

1 MARC J. FAGEL (Cal. Bar No. 154425)
SUSAN F. LA MARCA (Cal. Bar No. 215231)
2 JEREMY E. PENDREY (Cal. Bar No. 187075)

3 Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
4 44 Montgomery Street, Suite 2600
San Francisco, California 94104
5 Telephone: (415) 705-2500
Facsimile: (415) 705-2501
6
7

8 UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA
10 FRESNO DIVISION
11
12

13 SECURITIES AND EXCHANGE COMMISSION,
14 Plaintiff,
15 vs.
16 FACEPRINT GLOBAL SOLUTIONS, INC.,; and
PIERRE COTE,
17 Defendants.
18
19

Case No. 1:07-01251-OWW-GSA

**FINAL JUDGMENT AGAINST
DEFENDANT FACEPRINT GLOBAL
SOLUTIONS, INC.**

20
21 Plaintiff Securities and Exchange Commission (“Commission”) has filed a Complaint
22 (“Complaint”) in this action and defendant FacePrint Global Solutions, Inc. (“FacePrint”) entered a
23 general appearance and has submitted the Consent of FacePrint Global Solutions, Inc. to Final
24 Judgment (“Consent”). In the Consent, FacePrint acknowledged being served with the Summons and
25 Complaint, entered a general appearance, admitted the jurisdiction of this Court over it and over the
26 subject matter of this action, admitted that it was fully advised and informed of the right to a judicial
27 determination of this matter, waived findings of fact and conclusions of law as provided by Rule 52 of
28 the Federal Rules of Civil Procedure, consented to the entry of this Final Judgment, without admitting

**FINAL JUDGMENT OF FACEPRINT
GLOBAL SOLUTIONS, INC.**

1 or denying any of the allegations in the Complaint except as set forth in the Consent, and waived
2 notice of hearing upon the entry of this Final Judgment. The Court, being fully advised, orders as
3 follows:

4 I.

5 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that FacePrint and its agents,
6 servants, employees, those with powers of attorney on FacePrint's behalf, and all persons in active
7 concert or participation with any of them, who receive actual notice of this Final Judgment, by
8 personal service or otherwise, and each of them, are permanently enjoined and restrained from,
9 directly or indirectly, violating Sections 5(a) and (c) of the Securities Act of 1933 ("Securities
10 Act") [15 U.S.C. §§ 77e(a) and (c)] by, directly or indirectly, in the absence of any applicable
11 exemption:

- 12 1. Unless a registration statement is in effect as to a security, making use of any means or
13 instruments of transportation or communication in interstate commerce or of the mails
14 to sell such security through the use or medium of any prospectus or otherwise;
- 15 2. Unless a registration statement is in effect as to a security, carrying or causing to be
16 carried through the mails or in interstate commerce, by any means or instruments of
17 transportation, any such security for the purpose of sale or for delivery after sale; or
- 18 3. Making use of any means or instruments of transportation or communication in
19 interstate commerce or of the mails to offer to sell or offer to buy through the use or
20 medium of any prospectus or otherwise any security, unless a registration statement has
21 been filed with the Commission as to such security, or while the registration statement is
22 the subject of a refusal order or stop order or (prior to the effective date of the
23 registration statement) any public proceeding or examination under Section 8 of the
24 Securities Act [15 U.S.C. § 77h].

25 II.

26 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that FacePrint and its agents,
27 servants, employees, those with powers of attorney on FacePrint's behalf, and all persons in active
28 concert or participation with any of them, who receive actual notice of this Final Judgment, by

1 personal service or otherwise, and each of them, are permanently enjoined and restrained from,
2 directly or indirectly, violating Rule 102 of Regulation M under the Securities Exchange Act of
3 1934 (“Exchange Act”) [17 C.F.R. § 242.101] by, in connection with a distribution of a security,
4 directly or indirectly, bidding for, purchasing, or attempting to induce any person to bid for or
5 purchase the covered security during the applicable restricted period, in the absence of any
6 applicable exception.

7 III.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that FacePrint is jointly and
9 severally liable, along with defendant Pierre Cote, for disgorgement of \$1,474,686.93, representing
10 profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest
11 thereon in the amount of \$99,138.31, for a total of \$1,573,825.24. Based on FacePrint’s sworn
12 representations in its Statement of Financial Condition dated September 10, 2007, and other
13 documents and information submitted to the Commission, however, the Court is not ordering
14 FacePrint to pay a civil penalty and payment of all of the disgorgement and prejudgment interest
15 thereon is waived. The determination not to impose a civil penalty and to waive payment of all of the
16 disgorgement and pre-judgment interest is contingent upon the accuracy and completeness of
17 FacePrint’s Statement of Financial Condition. If at any time following the entry of this Final
18 Judgment the Commission obtains information indicating that FacePrint’s representations to the
19 Commission concerning its assets, income, liabilities or expenses were fraudulent, misleading,
20 inaccurate, or incomplete in any material respect as of the time such representations were made, the
21 Commission may, at its sole discretion and without prior notice to FacePrint of its intent to so
22 petition, petition the Court for an order requiring FacePrint to pay the unpaid portion of the
23 disgorgement, pre-judgment and post-judgment interest thereon, and the maximum civil penalty
24 allowable under the law. In connection with any such petition, the only issue shall be whether the
25 financial information provided by FacePrint was fraudulent, misleading, inaccurate, or incomplete in
26 any material respect as of the time such representations were made. In its petition, the Commission
27 may move this Court to consider all available remedies, including, but not limited to, ordering
28 FacePrint to pay funds or assets, directing the forfeiture of any assets, or sanctions for contempt of

1 this Final Judgment. The Commission may also request additional discovery. FacePrint may not, by
2 way of defense of such petition: (1) challenge the validity of the Consent or this Final Judgment; (2)
3 contest the allegations in the Complaint filed by the Commission; (3) assert that payment of
4 disgorgement, pre-judgment and post-judgment interest or a civil penalty should not be ordered; (4)
5 contest the amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the
6 imposition of the maximum civil penalty allowable under the law; or (6) assert any defense to
7 liability or remedy, including, but not limited to, any statute of limitations defense.

8 IV.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
10 incorporated herein with the same force and effect as if fully set forth herein, and that FacePrint
11 shall comply with all of the undertakings and agreements set forth therein.

12 V.

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
14 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

15 VI.

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

18
19
20 DATED: January 31, 2008

21
22
23
24 /s/ OLIVER W. WANGER
25 UNITED STATES DISTRICT JUDGE
26
27
28

1 APPROVED AS TO FORM:
2
3

4 _____
H. Thomas Fehn
5 Fields, Fehn & Sherwin
11755 Wilshire Blvd., 15th Floor
6 Los Angeles, CA 90025
(310) 473 6338
7 Attorney for Defendant
FACEPRINT GLOBAL SOLUTIONS, INC.
8
9

10 SUBMITTED BY:
11
12

13 _____
Jeremy E. Pendrey
14 Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
15 44 Montgomery Street, Suite 2600
San Francisco, California 94104
16 Telephone: (415) 705-2500
Fax: (415) 705-2501
17
18
19
20
21
22
23
24
25
26
27
28