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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

MEDICAL CAPITAL HOLDINGS,
INC.; MEDICAL CAPITAL
CORPORATION; MEDICAL
PROVIDER FUNDING
CORPORATION VI; SIDNEY M.
FIELD; and JOSEPH J.
LAMPARIELLO,

Defendants.

Case No. 09-CV-818 DOC (RNBx)
**FINAL JUDGMENT AS TO
DEFENDANT SIDNEY M. FIELD
[1350]**

1 The Securities and Exchange Commission (“SEC”) having filed a
2 Complaint, First Amended Complaint, and Second Amended Complaint, and
3 Defendant Sidney M. Field (“Field”) having entered a general appearance;
4 consented to the Court’s jurisdiction over Defendant and the subject matter of this
5 action; consented to entry of this Final Judgment, waived findings of fact and
6 conclusions of law; waived any right to appeal from this Final Judgment; and
7 Defendant having admitted that material factual allegations in the Second
8 Amended Complaint are true, as set forth in the Consent of Sidney M. Field, and
9 having acknowledged that his conduct violated federal securities laws:

10 **I.**

11 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
12 is permanently restrained and enjoined from violating, directly or indirectly,
13 Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15
14 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5,
15 by using any means or instrumentality of interstate commerce, or of the mails, or
16 of any facility of any national securities exchange, in connection with the purchase
17 or sale of any security:

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

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
26 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
27 binds the following who receive actual notice of this Final Judgment by personal
28 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and

1 attorneys; and (b) other persons in active concert or participation with Defendant
2 or with anyone described in (a).

3 **II.**

4 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that
5 Defendant is permanently restrained and enjoined from violating Section 17(a) of
6 the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a), in the offer or
7 sale of any security by the use of any means or instruments of transportation or
8 communication in interstate commerce or by use of the mails, directly or
9 indirectly:

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

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

24 **III.**

25 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
26 that Defendant is liable for disgorgement of \$7,981,024.64 , representing profits
27 gained as a result of conduct alleged in the Second Amended Complaint.

1 Defendant shall satisfy this obligation pursuant to the terms of the payment
2 schedule set forth in paragraph V below after entry of this Final Judgment.

3 **IV.**

4 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that
5 Defendant shall pay a civil penalty in the amount of \$7,981,024.64 to the
6 Securities and Exchange Commission pursuant to Section 20(d) of the Securities
7 Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. §
8 78u(d)(3). Defendant shall satisfy this obligation pursuant to the terms of the
9 payment schedule set forth in paragraph V below after entry of this Final
10 Judgment.

11 **V.**

12 Defendant shall pay \$2,800,000.00 according to the following schedule: (1)
13 \$400,000.00 to be placed in escrow and then paid to the Receiver within five days
14 of entry of the Final Judgment; and (2) \$2,400,000.00 to be paid to the SEC no
15 later than 24 months after the date of entry of the Final Judgment. Payment of the
16 \$2,400,000.00 shall be deemed made on the date it is received by the SEC.
17 Payment of the entire amount of \$2,800,000.00 as provided herein will be deemed
18 to satisfy the Defendant's obligation to pay disgorgement and a civil penalty as
19 ordered in paragraphs III and IV of this Final Judgment. Post-judgment interest
20 shall not accrue if payments are made as required in this paragraph.

21 If Defendant fails to make any payment by the date agreed and/or in the
22 amount agreed according to the schedule set forth above, all amounts set forth for
23 disgorgement and penalty in paragraphs III and IV under this Final Judgment,
24 including post-judgment interest from the date of entry of the Final Judgment,
25 minus any payments made, shall become due and payable immediately at the
discretion of the staff of the SEC without further application to the Court.

26 Defendant may transmit payment electronically to the SEC, which will
27 provide detailed ACH transfer/Fedwire instructions upon request. Payment may

1 also be made directly from a bank account via Pay.gov through the SEC website at
2 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified
3 check, bank cashier's check, or United States postal money order payable to the
4 Securities and Exchange Commission, which shall be delivered or mailed to

5 Enterprise Services Center

6 Accounts Receivable Branch

7 6500 South MacArthur Boulevard

8 Oklahoma City, OK 73169

9 and shall be accompanied by a letter identifying the case title, civil action number,
10 and name of this Court; Field's name as a defendant in this action; and specifying
11 that payment is made pursuant to this Final Judgment.

12 Defendant shall simultaneously transmit photocopies of evidence of
13 payment and case identifying information to the SEC's counsel in this action. By
14 making this payment, Defendant relinquishes all legal and equitable right, title, and
15 interest in such funds and no part of the funds shall be returned to Defendant.

16 The SEC shall hold the funds (collectively, the "Fund") and may propose a
17 plan to distribute the Fund subject to the Court's approval. The Court shall retain
18 jurisdiction over the administration of any distribution of the Fund. If the SEC
19 staff determines that the Fund will not be distributed, the SEC shall send the funds
20 paid pursuant to this Final Judgment to the United States Treasury.

21 The SEC may propose a plan to distribute the Fund subject to the Court's
22 approval. Such a plan may provide that the Fund shall be distributed pursuant to
23 the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002.
24 The Court shall retain jurisdiction over the administration of any distribution of the
25 Fund. If the SEC staff determines that the Fund will not be distributed, the SEC
26 shall send the funds paid pursuant to this Final Judgment to the United States
27 Treasury.

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

19 The SEC may enforce the Court's judgment for disgorgement and
20 prejudgment interest by moving for civil contempt (and/or through other collection
21 procedures authorized by law) at any time after 14 days following the date any
22 payment for disgorgement is due but not paid in full under the terms of this Final
23 Judgment. Defendant shall pay post judgment interest on any delinquent amounts
24 pursuant to 28 U.S.C. § 1961.

VI.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely
27 for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy
28 Code, 11 U.S.C. §523, the allegations in the Second Amended Complaint are true

1 and admitted by Defendant, and further, any debt for disgorgement, prejudgment
2 interest, civil penalty or other amounts due by Defendant under this Final
3 Judgment or any other judgment, order, consent order, decree or settlement
4 agreement entered in connection with this proceeding, is a debt for the violation by
5 Defendant of the federal securities laws or any regulation or order issued under
6 such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
7 §523(a)(19).

VII.

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 Field shall comply with all of the undertakings and agreements set
12 forth therein.

VIII.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
15 Preliminary Injunction (Dkt. No. 44) entered on August 18, 2009 is vacated as to
16 Field.

IX.

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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X.

There being no just reason for delay, pursuant to Rule 54(b) for 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: February 23, 2016

David O. Carter

**HON. DAVID O. CARTER
UNITED STATES DISTRICT JUDGE**