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**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

Case No. 2:17-cv-01929-SVW-PLA

NASIR N. SHAKOURI, ROBERT S.
TORINO, BRONSON L. QUON, JOHN
S. HONG, and JONATHAN K.
SKARIE,

Defendants.

FINAL JUDGMENT AS TO DEFENDANT BRONSON L. QUON

The Securities and Exchange Commission having filed a Complaint and Defendant Bronson L. Quon (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED 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, ADJUDGED, AND DECREED 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 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).

1 II.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
3 Defendant is permanently restrained and enjoined from violating Section 17(a) of the
4 Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale
5 of any security by the use of any means or instruments of transportation or
6 communication in interstate commerce or by use of the mails, directly or indirectly:
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- 9 (a) to employ any device, scheme, or artifice to defraud;
 - 10 (b) to obtain money or property by means of any untrue statement of a
11 material fact or any omission of a material fact necessary in order to
12 make the statements made, in light of the circumstances under which
13 they were made, not misleading; or
 - 14 (c) to engage in any transaction, practice, or course of business which
15 operates or would operate as a fraud or deceit upon the purchaser.
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18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
19 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
20 binds the following who receive actual notice of this Judgment by personal service or
21 otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and
22 (b) other persons in active concert or participation with Defendant or with anyone
23 described in (a).
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1 III.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
3 Defendant is permanently restrained and enjoined from aiding and abetting any
4 violation of Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)] and Rules 12b-
5 20 and 15d-1 promulgated thereunder [17 C.F.R. §§ 240.12b-20, 240.15d-1] by
6 knowingly or recklessly providing substantial assistance to an issuer that:
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- 9 (a) fails to file an annual report within the period specified in the
10 appropriate report form for the fiscal year in which a registration
11 statement under the Securities Act became effective and for each fiscal
12 year thereafter, unless the registrant is exempt from such filing by
13 Section 15(d) of the Exchange Act or the rules thereunder; or
 - 14 (b) fails to include in an annual report the information expressly required to
15 be included in an annual report and such further material information as
16 may be necessary to make the required statements, in the light of the
17 circumstances under which they are made not misleading.
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21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
22 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
23 binds the following who receive actual notice of this Judgment by personal service or
24 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
25 (b) other persons in active concert or participation with Defendant or with anyone
26 described in (a).
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1 IV.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
3 Defendant is permanently restrained and enjoined from aiding and abetting any
4 violation of Section 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act [15 U.S.C. §
5 78m(b)(2)(A), (B)] by knowingly or recklessly providing substantial assistance to an
6 issuer that fails to make and keep books, records, and accounts, which, in reasonable
7 detail, accurately and fairly reflect the transactions and dispositions of the assets of
8 the issuer or to devise and maintain a system of internal accounting controls sufficient
9 to provide reasonable assurances that:
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- 13 (a) transactions are executed in accordance with management's general or
14 specific authorization;
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 - 16 (b) transactions are recorded as necessary to permit preparation of financial
17 statements in conformity with generally accepted accounting principles
18 or any other criteria applicable to such statements, and to maintain
19 accountability for assets;
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 - 21 (c) access to assets is permitted only in accordance with management's
22 general or specific authorization; and
 - 23
 - 24 (d) the recorded accountability for assets is compared with the existing
25 assets at reasonable intervals and appropriate action is taken with respect
26 to any differences.
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1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
2 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
3 binds the following who receive actual notice of this Judgment by personal service or
4 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
5 (b) other persons in active concert or participation with Defendant or with anyone
6 described in (a).
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9 V.

10 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
11 permanently restrained and enjoined from violating, directly or indirectly, Section
12 13(b)(5) of the Exchange Act [15 U.S.C. § 78m(b)(5)] and Rule 13b2-1 promulgated
13 thereunder [17 C.F.R. § 240.13b2-1], by knowingly failing to implement a system of
14 internal accounting controls or falsifying or causing to be falsified any book, record,
15 or account subject to Section 13(b)(2) of the Exchange Act.
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18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
19 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
20 binds the following who receive actual notice of this Judgment by personal service or
21 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
22 (b) other persons in active concert or participation with Defendant or with anyone
23 described in (a).
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1 VI.

2 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
3 permanently restrained and enjoined from violating, directly or indirectly, Rule 13b2-
4 2 promulgated under the Exchange Act [17 C.F.R. § 240.13b2-2] by, while acting as
5 a director or officer:
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- 8 (a) making or causing to be made a materially false statement to an
9 accountant in connection with, or omitting to state, or causing another
10 person to omit to state, any material fact necessary in order to make
11 statements made, in light of the circumstances under which such
12 statements are made, not misleading, to an accountant in connection with
13 any required audit, review or examination of the financial statements of
14 the issuer or the preparation or filing of any document or report required
15 to be filed with the Commission; or
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- 18 (b) taking any action to coerce, manipulate, mislead, or fraudulently
19 influence any independent public or certified public accountant engaged
20 in the performance of an audit or review of the financial statements of an
21 issuer that are required to be filed with the Commission if it is known or
22 should be known that such action, if successful, could result in rendering
23 the issuer's financial statements materially misleading.
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26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
27 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
28

1 binds the following who receive actual notice of this Final Judgment by personal
2 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
3 attorneys; and (b) other persons in active concert or participation with Defendant or
4 with anyone described in (a).
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VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant
to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and Section 20(e) of
the Securities Act [15 U.S.C. § 77t(e)], Defendant is prohibited 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)].

VIII.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
Defendant is liable for disgorgement of \$114,500, plus prejudgment interest thereon.
Defendant's payment of disgorgement and prejudgment interest shall be deemed
satisfied by amounts already paid by Defendant to iPayment, Inc.

IX.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
Consent 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.

1 X.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for
3 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
4 11 U.S.C. § 523, the allegations in the Complaint are true and admitted by Defendant.
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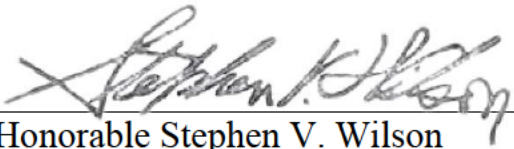
6 XI.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
8 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
9 Final Judgment.
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11 XII.

12 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
13 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith
14 and without further notice.
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18 Dated: September 26, 2017

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21 _____
22 Honorable Stephen V. Wilson
23 United States District Judge
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