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9 **UNITED STATES DISTRICT COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE  
COMMISSION,

12 Plaintiff,

13 vs.

14 BRUCE A. COLE,

15 Defendant,

16 and

17 NANETTE H. COLE,

18 Relief Defendant.  
19

Case No. 2:12-cv-08024-AB-JEM

**[PROPOSED] FINAL JUDGMENT  
OF PERMANENT INJUNCTION  
AND OTHER RELIEF AGAINST  
DEFENDANT BRUCE A. COLE  
AND RELIEF DEFENDANT  
NANETTE H. COLE**

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1 Pursuant to Rule 56 of the Federal Rules of Civil Procedure, Plaintiff Securities  
2 and Exchange Commission's ("SEC") Motion for Summary Judgment Against  
3 Defendant Bruce A. Cole and Relief Defendant Nanette H. Cole ("Motion") came  
4 before the Court. The Court, having considered the SEC's Motion, the Memorandum  
5 of Points and Authorities and the other documents filed in support of the Motion, and  
6 granted the SEC's Motion (Dkt. No. 117), orders as follows:

7 **I.**

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

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

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

26 **II.**

27 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
28 Defendant Bruce A. Cole is permanently restrained and enjoined from violating

1 Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)] in the offer or sale of  
2 any security by the use of any means or instruments of transportation or  
3 communication in interstate commerce or by use of the mails, directly or indirectly:

4 (a) to employ any device, scheme, or artifice to defraud;

5 (b) to obtain money or property by means of any untrue statement of a  
6 material fact or any omission of a material fact necessary in order to make the  
7 statements made, in light of the circumstances under which they were made,  
8 not misleading; or

9 (c) to engage in any transaction, practice, or course of business which  
10 operates or would operate as a fraud or deceit upon the purchaser.

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

17 **III.**

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant  
19 Bruce A. Cole and Relief Defendant Nanette H. Cole are liable, jointly and severally,  
20 for disgorgement of \$904,167, representing profits gained as a result of the conduct  
21 alleged in the Complaint, together with prejudgment interest thereon in the amount of  
22 \$119,885, for a total of \$1,024,052. Defendant Bruce A. Cole and Relief Defendant  
23 Nanette H. Cole shall satisfy this obligation by paying \$1,024,052 to the Securities  
24 and Exchange Commission within 14 days after entry of this Final Judgment. Any  
25 amounts recovered by the bankruptcy trustee in the adversary proceeding Bruce  
26 Strauss, Trustee v. Cole (In re Mamtek US, Inc.), Case No. 12-2009-drd (Bankr.  
27 W.D. Mo.) on behalf of and for the benefit of the bankruptcy estate, with such  
28 recovery being final and not subject to further appeal, shall be credited against the

1 total disgorgement and prejudgment interest amount owed by Defendant Bruce A.  
2 Cole and Relief Defendant Nanette H. Cole pursuant to this Final Judgment.

3 Defendant Bruce A. Cole and Relief Defendant Nanette H. Cole may transmit  
4 payment electronically to the SEC, which will provide detailed ACH transfer/Fedwire  
5 instructions upon request. Payment may also be made directly from a bank account  
6 via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>.

7 Defendant Bruce A. Cole and Relief Defendant Nanette H. Cole may also pay by  
8 certified check, bank cashier's check, or United States postal money order payable to  
9 the Securities and Exchange Commission, which shall be delivered or mailed to

10 Enterprise Services Center  
11 Accounts Receivable Branch  
12 6500 South MacArthur Boulevard  
13 Oklahoma City, OK 73169

14 and shall be accompanied by a letter identifying the case title, civil action number,  
15 and name of this Court; Bruce A. Cole as a defendant or Nanette H. Cole as a relief  
16 defendant in this action; and specifying that payment is made pursuant to this Final  
17 Judgment.

18 Defendant Bruce A. Cole and Relief Defendant Nanette H. Cole shall  
19 simultaneously transmit photocopies of evidence of payment and case identifying  
20 information to the SEC's counsel in this action. By making this payment, Defendant  
21 Bruce A. Cole and Relief Defendant Nanette H. Cole relinquish all legal and  
22 equitable right, title, and interest in such funds and no part of the funds shall be  
23 returned to Defendant Bruce A. Cole or Relief Defendant Nanette H. Cole. The SEC  
24 shall send the funds paid pursuant to this Final Judgment to the United States  
25 Treasury. The SEC may enforce the Court's judgment for disgorgement and  
26 prejudgment interest by moving for civil contempt (and/or through other collection  
27 procedures authorized by law) at any time after 14 days following entry of this Final  
28 Judgment. Defendant Bruce A. Cole and Relief Defendant Nanette H. Cole shall pay

1 post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

2 **IV.**

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

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7 Dated: February 9, 2017



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8 HONORABLE ANDRÉ BIROTTE JR.  
9 UNITED STATES DISTRICT JUDGE

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11 cc: FISCAL