the Penalty Offset, notify Plaintiff's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as Plaintiff directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Defendant by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

VII.

IT IS HEREBY ORDERED that Defendant shall pay the total of disgorgement, pre-judgment interest, and penalty due of \$74,692.13 in 12 installments to Plaintiff according to the following schedule:

- (1) \$10,000, within 30 days of entry of this Final Judgment;
- (2) \$5,881.10, within 2 months of entry of this Final Judgment;
- (3) \$5,881.10, within 3 months of entry of this Final Judgment;
- (4) \$5,881.10, within 4 months of entry of this Final Judgment;
- (5) \$5,881.10, within 5 months of entry of this Final Judgment;
- (6) \$5,881.10, within 6 months of entry of this Final Judgment;
- (7) \$5,881.10, within 7 months of entry of this Final Judgment;
- (8) \$5,881.10, within 8 months of entry of this Final Judgment;
- (9) \$5,881.10, within 9 months of entry of this Final Judgment;
- (10) \$5,881.10, within 10 months of entry of this Final Judgment;
- (11) \$5,881.10, within 11 months of entry of this Final Judgment; and
- (12) \$5,881.13, within 12 months of entry of this Final Judgment.

Payments shall be deemed made on the date they are received by Plaintiff and shall be applied first to post-judgment interest, which accrues pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after 30 days of the entry of Final Judgment. Prior to making the final payment set forth herein, Defendant shall contact the staff of Plaintiff for the amount due for the final payment.

If Defendant fails to make any payment by the date agreed or in the amount agreed according to the schedule set forth above, all outstanding payments under this Final Judgment, including post-judgment interest, minus any payments made, shall become due and payable immediately at the discretion of the staff of Plaintiff without further application to the Court.

VIII.

IT IS HEREBY ORDERED that the Consent (Doc. No. 29) 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.

IX.

IT IS HEREBY ORDERED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the Complaint are true and admitted by Defendant, and further, any debt for disgorgement, pre-judgment interest, civil penalty, or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

X.

IT IS HEREBY ORDERED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Date: 7/26/2023

KATE M. FOGARTY, CLERK