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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

PACIFIC WEST CAPITAL GROUP,
INC.; ANDREW B CALHOUN IV;
PWCG TRUST; BRENDA
CHRISTINE BARRY; BAK WEST,
INC.; ANDREW B CALHOUN JR.;
ERIC CHRISTOPHER CANNON;
CENTURY POINT, LLC; MICHAEL
WAYNE DOTTA; and CALEB
AUSTIN MOODY (dba SKY
STONE),

Defendants.

Case No. 2:15-cv-02563 FMO (FFMx)

**JUDGMENT AS TO DEFENDANT
ANDREW B CALHOUN JR.**

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

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating Section 15(a) of the Exchange
11 Act [15 U.S.C § 78o(a)] by making use of the mails or any means or instrumentality
12 of interstate commerce to effect any transaction in, or to induce or attempt to induce
13 the purchase or sale of, any security, without being registered as a broker or dealer in
14 accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

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

21 **II.**

22 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
23 permanently restrained and enjoined from violating Section 5 of the Securities Act
24 [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable
25 exemption:

- 26 (a) Unless a registration statement is in effect as to a security, making use of
27 any means or instruments of transportation or communication in
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1 interstate commerce or of the mails to sell such security through the use
2 or medium of any prospectus or otherwise;

3 (b) Unless a registration statement is in effect as to a security, carrying or
4 causing to be carried through the mails or in interstate commerce, by any
5 means or instruments of transportation, any such security for the purpose
6 of sale or for delivery after sale; or

7 (c) Making use of any means or instruments of transportation or
8 communication in interstate commerce or of the mails to offer to sell or
9 offer to buy through the use or medium of any prospectus or otherwise
10 any security, unless a registration statement has been filed with the
11 Commission as to such security, or while the registration statement is the
12 subject of a refusal order or stop order or (prior to the effective date of
13 the registration statement) any public proceeding or examination under
14 Section 8 of the Securities Act [15 U.S.C. § 77h].

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

21 **III.**

22 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
23 liable for disgorgement of \$104,800.00, representing profits gained as a result of the
24 conduct alleged in the Complaint, together with prejudgment interest thereon in the
25 amount of \$11,445.49, jointly and severally with Pacific West Capital Group, Inc.,
26 and a civil penalty in the amount of \$7,500.00 pursuant to Section 20(d) of the
27 Securities Act [15 U.S.C. § 77t(d)], and Section 21(d)(3) of the Exchange Act [15
28 U.S.C. § 78u(d)(3)]. Defendant shall satisfy this obligation by paying \$123,745.49 to

1 the Securities and Exchange Commission (“SEC”) pursuant to the terms of the
2 payment schedule set forth in paragraph IV below after entry of this Final Judgment.

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

9 Enterprise Services Center
10 Accounts Receivable Branch
11 6500 South MacArthur Boulevard
12 Oklahoma City, OK 73169

13 and shall be accompanied by a letter identifying the case title, civil action number,
14 and name of this Court; Andrew B Calhoun Jr. as a defendant in this action; and
15 specifying that payment is made pursuant to this Final Judgment.

16 Defendant shall simultaneously transmit photocopies of evidence of payment
17 and case identifying information to the SEC’s counsel in this action. By making this
18 payment, Defendant relinquishes all legal and equitable right, title, and interest in
19 such funds and no part of the funds shall be returned to Defendant.

20 The SEC may enforce the Court’s judgment for disgorgement and prejudgment
21 interest by moving for civil contempt (and/or through other collection procedures
22 authorized by law) at any time after 14 days following entry of this Final Judgment.
23 Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28
24 U.S.C. § 1961. The SEC shall hold the funds, together with any interest and income
25 earned thereon (collectively, the “Fund”), pending further order of the Court.

26 The SEC may propose a plan to distribute the Fund subject to the Court’s
27 approval. Such a plan may provide that the Fund shall be distributed pursuant to the
28 Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The

1 Court shall retain jurisdiction over the administration of any distribution of the Fund.
2 If the SEC staff determines that the Fund will not be distributed, the SEC shall send
3 the funds paid pursuant to this Final Judgment to the United States Treasury.

4 Regardless of whether any such Fair Fund distribution is made, amounts
5 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
6 penalties paid to the government for all purposes, including all tax purposes. To
7 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
8 reduction of any award of compensatory damages in any Related Investor Action
9 based on Defendant's payment of disgorgement in this action, argue that he is entitled
10 to, nor shall he further benefit by, offset or reduction of such compensatory damages
11 award by the amount of any part of Defendant's payment of a civil penalty in this
12 action ("Penalty Offset"). If the court in any Related Investor Action grants such a
13 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
14 the Penalty Offset, notify the SEC's counsel in this action and pay the amount of the
15 Penalty Offset to the United States Treasury or to a Fair Fund, as the SEC directs.
16 Such a payment shall not be deemed an additional civil penalty and shall not be
17 deemed to change the amount of the civil penalty imposed in this Judgment. For
18 purposes of this paragraph, a "Related Investor Action" means a private damages
19 action brought against Defendant by or on behalf of one or more investors based on
20 substantially the same facts as alleged in the Complaint in this action.

21 **IV.**

22 Calhoun shall pay the total of disgorgement, prejudgment interest, and penalty
23 due of \$123,745.49 in two installments to the SEC according to the following
24 schedule: (1) \$7,500 within 14 days of entry of this Final Judgment; (2) \$116,245.49
25 within 365 days of entry of this Final Judgment. Payments shall be deemed made on
26 the date they are received by the SEC and shall be applied first to post-judgment
27 interest, which accrues pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after
28 14 days of the entry of Final Judgment. Prior to making the final payments set forth

1 herein, Calhoun shall contact the staff of the SEC for the amount due for the final
2 payment.

3 If Calhoun fails to make any payment by the date agreed and/or in the amount
4 agreed according to the schedule set forth above, all outstanding payments under this
5 Final Judgment, including post-judgment interest, minus any payments made, shall
6 become due and payable immediately at the discretion of the staff of the SEC without
7 further application to the Court.

8 **V.**

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

13 **VI.**

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

23 **VII.**

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

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VIII.

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.

IT IS SO ORDERED.

Dated: June 26, 2018

/s/
HON. FERNANDO M. OLGUIN
UNITED STATES DISTRICT JUDGE

Presented by:
John B. Bulgozdy
Gary Y. Leung
Attorneys for Plaintiff
Securities and Exchange Commission