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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

RICHARD CONDON and
JONATHAN ROSS,

Defendants, and

ALI SAGHEB,

Relief Defendant.

Case No. CV 15-07443-AB (FFMx)

**~~PROPOSED~~ JUDGMENT AS TO
DEFENDANT RICHARD CONDON**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Richard Condon having entered a general appearance; consented to the
3 Court's jurisdiction over Defendant and the subject matter of this action; consented to
4 entry of this Judgment without admitting or denying the allegations of the Complaint
5 (except as to jurisdiction and except as otherwise provided herein in paragraph V);
6 waived findings of fact and conclusions of law; and waived any right to appeal from
7 this Final Judgment:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating, directly or indirectly, Section
11 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §
12 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using
13 any means or instrumentality of interstate commerce, or of the mails, or of any
14 facility of any national securities exchange, in connection with the purchase or sale of
15 any security:

- 16 (a) to employ any device, scheme, or artifice to defraud;
17 (b) to make any untrue statement of a material fact or to omit to state a
18 material fact necessary in order to make the statements made, in light of
19 the circumstances under which they were made, not misleading; or
20 (c) to engage in any act, practice, or course of business which operates or
21 would operate as a fraud or deceit upon any person.

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

3 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
4 Defendant is permanently restrained and enjoined from violating Section 14(e) of the
5 Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3]
6 promulgated thereunder, in connection with any tender offer or request or invitation
7 for tenders, from engaging in any fraudulent, deceptive, or manipulative act or
8 practice, by:

- 9 (a) purchasing or selling or causing to be purchased or sold the securities
10 sought or to be sought in such tender offer, securities convertible into or
11 exchangeable for any such securities or any option or right to obtain or
12 dispose of any of the foregoing securities while in possession of material
13 information relating to such tender offer that Defendant knows or has
14 reason to know is nonpublic and knows or has reason to know has been
15 acquired directly or indirectly from the offering person; the issuer of the
16 securities sought or to be sought by such tender offer; or any officer,
17 director, partner, employee or other person acting on behalf of the
18 offering person or such issuer, unless within a reasonable time prior to
19 any such purchase or sale such information and its source are publicly
20 disclosed by press release or otherwise; or
- 21 (b) communicating material, nonpublic information relating to a tender
22 offer, which Defendant knows or has reason to know is nonpublic and
23 knows or has reason to know has been acquired directly or indirectly
24 from the offering person; the issuer of the securities sought or to be
25 sought by such tender offer; or any officer, director, partner, employee,
26 advisor, or other person acting on behalf of the offering person of such
27 issuer, to any person under circumstances in which it is reasonably
28 foreseeable that such communication is likely to result in the purchase or
sale of securities in the manner described in subparagraph (a) above,

1 from arguing that he did not violate the federal securities laws as alleged in the
2 Complaint; (b) Defendant may not challenge the validity of the Consent or this
3 Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint
4 shall be accepted as and deemed true by the Court; and (d) the Court may determine
5 the issues raised in the motion on the basis of affidavits, declarations, excerpts of
6 sworn deposition or investigative testimony, and documentary evidence, without
7 regard to the standards for summary judgment contained in Rule 56(c) of the Federal
8 Rules of Civil Procedure. In connection with the SEC's motion for disgorgement
9 and/or civil penalties, the parties may take discovery, including discovery from
10 appropriate non-parties.

11 **IV.**

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

16 **V.**

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

26 **VI.**

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
28 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this

1 Judgment.

2 **VII.**

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

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8 Dated: January 12, 2016



HONORABLE ANDRÉ BIROTTE JR.
UNITED STATES DISTRICT JUDGE

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