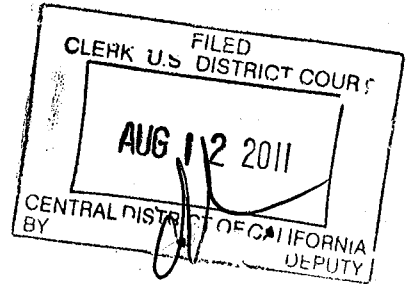


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11
 12 **UNITED STATES DISTRICT COURT**
 13 **CENTRAL DISTRICT OF CALIFORNIA**

14 **SECURITIES AND EXCHANGE**
 15 **COMMISSION,**

16 Plaintiff,

17 vs.

18 **WESTMOORE MANAGEMENT, LLC;**
 19 **WESTMOORE INVESTMENT, L.P.;**
 20 **WESTMOORE CAPITAL**
MANAGEMENT, INC.; **WESTMOORE**
CAPITAL, LLC, and MATTHEW R.
 21 **JENNINGS,**

22 Defendants.

Case No. SACV 10-00849 AG (MLGx)

FINAL JUDGMENT AS TO
DEFENDANT MATTHEW R.
JENNINGS

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1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Matthew R. Jennings (“Defendant”) having entered a general
3 appearance; consented to the Court’s jurisdiction over Defendant and the subject
4 matter of this action; consented to entry of this Final Judgment without admitting
5 or denying the allegations of the Complaint (except as to jurisdiction); waived
6 findings of fact and conclusions of law; and waived any right to appeal from this
7 Final Judgment:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
10 and Defendant's agents, servants, employees, attorneys, and all persons in active
11 concert or participation with them who receive actual notice of this Final Judgment
12 by personal service or otherwise are permanently restrained and enjoined from
13 violating Section 5 of the Securities Act of 1933 (the “Securities Act”), 15 U.S.C.
14 § 77e, by, directly or indirectly, in the absence of any applicable exemption:

- 15 (a) Unless a registration statement is in effect as to a security, making use
16 of any means or instruments of transportation or communication in
17 interstate commerce or of the mails to sell such security through the
18 use or medium of any prospectus or otherwise; or
19 (b) Making use of any means or instruments of transportation or
20 communication in interstate commerce or of the mails to offer to sell
21 or offer to buy through the use or medium of any prospectus or
22 otherwise any security, unless a registration statement has been filed
23 with the Commission as to such security, or while the registration
24 statement is the subject of a refusal order or stop order or (prior to the
25 effective date of the registration statement) any public proceeding or
26 examination under Section 8 of the Securities Act, 15 U.S.C. § 77h.

27 **II.**

28 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED

1 that Defendant and Defendant's agents, servants, employees, attorneys, and all
2 persons in active concert or participation with them who receive actual notice of
3 this Final Judgment by personal service or otherwise are permanently restrained
4 and enjoined from violating Section 17(a) of the Securities Act, 15 U.S.C. §
5 77q(a), in the offer or sale of any security by the use of any means or instruments
6 of transportation or communication in interstate commerce or by use of the mails,
7 directly or indirectly:

- 8 (a) to employ any device, scheme, or artifice to defraud;
- 9 (b) to obtain money or property by means of any untrue statement of a
10 material fact or any omission of a material fact necessary in order to
11 make the statements made, in light of the circumstances under which
12 they were made, not misleading; or
- 13 (c) to engage in any transaction, practice, or course of business which
14 operates or would operate as a fraud or deceit upon the purchaser.

15 **III.**

16 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
17 that Defendant and Defendant's agents, servants, employees, attorneys, and all
18 persons in active concert or participation with them who receive actual notice of
19 this Final Judgment by personal service or otherwise are permanently restrained
20 and enjoined from violating, directly or indirectly, Section 10(b) of the Securities
21 Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5
22 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any means or
23 instrumentality of interstate commerce, or of the mails, or of any facility of any
24 national securities exchange, in connection with the purchase or sale of any
25 security:

- 26 (a) to employ any device, scheme, or artifice to defraud;
- 27 (b) to make any untrue statement of a material fact or to omit to state a
28 material fact necessary in order to make the statements made, in the

1 light of the circumstances under which they were made, not
2 misleading; or

3 (c) to engage in any act, practice, or course of business which operates or
4 would operate as a fraud or deceit upon any person.

5 **IV.**

6 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
7 that, subject to his right to assert, to the extent applicable, his privilege against self-
8 incrimination under the Fifth Amendment to the United States Constitution, the
9 Defendant and his agents, servants, employees, attorneys, and all persons in active
10 concert or participation with them who receive actual notice of this Final Judgment
11 by personal service or otherwise, and any other persons who are in custody,
12 possession or control of any assets, collateral, books, records, papers or other
13 property of or managed by any of the entities in receivership in this action, shall
14 forthwith give access to and control of such property to the permanent receiver. If
15 the Defendant invokes his Fifth Amendment privilege against self-incrimination
16 and asserts that the invocation of such privilege relieves him of the obligation to
17 give access to and control of any item to the permanent receiver, the Defendant
18 shall provide written notice of his invocation of the privilege to the permanent
19 receiver and counsel for the Commission.

20 **V.**

21 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
22 that neither Defendant nor any agent, servant, employee, or attorney of the
23 Defendant shall take any action or purport to take any action, in the name of or on
24 behalf of Westmoore Management, LLC, Westmoore Investment, L.P., Westmoore
25 Capital Management, Inc., and Westmoore Capital, LLC without the written
26 consent of the permanent receiver or order of this Court.

27 **VI.**

28 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**

1 that the Defendant, and his agents, servants, employees, attorneys, and all persons
2 in active concert or participation with them who receive actual notice of this Final
3 Judgment by personal service or otherwise, shall, subject to his right to assert, to
4 the extent applicable, his privilege against self-incrimination under the Fifth
5 Amendment to the United States Constitution, cooperate with and assist the
6 permanent receiver and shall take no action, directly or indirectly, to hinder,
7 obstruct, or otherwise interfere with the permanent receiver or his or her attorneys,
8 accountants, employees, or agents, in the conduct of the permanent receiver's
9 duties or to interfere in any manner, directly or indirectly, with the custody,
10 possession, management, or control by the permanent receiver of the funds, assets,
11 collateral, premises, and choses in action described above.

12 **VII.**

13 IT IS FURTHER ORDERED that, subject to his right to assert, to the extent
14 applicable, his privilege against self-incrimination under the Fifth Amendment to
15 the United States Constitution, the Defendant, shall, to the extent not already
16 completed, within 24 hours of the issuance of this Judgment, cause to be prepared
17 and delivered to the permanent receiver, a detailed and complete schedule of all
18 desktop computers, laptop computers, phones, smartphones, and/or PDA's owned,
19 controlled or used by him for any purpose. The schedule required by this section
20 shall include at a minimum the make, model and description of each device, along
21 with its location, the name of the person primarily assigned to use the device, all
22 passwords necessary to access the device, and all passwords necessary to access
23 and use the software contained on the device. The permanent receiver shall be
24 authorized to make an electronic, digital or hard copy of all of the data contained
25 on the device.

26 **VIII.**

27 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
28 that, subject to his right to assert, to the extent applicable, his privilege against self-

1 incrimination under the Fifth Amendment to the United States Constitution, the
2 Defendant shall, to the extent not already completed, within 24 hours of the entry
3 of this Final Judgment, cause to be prepared and delivered to the permanent
4 receiver a detailed and complete schedule of all passwords, usernames,
5 identification numbers and similar information for all web sites, email accounts,
6 and all accounts at any bank, financial institution or brokerage firm operated by or
7 to which Westmoore Management, Westmoore Investment, Westmoore Capital
8 Management, and Westmoore Capital have access.

9 **IX.**

10 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
11 that, pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and
12 Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Defendant is
13 prohibited, for 5 years following the date of entry of this Final Judgment, from
14 acting as an officer or director of any issuer that has a class of securities registered
15 pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to
16 file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

17 **X.**

18 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
19 that Defendant is liable for disgorgement of \$312,843.37, representing profits
20 gained as a result of the conduct alleged in the Complaint, together with
21 prejudgment interest thereon in the amount of \$49,421.69, for a total of
22 \$362,265.06, and a civil penalty in the amount of \$130,000 pursuant to Section
23 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the
24 Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant shall satisfy this obligation by
25 paying \$492,265.06 within 60 days after entry of this Final Judgment to the
26 permanent receiver in this action, together with a cover letter specifying that
27 payment is being made pursuant to this Final Judgment. Defendant shall
28 simultaneously transmit photocopies of such payment and letter to the

1 Commission's counsel in this action. By making this payment, Defendant
2 relinquishes all legal and equitable right, title, and interest in such funds, and no
3 part of the funds shall be returned to Defendant. Defendant shall pay post-
4 judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

5 The permanent receiver may by motion propose a plan to distribute the
6 monies paid by Defendant subject to the Court's approval. Pursuant to the
7 provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002, the civil penalty
8 paid by Defendant may be added to and become part of the disgorgement fund.
9 Regardless of whether any distribution is made, amounts ordered to be paid as civil
10 penalties pursuant to this Judgment shall be treated as penalties paid to the
11 government for all purposes, including all tax purposes. To preserve the deterrent
12 effect of the civil penalty, Defendant shall not, after offset or reduction of any
13 award of compensatory damages in any Related Investor Action based on
14 Defendant's payment of disgorgement in this action, argue that he is entitled to,
15 nor shall he further benefit by, offset or reduction of such compensatory damages
16 award by the amount of any part of Defendant's payment of a civil penalty in this
17 action ("Penalty Offset"). If the court in any Related Investor Action grants such a
18 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
19 the Penalty Offset, notify the Commission's counsel in this action and pay the
20 amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
21 Commission directs. Such a payment shall not be deemed an additional civil
22 penalty and shall not be deemed to change the amount of the civil penalty imposed
23 in this Judgment. For purposes of this paragraph, a "Related Investor Action"
24 means a private damages action brought against Defendant by or on behalf of one
25 or more investors based on substantially the same facts as alleged in the Complaint
26 in this action.

27 **XI.**

28 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, except

1 as otherwise ordered by this Court, Defendant and Defendant’s agents, servants,
 2 employees, attorneys, and those persons in active concert or participation with any
 3 of them, who receive actual notice of this Order, by personal service or otherwise,
 4 and each of them, be and hereby are restrained and enjoined from, directly or
 5 indirectly transferring, assigning, selling, hypothecating, changing, wasting,
 6 dissipating, converting, concealing, encumbering, or otherwise disposing of, in any
 7 manner, any funds, assets, securities, claims, or other real or personal property,
 8 including any notes or deeds of trust or other interests in real property, wherever
 9 located, of Defendant, whether owned by, controlled by, managed by or in the
 10 possession or custody of Defendant and from transferring, encumbering,
 11 dissipating, incurring charges, or cash advances on any credit card or the credit
 12 arrangements of Defendant.

13 **XII.**

14 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
 15 that, except as otherwise ordered by this Court, the previously ordered freeze shall
 16 continue in place on all monies and assets (with an allowance for necessary and
 17 reasonable living expenses to be granted only upon good cause shown by
 18 application to the Court with notice to and an opportunity for the Commission to
 19 be heard) in all accounts at any bank, financial institution or brokerage firm
 20 (including any futures commission merchant), or internet or “e-currency” payment
 21 processor, all certificates of deposit, and other funds or assets, held in the name of,
 22 for the benefit of, or over which account authority is held by Defendant including,
 23 but not limited to, the accounts set forth below:

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INSTITUTION	ACCOUNT HOLDER	ACCOUNT NO. (LAST 4 DIGITS)
Bank of America	Matt Jennings	1000
C.K. Cooper	Matthew Jennings	0091

INSTITUTION	ACCOUNT HOLDER	ACCOUNT NO. (LAST 4 DIGITS)
C.K. Cooper	Recovery Capital Corp.	7498
Southwest Securities	Matthew and Jeanine Jennings	3196
Southwest Securities	Matthew Jennings FBO Luke Estrada	5224

XIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of Sections XI and XII of this Judgment shall remain in full force and effect until the permanent receiver files a report or other notice, informing the Court and the parties of receipt of funds fully satisfying Defendant's obligations under Section X of this Judgment. Assets frozen pursuant to Sections XII and/or XIII of this Judgment may be liquidated to satisfy the amounts owed pursuant to Section X of this Judgment pursuant to the following procedures: The Defendant must provide written instructions to any financial institution holding an asset that the Defendant intends to liquidate in satisfaction of this judgment which instructions must (1) be signed by the permanent receiver indicating his acknowledgment of the instructions, (2) specifically identify the asset or assets to be liquidated, and (3) instruct the financial institution to pay the proceeds of the liquidation directly to the permanent receiver. Within two business days of receipt of funds fully satisfying Defendant's obligations under Section X of this Judgment, the receiver shall file a report or other notice informing the Court and the parties of the receipt of those funds.

XIV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, except as otherwise ordered by this Court, and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are

1 permanently restrained and enjoined from, directly or indirectly: destroying,
2 mutilating, concealing, transferring, altering, or otherwise disposing of, in any
3 manner, any documents, which includes all books, records, computer programs,
4 computer files, computer printouts, contracts, correspondence, memoranda,
5 brochures, or any other documents of any kind in their possession, custody or
6 control, however created, produced, or stored (manually, mechanically,
7 electronically, or otherwise), pertaining in any manner to Defendants Westmoore
8 Management, LLC, Westmoore Investment, L.P., Westmoore Capital
9 Management, Inc., and Westmoore Capital, LLC, and their subsidiaries and
10 affiliates. Defendant may satisfy his obligation under this paragraph as to any
11 particular document by turning that document over to the permanent receiver.

12 **XV.**

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

17 **XVI.**

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

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XVII.

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 Final Judgment forthwith and without further notice.

DATED: AUG 12, 2011



HONORABLE ANDREW J. GUILFORD
UNITED STATES DISTRICT JUDGE

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