

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

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
SEATTLE DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

KENNETH PEER,

Defendant.

Case No. 2:17-CV-01865

FINAL JUDGMENT

The Securities and Exchange Commission having filed a Complaint and Defendant Kenneth Peer 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 without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph V); 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

1 interstate commerce, or of the mails, or of any facility of any national securities exchange, in
2 connection with the purchase or sale of any security:

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

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

14 II.

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

- 20 (a) purchasing or selling or causing to be purchased or sold the securities
21 sought or to be sought in such tender offer, securities convertible into or
22 exchangeable for any such securities or any option or right to obtain or
23 dispose of any of the foregoing securities while in possession of material
24 information relating to such tender offer that Defendant knows or has
25 reason to know is nonpublic and knows or has reason to know has been
26 acquired directly or indirectly from the offering person; the issuer of the
27 securities sought or to be sought by such tender offer; or any officer,

1 director, partner, employee or other person acting on behalf of the offering
2 person or such issuer, unless within a reasonable time prior to any such
3 purchase or sale such information and its source are publicly disclosed by
4 press release or otherwise; or

5 (b) communicating material, nonpublic information relating to a tender offer,
6 which Defendant knows or has reason to know is nonpublic and knows or
7 has reason to know has been acquired directly or indirectly from the
8 offering person; the issuer of the securities sought or to be sought by such
9 tender offer; or any officer, director, partner, employee, advisor, or other
10 person acting on behalf of the offering person of such issuer, to any person
11 under circumstances in which it is reasonably foreseeable that such
12 communication is likely to result in the purchase or sale of securities in the
13 manner described in subparagraph (a) above, except that this paragraph
14 shall not apply to a communication made in good faith

15 (i) to the officers, directors, partners or employees of the
16 offering person, to its advisors or to other persons, involved
17 in the planning, financing, preparation or execution of such
18 tender offer;

19 (ii) to the issuer whose securities are sought or to be sought by
20 such tender offer, to its officers, directors, partners,
21 employees or advisors or to other persons involved in the
22 planning, financing, preparation or execution of the
23 activities of the issuer with respect to such tender offer; or

24 (iii) to any person pursuant to a requirement of any statute or
25 rule or regulation promulgated thereunder.
26
27

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

6 III.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is
8 liable for disgorgement of \$10,227.73, representing the alleged profits gained as a result of the
9 conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of
10 \$811.80 and a civil penalty in the amount of \$10,227.73 pursuant to Section 21A of the
11 Exchange Act [15 U.S.C. § 78u-1]. Defendant shall satisfy this obligation by paying
12 \$21,267.26 to the Securities and Exchange Commission within 14 days after entry of this Final
13 Judgment.

14 Defendant may transmit payment electronically to the Commission, which will provide
15 detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly
16 from a bank account via Pay.gov through the SEC website at
17 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
18 cashier's check, or United States postal money order payable to the Securities and Exchange
19 Commission, which shall be delivered or mailed to:

20 Enterprise Services Center
21 Accounts Receivable Branch
22 6500 South MacArthur Boulevard
23 Oklahoma City, OK 73169

24 and shall be accompanied by a letter identifying the case title, civil action number, and name of
25 this Court; Kenneth Peer as a defendant in this action; and specifying that payment is made
26 pursuant to this Final Judgment.
27

1 Defendant shall simultaneously transmit photocopies of evidence of payment and case
2 identifying information to the Commission's counsel in this action. By making this payment,
3 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part
4 of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant
5 to this Final Judgment to the United States Treasury.

6 If disgorgement is ordered: The Commission may enforce the Court's judgment for
7 disgorgement and prejudgment interest by moving for civil contempt (and/or through other
8 collection procedures authorized by law) at any time after 14 days following entry of this Final
9 Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28
10 U.S.C. § 1961.

11 IV.

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

15 V.

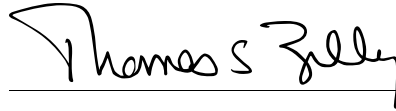
16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of
17 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the
18 allegations in the complaint are true and admitted by Defendant, and further, any debt for
19 disgorgement, prejudgment interest,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

24 VI.

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain
26 jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment. The
27

1 Clerk is DIRECTED to send a copy of this Final Judgment to all counsel of record and to
2 defendant pro se Kenneth Peer at 1904 S. Bayview St., Seattle, WA 98144.

3
4 Dated: December 21, 2017

5
6 

7 Thomas S. Zilly
8 United States District Judge
9
10

11 Presented by:

12 /s/ Alice L. Jensen

13 Alice L. Jensen # 203327 (Conditionally Admitted Pursuant to LCR 83.1(c)(2))
14 SECURITIES AND EXCHANGE COMMISSION

15 44 Montgomery Street, Suite 2800
16 San Francisco, California 94104

17 Telephone: (415) 705-2500

18 Facsimile: (415) 705-2501

19 Email: JensenA@sec.gov

20 *Attorney for Plaintiff Securities and Exchange Commission*
21
22
23
24
25
26
27