

JS-6

DONALD W. SEARLES, Cal Bar No. 135705
Email: searlesd@sec.gov
C. DABNEY O'RIORDAN, Cal. Bar No. 205158
Email: oriordand@sec.gov

Attorneys for Plaintiff
Securities and Exchange Commission
Rosalind R. Tyson, Regional Director
John M. McCoy III, Associate Regional Director
5670 Wilshire Boulevard, 11th Floor
Los Angeles, California 90036-3648
Telephone: (323) 965-3998
Facsimile: (323) 965-3908

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

BEN-WAL LEASING COMPANY;
BEN-WAL MANAGEMENT, INC.; and
JERRY E. BENSON,

Defendants,

and

CTR WEB PRINTING, INC.; and
SCOTT W. BENSON,

Relief Defendants.

Case No. CV 09-6223 ODW (FMOx)

**FINAL JUDGMENT RE
DISGORGEMENT AND CIVIL
PENALTIES AGAINST JERRY E.
BENSON**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Jerry E. Benson having entered a general appearance; consented to the
3 Court's jurisdiction over Defendant and the subject matter of this action; consented
4 to entry this Court's Judgment dated February 4, 2010, and consented to entry of
5 this Final Judgment Re Disgorgement and Civil Penalties, without admitting or
6 denying the allegations of the Complaint (except as to jurisdiction); waived
7 findings of fact and conclusions of law; and waived any right to appeal from this
8 Judgment:

9 **I.**

10 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
11 is liable for disgorgement of \$2.3 million, representing profits gained as a result of
12 the conduct alleged in the Complaint, together with prejudgment interest thereon in
13 the amount of \$205,372.05, for a total of \$2,505,372.05. The Commission may
14 enforce the Court's judgment for disgorgement and prejudgment interest by
15 moving for civil contempt (and/or through other collection procedures authorized
16 by law) at any time after 14 days following entry of this Final Judgment. In
17 response to any such civil contempt motion by the Commission, the defendant may
18 assert any legally permissible defense. Defendant shall satisfy this obligation by
19 paying making payment, by certified check, bank cashier's check, or United States
20 postal money order payable to Dennis Murphy, the Court-appointed Receiver in
21 this action. The payment shall be delivered or mailed to Mr. Murphy 630 N.
22 Rosemead Blvd., Suite 100, Pasadena, California 91107. In the event the Receiver
23 is discharged in this case, and Defendant has not paid the ordered disgorgement in
24 full, future payments shall be made by the Defendant to the Clerk of this Court,
25 together with a cover letter identifying Jerry Benson as a defendant in this action;
26 setting forth the title and civil action number of this action and the name of this
27 Court; and specifying that payment is made pursuant to this Final Judgment.
28 Defendant shall simultaneously transmit photocopies of such payment and letter to

1 the Commission's counsel in this action. By making such payments, Defendant
2 relinquishes all legal and equitable right, title, and interest in such funds, and no
3 part of the funds shall be returned to Defendant. The Clerk shall deposit the funds
4 into an interest bearing account pursuant to Local Rule 67-2. These funds, together
5 with any interest and income earned thereon (collectively, the "Fund"), shall be
6 held in the interest bearing account until further order of the Court. In accordance
7 with Local Rule 67-2, the Clerk is authorized and directed, without further order of
8 this Court, to deduct from the income earned on the Fund a registry fee not to
9 exceed the amount prescribed by the Judicial Conference of the United States.
10 Defendant shall also pay post-judgment interest on any delinquent amounts
11 pursuant to 28 U.S.C. § 1961.

12 **II.**

13 In partial satisfaction of his disgorgement obligation, Defendant is further
14 ordered to transfer to the Court-appointed Receiver in this action the following
15 property:

- 16 a. With respect to the \$20,000 being held in the attorney trust account of
17 the Law Office of Stephen L. Belgum (the "Funds"), Defendant shall
18 execute that certain Stipulation Among Receiver, Defendant Jerry E.
19 Benson and the Law Office of Stephen L. Belgum for Order
20 Authorizing Payment of Insurance Proceeds to Receiver.

21 In exchange for Defendant's transfer of the aforementioned funds to the
22 Court-appointed Receiver, the Court credits the Defendant with partial payment of
23 his disgorgement obligation in the amount of \$20,000.00, which the Securities and
24 Exchange Commission believes is the fair market value of the aforementioned
25 property.

26 **III.**

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
28 Defendant shall pay a civil penalty in the amount of \$130,000 pursuant to Section

1 21(d)(3) of the Exchange Act. Defendant shall make this payment within 14 days
2 after entry of this Final Judgment by certified check, bank cashier's check, or
3 United States postal money order payable to the Securities and Exchange
4 Commission. The payment shall be delivered or mailed to the Office of Financial
5 Management, Securities and Exchange Commission, Operations Center, 6432
6 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be
7 accompanied by a letter identifying Jerry Benson as a defendant in this action;
8 setting forth the title and civil action number of this action and the name of this
9 Court; and specifying that payment is made pursuant to this Final Judgment.
10 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to
11 28 USC § 1961. The Commission shall remit the funds paid pursuant to this
12 paragraph to the United States Treasury.

13 **IV.**

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

18 **V.**

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this
20 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
21 of this Judgment.

22 **VI.**

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

26
27 DATED: January 3, 2011

28 

HONORABLE OTIS D. WRIGHT II
UNITED STATES DISTRICT JUDGE