**UNITED STATES OF AMERICA**
**Before the**
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**
**Release No. 9919 / September 18, 2015**

**SECURITIES EXCHANGE ACT OF 1934**
**Release No. 75949 / September 18, 2015**

**ACCOUNTING AND AUDITING ENFORCEMENT**
**Release No. 3701 / September 18, 2015**

**ADMINISTRATIVE PROCEEDING**
**File No. 3-16339**

**In the Matter of**

**JOHN BRINER, ESQ.,**
**DIANE DALMY, ESQ.,**
**DE JOYA GRIFFITH, LLC,**
**ARTHUR DE JOYA, CPA,**
**JASON GRIFFITH, CPA,**
**CHRIS WHETMAN, CPA,**
**PHILIP ZHANG, CPA,**
**M&K CPAS, PLLC,**
**MATT MANIS, CPA,**
**JON RIDENOUR, CPA, and**
**BEN ORTEGO, CPA,**

**Respondents.**

**ORDER MAKING FINDINGS AND IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 AND SECTIONS 4C AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934, AND RULE 102(e) OF THE COMMISSION'S RULES OF PRACTICE AS TO BEN ORTEGO, CPA**

## I.

On January 15, 2015, the Securities and Exchange Commission ("Commission") deeming it appropriate, instituted public administrative and cease-and-desist proceedings pursuant to Section 8A of the Securities Act of 1933 ("Securities Act"), Sections 4C and 21C of the Securities Exchange Act of 1934 ("Exchange Act"), and Rule 102(e) of the Commission's Rules of Practice against Ben Ortego ("Ortego" or "Respondent").

## II.

Respondent has submitted an Offer of Settlement (the "Offer"), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order, as set forth below.

## III.

On the basis of this Order and Respondent's Offer, the Commission finds[1] that:

### RESPONDENT

1. **Ortego**, 35, of Houston, Texas, is a CPA licensed in the state of Texas and, for the relevant time period, a partner of M&K.

### RELEVANT ENTITIES AND INDIVIDUALS

2. **John Briner** ("Briner"), 35, is an attorney and a Canadian citizen who resides in Vancouver, British Columbia. Briner's law firm was MetroWest Law Corporation ("MetroWest"). Briner also controlled Jervis Explorations Inc. ("Jervis"), a British Columbia corporation. In 2010, to resolve a Commission action against him alleging a pump-and-dump and market manipulation scheme, Briner consented to the entry of a federal court judgment that enjoined him from violating the antifraud and securities registration provisions of the federal securities laws; barred him for five years from participating in penny stock offerings; and ordered him to disgorge ill-gotten gains of $52,488.32 plus prejudgment interest and pay a civil penalty of $25,000. SEC v. Golden Apple Oil and Gas, Inc., et al., 09-Civ-7580 (S.D.N.Y.) (HB). The Commission subsequently suspended Briner from appearing or practicing before it as an attorney, with a right to apply for reinstatement after five years. John Briner, Exchange Act Release No. 63371, 2010 WL 4783445 (Nov. 24, 2010).

3. **Diane Dalmy** ("Dalmy"), 58, is an attorney who resides in Denver, Colorado and is admitted to practice law in Colorado. Dalmy issued opinion letters for the issuers identified below.

4. **Jervis** is a British Columbia corporation whose sole director is John Briner. Jervis purportedly sold certain British Columbia mineral claims to each of the issuers.

5. **M&K CPAS, PLLC** ("M&K") is a registered public accounting firm based in Houston, Texas. For all relevant times, Ortego was a partner of M&K.

6. **Chum Mining Group Inc.** ("Chum") is a Nevada corporation organized in June 2012. On November 30, 2012, Chum filed a Form S-1 registration statement with the Commission

[1] The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

seeking to register management's common shares for resale in a $20,000 public offering. Its registration statement states that it has its principal offices in Edmonton, Alberta, Canada.

7. **Eclipse Resources Inc.** ("Eclipse") is a Nevada corporation organized in May 2012. On December 3, 2012, Eclipse filed a Form S-1 registration statement with the Commission seeking to register management's common shares for resale in an $18,000 public offering. Its registration statement states that it has its principal offices in Winnipeg, Manitoba, Canada.

8. **PRWC Energy Inc.** ("PRWC") is a Nevada corporation organized in May 2012. On December 6, 2012, PRWC filed a Form S-1 registration statement with the Commission seeking to register management's common shares for resale in a $20,000 public offering. Its registration statement states that it has its principal offices in Salt Lake City, Utah.

9. The issuers identified in paragraphs 6 through 8 are collectively defined herein as the "Issuers."

## ORTEGO CONDUCTED MATERIALLY DEFICIENT AUDITS

### Background

10. In or about November 2011, Briner contacted M&K to conduct audits of certain issuers' financial statements that were to be included in Form S-1 registration statements. Ortego was the engagement partner for the Issuers' audits.

11. Ortego knew that Briner did the accounting and created the financial statements to be used in the Form S-1 registration statements for each of the Issuers. Ortego also knew that Briner maintained all of the Issuers' purported funds "in trust" in an account Briner controlled (the "Master Trust Account").

12. Briner and his assistant were the exclusive contacts between M&K and each Issuer's officer. Ortego did not directly communicate with any of the Issuers' officers. Ortego knew that Briner provided all of the information concerning the Issuers and all of the supporting evidence for their audits.

13. The Issuers two largest transactions consisted of the officer's purchase of Issuer stock for $30,000 and the Issuer's purchase of British Columbia mineral claims for between $7,500 and $8,500 from Jervis.

14. Ortego conducted the Issuers' audits, including auditing the above transactions, and consented to the inclusion of M&K's audit report in each of the Issuers' Form S-1 registration statements filed with the Commission. M&K was paid a total of $49,500 in fees for the audits, including $9,900 for the Issuers' audits. Each audit report stated that "[w]e conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States)" and that the financial statements present the Issuers' financial position "in conformity with U.S. generally accepted accounting principles."

**Ortego Failed to Detect Red Flags in Accepting and Continuing with the Issuers as Clients**

15. Under PCAOB Auditing Standard No. 12 (Identifying and Assessing Risks of Material Misstatement) ("AS 12"), auditors should "evaluate whether information obtained from the client acceptance and retention evaluation process or audit planning activities is relevant to identifying risks of material misstatement" (¶ 41).[2]

16. Also, auditors must meet PCAOB standard AU Section 230 (Due Professional Care in the Performance of Work) ("AU 230"), which requires that auditors "exercise professional skepticism" (at .07), "consider the competency and sufficiency of the evidence" (at .08), and "neither assume[] that management is dishonest nor assume[] unquestioned honesty" (at .09).

17. M&K's policy called for "background checks on all significant owners and chief executives." In practice, such check consisted of a simple Internet search.

18. Ortego failed to sufficiently question or otherwise investigate the Issuers' management, which would have revealed Briner's undisclosed role as a control person. Nor did he conduct a background check of Briner or Dalmy, which at minimum would have turned up, among other things, the Commission's complaint alleging fraud and suspension order against Briner, and that Briner had been on the OTC Market's Prohibited Attorney List since March 15, 2006, and that Dalmy had also been on the list since September 25, 2009.

19. Upon referring the Issuers, Briner's assistant provided M&K with the names of the officers, the inception dates, and the year-end dates for each of the Issuers. From this, Ortego was on notice that the three Issuers were incorporated the same day or within one day of each other (May 31, 2012 or June 1, 2012).

20. This information should have at least caused Ortego to question why the Issuers' dates of incorporation appeared to be coordinated. Ortego failed to ask any questions with respect to this information.

21. For the above reasons, Ortego failed to meet AS 12 and AU 230.

**Ortego Failed to Obtain an Understanding of the Issuers**

22. Under AS 12, auditors should "obtain an understanding of the company and its environment . . . to understand the events, conditions, and company activities that might reasonably be expected to have a significant effect on the risks of material misstatement," including "[t]he nature of the company" (¶ 7.b.) and "[t]he company's objectives and strategies and those related business risks that might reasonably be expected to result in risks of material misstatement" (¶ 7.d.). Further, obtaining an understanding of the nature of the company includes understanding "[t]he company's organizational structure and management personnel; [t]he sources of funding of the company's operations and investment activities, including the company's capital structure[, t]he company's operating characteristics, including its size and complexity" (¶ 10), and "an

[2] The PCAOB standards referenced herein are the standards that were in effect during the time of relevant conduct.

understanding of internal control includes evaluating the design of controls that are relevant to the audit and determining whether the controls have been implemented" (¶ 20).

23. Additionally, auditors must meet AU 230, which requires that auditors "exercise professional skepticism" (at .07) and engagement partners "should be knowledgeable about the client" and are responsible for the "supervision of[] members of the engagement team" (.06).

24. Ortego failed to obtain a sufficient understanding of the Issuers. What little understanding of the Issuers he obtained came almost entirely from draft Form S-1 registration statements and responses to certain questionnaires from the Issuers, both provided by Briner. Ortego did not obtain an understanding of the Issuers through direct communication with the Issuers' officers.

25. In obtaining an understanding of the Issuers, Ortego did not question the substantial similarities among the Issuers. The Issuers filed three nearly identical Form S-1 registration statements. Using almost exactly the same language, each stated the following: (1) the Issuers are not blank check companies; (2) the Issuers' officers purchased Issuer stock for $30,000; (2) the Issuers purchased British Columbia mineral claims from Jervis; (3) Jervis supplied nearly all the Issuers' with their business plans; (4) the officers "solely" control the company; (5) the officers planned to devote only 4 to 5 hours each week to the business; and (6) the officers have not inspected the land comprising the mineral claims.

26. Despite reviewing all three of the Issuers' registration statements within a six-week period, Ortego did not raise any concern about the similarities among the registration statements, or perform any enhanced procedures to respond to the level of risk presented.

27. For the above reasons, Ortego failed to meet AS 12 and AU 230.

**Ortego Failed to Properly Audit the Issuers' Cash**

28. Under PCAOB standard AU Section 330 (The Confirmation Process) ("AU 330"), when "information about the respondent's [i.e., the person or entity from which a confirmation is requested] competence, knowledge, motivation, ability, or willingness to respond, or about the respondent's objectivity and freedom from bias with respect to the audited entity comes to the auditor's attention, the auditor should consider the effects of such information on designing the confirmation request and evaluating the results" and, in circumstances where "the respondent is the custodian of a material amount of the audited entity's assets," the auditor should exercise "a heightened degree of professional skepticism" and "should consider whether there is sufficient basis for concluding that the confirmation request is being sent to a respondent from whom the auditor can expect the response will provide meaningful and appropriate audit evidence" (at .27).

29. Additionally, under PCAOB Auditing Standard No. 15 (Audit Evidence) ("AS 15"), "[t]he auditor must plan and perform audit procedures to obtain sufficient appropriate audit evidence to provide a reasonable basis for his or her opinion" (¶ 4). To be appropriate, audit evidence must be both relevant and reliable in providing support for the conclusions on which the auditor's opinion is based. "The reliability of evidence depends on the nature and source of the evidence and the circumstances under which it is obtained" (¶ 8). Under PCAOB Auditing Standard No. 13 (The Auditor's Responses to the Risks of Material Misstatement) ("AS 13"),

"[t]he auditor's responses to the assessed risks of material misstatement, particularly fraud risks, should involve the application of professional skepticism in gathering and evaluating audit evidence" (¶ 7).

30. Ortego exhibited no concern about Briner's handling of the Issuers' alleged cash. Ortego knew that Briner held all of the Issuers' purported funds in the Master Trust Account and that none of the Issuers had their own bank account. Ortego also knew that Briner was a "consultant" to the Issuers and that MetroWest was a law firm. Ortego did not seek any appropriate audit evidence about what, if any, limitations governed Briner's use of the cash in his Master Trust Account. Nor did he ask for a reconciliation between Briner's Master Trust Account and the schedules Briner provided purportedly showing how much cash in his account was attributable to each Issuer.

31. In addition, Ortego violated the above standards by failing to apply professional skepticism in gathering and evaluating the evidence obtained, such as Briner's confirmation of Issuer cash, and consider Briner's "objectivity and freedom from bias with respect to the audited entity" in relation to the Issuers' cash confirmation Briner provided.

**Ortego Disregarded Red Flags that Briner's Services to the Issuers Were Not Given Accounting Recognition**

32. Under PCAOB standard AU Section 334 (Related Parties) ("AU 334"), transactions that are indicative of the existence of related parties include, among other things, "transactions [that] are occurring, but are not being given accounting recognition, such as receiving or providing accounting, management or other services at no charge" (at .08(f)). Further, under AS 15, "[i]f audit evidence obtained from one source is inconsistent with that obtained from another, or if the auditor has doubts about the reliability of information to be used as audit evidence, the auditor should perform the audit procedures necessary to resolve the matter and should determine the effect, if any, on other aspects of the audit" (¶ 29). Finally, auditors must exercise professional skepticism throughout the course of the engagement consistent with standard AU 230.

33. Ortego failed to question Briner's fee arrangement with the Issuers. Instead, he relied on legal confirmation letters from Briner that conflicted on their face with what ledgers in his possession showed to be true about the services Briner provided.

34. These letters each stated that "[a]s of the date of inception and up to the present date, the [Issuers were] not indebted to us for services and expenses (billed or unbilled) of which we are aware." Ortego knew that Briner provided substantial services to the Issuers, such as, among other things, performing accounting functions (paying expenses and recording transactions), drafting the Issuers' registration statements, and preparing the Issuers' financial statements for their registration statements. Ortego also knew that the Issuers' financial statements and general ledgers did not reflect payment for Briner's services. Despite this, Ortego did not ask Briner for any invoices, agreements, engagement letters, or any details about his fee arrangements with the Issuers. Nor did he conduct any related party analysis.

35. For the above reasons, Ortego failed to meet AU 334, AS 15, and AU 230.

**Ortego Did Not Investigate the Issuers' Failures to Account For Audit Fees**

36. Under AS 15, "[t]he auditor must plan and perform audit procedures to obtain sufficient appropriate audit evidence to provide a reasonable basis for his or her opinion" (¶ 4). In doing so, the auditor must exercise professional skepticism throughout the course of the engagement consistent with AU 230.

37. Additionally, under PCAOB Auditing Standard No. 14 (Evaluating Audit Results) ("AS 14"), the "auditor should take into account all relevant audit evidence, regardless of whether it appears to corroborate or to contradict the assertions in the financial statements" (¶ 3) and should take into account "[t]ransactions that are not recorded in a complete or timely manner or are improperly recorded as to amount, accounting period, classification, or company policy" (Appendix C, C1.a.(1)).

38. Ortego did not question the Issuers' failures to account for audit fees paid during the audit period, or failures to account for audit fees paid during the subsequent events period.

39. Specifically, Ortego failed to investigate conflicting evidence regarding the audit fees received for the Issuers: Chum, Eclipse, and PRWC. Even though M&K received $9,900 on August 14, 2012 from Briner to cover the Issuers' audit fees ($3,300 each), Ortego did not question why Briner accounted only for the payment he made for Chum in the schedules he provided and not the payments he made for Eclipse and PRWC. Ortego was the engagement partner for all three Issuers. Yet he did not investigate this discrepancy.

40. For the above reasons, Ortego failed to meet AS 14, AS 15, and AU 230.

**Ortego Failed to Detect Basic Accounting Errors and Inconsistencies Between the Financial Statements and the Registration Statements**

41. Under AU 230, "[a]n auditor should possess 'the degree of skill commonly possessed' by other auditors and should exercise it with 'reasonable care and diligence' (that is, with due professional care)" (at .05).

42. During the audits, the Ortego failed to detect inconsistencies between the financial statements and information contained in other parts of the registration statements. Specifically, in the Eclipse Form S-1 registration statement, the NOL listed in Note 2 on page F-7 as $11,175 is not consistent with Note 7 on page F-11, which lists the NOL as $2,675. Additionally, in the Chum Form S-1 registration statement, the NOL listed in Note 2 on page F-7 as $10,175 is not consistent with the table in Note 7 on page F-12, which lists the net loss before taxes as $2,675. These errors may constitute material misstatements and reflect Ortego's apparent lack of due care in conducting the Issuers' audits.

43. For these reasons, Ortego failed to meet AU 230.

**Ortego Disregarded Red Flags that the Issuers' Stock Sales to Their Officers Were Shams**

44. Under PCAOB Auditing Standard No. 10 (Supervision of the Audit Engagement)

("AS 10"), the engagement partner "is responsible for proper supervision of the work of engagement team members and for compliance with PCAOB standards" (¶ 3) and should "[d]irect engagement team members to bring significant accounting and auditing issues arising during the audit to the attention of the engagement partner or other engagement team members performing supervisory activities so they can evaluate those issues and determine that appropriate actions are taken in accordance with PCAOB standards" (¶ 5 b.).

45. Briner provided an M&K staff member with schedules for each of the Issuers (prepared by Briner) purportedly listing all transactions that the M&K staff member reviewed (the same person reviewed the audit evidence for all of the Issuers' audits).

46. Each of the schedules appeared to indicate that individuals or entities named "Luke Pretty" or "Dhaliwal" supplied the funds to pay for the officers' stock purchases and characterized these transactions as "investments." The Issuers' registration statements and stock purchase agreements (also reviewed by the same M&K staff member referred to above), by contrast, indicated that the Issuers' respective officers paid for and purchased the Issuers' stock.

47. Additionally, these schedules contained contradictions, such as dates listed for stock purchases that occurred (1) before the Issuers were incorporated or (2) after the Issuers purchased their mineral claims.

48. Ortego disregarded these inconsistencies and contradictions in the audit evidence in violation of AS 15, AS 12, and AU 230. Ortego also failed to meet AS 10 by failing to direct the M&K staff member reviewing the audit evidence to bring significant accounting and auditing issues to his attention and by otherwise failing to supervise the M&K Issuers' audits.

## ORTEGO VIOLATED SECTION 17(a) OF THE SECURITES ACT, RULE 2-02 OF REGULATION S-X, AND ENGAGED IN IMPROPER PROFESSIONAL CONDUCT

49. As a result of the conduct described above, Ortego violated Sections 17(a)(2) and (3) of the Securities Act by claiming that the audits he conducted the Issuers audits in accordance with PCAOB standards when in fact he did not.

50. Additionally, for failing to meet the PCAOB audit standards identified above in auditing the Issuers, Ortego engaged in improper professional conduct pursuant to the Commission's Rules of Practice Rule 102(e)(1)(ii) by each engaging in at least one instance of highly unreasonable conduct or at least two instances of unreasonable conduct under Rule 102(e)(1)(iv). Ortego also caused violations of Rule 2-02(b)(1) of Regulation S-X by consenting to the provision of audit reports included in the Issuers' Form S-1 Registration statements that state that the Issuers' audits were conducted in accordance with PCAOB standards when in fact they were not.

51. Further, as described above, Ortego willfully violated Sections 17(a)(2) and (3) of the Securities Act thereby engaging in conduct subject to the Commission's Rules of Practice Rule 102(e)(1)(iii).

## COMMISSION FINDINGS

Based on the foregoing, the Commission finds that Respondent:

A. willfully violated Sections 17(a)(2) and (3) of the Securities Act;

B. engaged in improper professional conduct pursuant to Section 4C(a)(2) of the Exchange Act and Rule 102(e)(1)(ii) of the Commission's Rules of Practice;

C. caused violations of Rule 2-02(b)(1) of Regulation S-X; and

D. willfully violated Sections 17(a)(2) and (3) of the Securities Act thereby engaging in conduct subject to Section 4C(a)(3) of the Exchange Act and Practice Rule 102(e)(1)(iii) of the Commission's Rules of Practice.

## IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Ortego's Offer.

Accordingly, pursuant to Section 8A of the Securities Act and Sections 4C and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent shall cease and desist from committing or causing any violations and any future violations of Sections 17(a)(2) and (3) of the Securities Act and Rule 2-02(b)(1) of Regulation S-X.

B. Respondent is denied the privilege of appearing or practicing before the Commission as an accountant.

C. After three years from the date of this Order, Respondent may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as:

1. a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission. Such an application must satisfy the Commission that Respondent's work in his practice before the Commission will be reviewed either by the independent audit committee of the public company for which he works or in some other acceptable manner, as long as he practices before the Commission in this capacity; and/or

2. an independent accountant. Such an application must satisfy the Commission that:

(a) Respondent, or the public accounting firm with which he is associated, is registered with the Public Company Accounting Oversight Board ("Board") in accordance with the Sarbanes-Oxley Act of 2002, and such registration continues to be effective;

(b) Respondent, or the registered public accounting firm with which he is associated, has been inspected by the Board and that inspection did not identify any criticisms of or potential defects in the respondent's or the firm's quality control system that would indicate that the respondent will not receive appropriate supervision;

(c) Respondent has resolved all disciplinary issues with the Board, and has complied with all terms and conditions of any sanctions imposed by the Board (other than reinstatement by the Commission); and

(d) Respondent acknowledges his responsibility, as long as Respondent appears or practices before the Commission as an independent accountant, to comply with all requirements of the Commission and the Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards.

D. The Commission will consider an application by Respondent to resume appearing or practicing before the Commission provided that his state CPA license is current and he has resolved all other disciplinary issues with the applicable state boards of accountancy. However, if state licensure is dependent on reinstatement by the Commission, the Commission will consider an application on its other merits. The Commission's review may include consideration of, in addition to the matters referenced above, any other matters relating to Respondent's character, integrity, professional conduct, or qualifications to appear or practice before the Commission.

E. Respondent shall, within 10 days of the entry of this Order, pay a civil money penalty in the amount of $50,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717. Payment must be made in one of the following ways:

(1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;

(2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at http://www.sec.gov/about/offices/ofm.htm; or

(3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying

Ortego as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Lara Shalov Mehraban, Division of Enforcement, Securities and Exchange Commission, 200 Vesey Street, NY 10281.

F. Amounts ordered to be paid as civil money penalties pursuant to this Order 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, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. 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 proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

**V.**

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S. C. §523, that the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent 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).

By the Commission.

Brent J. Fields
Secretary