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8 **UNITED STATES DISTRICT COURT**
9 **WESTERN DISTRICT OF WASHINGTON**
10 **SEATTLE DIVISION**
11

12 SECURITIES AND EXCHANGE COMMISSION,

No. 2:21-cv-1108

13 Plaintiff,

14 v.

15 SUNG MO JUN, *ET AL.*,

**[PROPOSED] JUDGMENT AS TO
DEFENDANT SUNG MO JUN**

16 Defendants.
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20 The Securities and Exchange Commission having filed a Complaint and Defendant Sung
21 Mo Jun (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction
22 over Defendant and the subject matter of this action; consented to entry of this Judgment; waived
23 findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

24 I.

25 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
26 permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the
27 Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5
28

1 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of
 2 interstate commerce, or of the mails, or of any facility of any national securities exchange, in
 3 connection with the purchase or sale of any security:

- 4 (a) to employ any device, scheme, or artifice to defraud;
- 5 (b) to make any untrue statement of a material fact or to omit to state a material fact
 6 necessary in order to make the statements made, in the light of the circumstances
 7 under which they were made, not misleading; or
- 8 (c) to engage in any act, practice, or course of business which operates or would
 9 operate as a fraud or deceit upon any person.
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11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
 12 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
 13 receive actual notice of this Judgment by personal service or otherwise: (a) Defendant's officers,
 14 agents, servants, employees, and attorneys; and (b) other persons in active concert or
 15 participation with Defendant or with anyone described in (a).
 16

17 II.

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section
 19 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Defendant is prohibited from acting as an
 20 officer or director of any issuer that has a class of securities registered pursuant to Section 12 of
 21 the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of
 22 the Exchange Act [15 U.S.C. § 78o(d)].
 23

24 III.

25 Upon motion of the Commission, the Court shall determine whether it is appropriate to
 26 order a civil penalty pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]
 27 and, if so, the amount of the civil penalty. In connection with the Commission's motion for civil
 28

1 penalties, and at any hearing held on such a motion: (a) Defendant will be precluded from
 2 arguing that he did not violate the federal securities laws as alleged in the Complaint; (b)
 3 Defendant may not challenge the validity of the Consent or this Judgment; (c) solely for the
 4 purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true
 5 by the Court; and (d) the Court may determine the issues raised in the motion on the basis of
 6 affidavits, declarations, excerpts of sworn deposition or investigative testimony, and
 7 documentary evidence, without regard to the standards for summary judgment contained in Rule
 8 56(c) of the Federal Rules of Civil Procedure. In connection with the Commission's motion for
 9 civil penalties, the parties may take discovery, including discovery from appropriate non-parties.
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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

16 V.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of
 18 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the
 19 allegations in the complaint are true and admitted by Defendant, and further, any debt for civil
 20 penalty or other amounts due by Defendant under this Judgment or any other judgment, order,
 21 consent order, decree or settlement agreement entered in connection with this proceeding, is a
 22 debt for the violation by Defendant of the federal securities laws or any regulation or order
 23 issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
 24 §523(a)(19).
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VI.

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

VII.

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

Dated: _____, _____

UNITED STATES DISTRICT JUDGE

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8 UNITED STATES DISTRICT COURT
9 WESTERN DISTRICT OF WASHINGTON
10 SEATTLE DIVISION
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12 SECURITIES AND EXCHANGE COMMISSION, No. 2:21-cv-1108

13 Plaintiff,

14 v.

15 SUNG MO JUN, *ET AL.*,

16 Defendants.
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CONSENT OF
DEFENDANT SUNG MO JUN

20
21 1. Defendant Sung Mo Jun ("Defendant") waives service of a summons and the
22 complaint in this action, enters a general appearance, and admits the Court's jurisdiction over
23 Defendant and over the subject matter of this action.

24 2. Defendant has agreed to plead guilty to criminal conduct relating to certain
25 matters alleged in the complaint in this action. Specifically, in *United States v. Sung Mo Jun*
26 (Western District of Washington), Defendant agreed to plead guilty to a violation of Title 15,
27 United States Code, Sections 78j(b) and 78ff and Title 17, Code of Federal Regulations, Sections
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1 240.10b-5 and 240.10b5-1. This Consent shall remain in full force and effect regardless of the
 2 existence or outcome of any further proceedings in *United States v. Sung Mo Jun*.

3 3. Defendant hereby consents to the entry of the Judgment in the form attached
 4 hereto (the "Judgment") and incorporated by reference herein, which, among other things:

5 (a) permanently restrains and enjoins Defendant from violation of Sections
 6 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15

7 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];

8 (b) prohibits Defendant from acting as an officer or director of any issuer
 9 that has a class of securities registered pursuant to Section 12 of the

10 Exchange Act [15 U.S.C. § 78l] or that is required to file reports

11 pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)],

12 pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C.

13 § 78u(d)(2)]; and

14 § 78u(d)(2)]; and

15 (c) orders that relief concerning a civil penalty will be resolved at a later time.
 16

17 4. Defendant agrees that he shall not seek or accept, directly or indirectly,
 18 reimbursement or indemnification from any source, including but not limited to payment made
 19 pursuant to any insurance policy, with regard to any civil penalty amounts that Defendant pays
 20 pursuant to the Judgment, regardless of whether such penalty amounts or any part thereof are
 21 added to a distribution fund or otherwise used for the benefit of investors. Defendant further
 22 agrees that he shall not claim, assert, or apply for a tax deduction or tax credit with regard to any
 23 federal, state, or local tax for any penalty amounts that Defendant pays pursuant to the Judgment,
 24 regardless of whether such penalty amounts or any part thereof are added to a distribution fund
 25 or otherwise used for the benefit of investors.
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1 5. Defendant agrees that, upon motion of the Commission, the Court shall determine
2 whether it is appropriate to order a civil penalty pursuant Section 21(d)(3) of the Exchange Act
3 [15 U.S.C. § 78u(d)(3)] and, if so, the amount of the civil penalty. Defendant further agrees that
4 in connection with the Commission's motion for civil penalties, and at any hearing held on such
5 a motion: (a) Defendant will be precluded from arguing that he did not violate the federal
6 securities laws as alleged in the Complaint; (b) Defendant may not challenge the validity of this
7 Consent or the Judgment; (c) solely for the purposes of such motion, the allegations of the
8 Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine
9 the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn
10 deposition or investigative testimony, and documentary evidence, without regard to the standards
11 for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In
12 connection with the Commission's motion for civil penalties, the parties may take discovery,
13 including discovery from appropriate non-parties.
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15 6 Defendant waives the entry of findings of fact and conclusions of law pursuant to
16 Rule 52 of the Federal Rules of Civil Procedure.
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18 7. Defendant waives the right, if any, to a jury trial and to appeal from the entry of
19 the Judgment.
20

21 8. Defendant enters into this Consent voluntarily and represents that no threats,
22 offers, promises, or inducements of any kind have been made by the Commission or any
23 member, officer, employee, agent, or representative of the Commission to induce Defendant to
24 enter into this Consent.
25

26 9. Defendant agrees that this Consent shall be incorporated into the Judgment with
27 the same force and effect as if fully set forth therein.
28

1 10. Defendant will not oppose the enforcement of the Judgment on the ground, if any
2 exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby
3 waives any objection based thereon.

4 11. Defendant waives service of the Judgment and agrees that entry of the Judgment
5 by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its
6 terms and conditions. Defendant further agrees to provide counsel for the Commission, within
7 thirty days after the Judgment is filed with the Clerk of the Court, with an affidavit or declaration
8 stating that Defendant has received and read a copy of the Judgment.
9

10 12. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted
11 against Defendant in this civil proceeding. Defendant acknowledges that no promise or
12 representation has been made by the Commission or any member, officer, employee, agent, or
13 representative of the Commission with regard to any criminal liability that may have arisen or
14 may arise from the facts underlying this action or immunity from any such criminal liability.
15 Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding,
16 including the imposition of any remedy or civil penalty herein. Defendant further acknowledges
17 that the Court's entry of a permanent injunction may have collateral consequences under federal
18 or state law and the rules and regulations of self-regulatory organizations, licensing boards, and
19 other regulatory organizations. Such collateral consequences include, but are not limited to, a
20 statutory disqualification with respect to membership or participation in, or association with a
21 member of, a self-regulatory organization. This statutory disqualification has consequences that
22 are separate from any sanction imposed in an administrative proceeding. In addition, in any
23 disciplinary proceeding before the Commission based on the entry of the injunction in this
24 action, Defendant understands that he shall not be permitted to contest the factual allegations of
25 the complaint in this action.
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13. Defendant understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings." As part of Defendant's agreement to comply with the terms of Section 202.5(e), Defendant acknowledges the guilty for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or creating the impression that the complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Defendant does not admit the allegations of the complaint, or that this Consent contains no admission of the allegations; (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the complaint; and (iv) stipulates for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, that the allegations in the complaint are true, and further, that any debt for civil penalty or other amounts due by Defendant under the Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19). If Defendant breaches this agreement, the Commission may petition the Court to vacate the Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

14. Defendant hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to

1 seek from the United States, or any agency, or any official of the United States acting in his or
 2 her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees,
 3 expenses, or costs expended by Defendant to defend against this action. For these purposes,
 4 Defendant agrees that Defendant is not the prevailing party in this action since the parties have
 5 reached a good faith settlement.

6 15. Defendant agrees that the Commission may present the Judgment to the Court for
 7 signature and entry without further notice.

8 16. Defendant agrees that this Court shall retain jurisdiction over this matter for the
 9 purpose of enforcing the terms of the Judgment.
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 13 Dated: Jul. 22. 21

SUNG MO JUN

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 15 On 07/22, 2021, Sung Mo Jun, a person known to me, personally
 16 appeared before me and acknowledged executing the foregoing Consent.



Susan R Johnson
 Notary Public - Resident, at Seattle, WA
 Commission expires: 02/24/2025

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 19 Approved as to form:

20
 21 Harold Malkin, Esq.
 22 CALFO EAKES LLP
 1301 Second Avenue, Suite 2800
 23 Seattle, WA 98101
 24 Attorney for Defendant Sung Mo Jun
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