

JS-6

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

## SECURITIES AND EXCHANGE COMMISSION,

Plaintiff.

V.

THOMAS A. LABRY,  
CHEROKEE GAS SYSTEMS, INC., SHEA  
C. SILVA, and GARY MADDUX

## Defendants.

| Case No. SACV 10-0018 JVS (VBKx)

**JUDGMENT AS TO DEFENDANTS  
THOMAS A. LABRY AND SHEA C.  
SILVA**

20  
21  
22  
23  
24  
25  
26  
27  
28

1 The Securities and Exchange Commission having filed with the Court an  
2 Application for Entry of Default Judgment Against Defendants Thomas A. Labry  
3 and Shea C. Silva (the “Application”) pursuant to Rule 55(b)(2) of the Federal  
4 Rules of Civil Procedure. The Court, having considered the Application, the  
5 Memorandum of Points and Authorities filed in support thereof, the Declarations  
6 of C. Dabney O’Riordan and Michael Thackray filed in support thereof, the  
7 complaints filed in this action, all other documents filed in support of the  
8 Application, and all other argument and evidence presented in support of the  
9 Application, and the Court having granted the Application pursuant to its order of  
10 April 19, 2011:

L.

12 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant  
13 Labry shall pay disgorgement of \$1,129,350.18, representing profits gained as a  
14 result of the conduct alleged in the Complaint, together with prejudgment interest  
15 thereon in the amount of \$50,762.53, for a total of \$1,180,112.71. The payment  
16 shall be delivered or mailed to the Office of Financial Management, Securities and  
17 Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-  
18 3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying  
19 Labry as a defendant in this action; setting forth the title and civil action number of  
20 this action and the name of this Court; and specifying that payment is made  
21 pursuant to this Judgment. Defendant Labry shall pay post-judgment interest on  
22 any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit  
23 the funds paid pursuant to this paragraph to the United States Treasury. The  
24 Commission may enforce the Court's judgment for disgorgement and prejudgment  
25 interest by moving for civil contempt (and/or through other collection procedures  
26 authorized by law) at any time after 14 days following entry of this Judgment. In

1 response to any such civil contempt motion by the Commission, Defendant Labry  
2 may assert any legally permissible defense.

3 **II.**

4 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that  
5 Defendant Silva is liable for disgorgement of \$148,126, representing profits gained  
6 as a result of the conduct alleged in the First Amended Complaint, together with  
7 prejudgment interest thereon in the amount of \$6,658.05, for a total of  
8 \$154,784.05. The payment shall be delivered or mailed to the Office of Financial  
9 Management, Securities and Exchange Commission, Operations Center, 6432  
10 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be  
11 accompanied by a letter identifying Silva as a defendant in this action; setting forth  
12 the title and civil action number of this action and the name of this Court; and  
13 specifying that payment is made pursuant to this Judgment. Defendant Silva shall  
14 pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.  
15 The Commission shall remit the funds paid pursuant to this paragraph to the United  
16 States Treasury. The Commission may enforce the Court's judgment for  
17 disgorgement and prejudgment interest by moving for civil contempt (and/or  
18 through other collection procedures authorized by law) at any time after 14 days  
19 following entry of this Judgment. In response to any such civil contempt motion  
20 by the Commission, Defendant Silva may assert any legally permissible defense.

21 **III.**

22 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that  
23 Defendant Labry shall pay a civil penalty in the amount of \$150,000 pursuant to  
24 Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the  
25 Exchange Act, 15 U.S.C. § 78u(d)(3). Labry shall make this payment within 14  
26 days after entry of this Judgment by certified check, bank cashier's check, or  
27 United States postal money order payable to the Securities and Exchange

1 Commission. The payment shall be delivered or mailed to the Office of Financial  
2 Management, Securities and Exchange Commission, Operations Center, 6432  
3 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be  
4 accompanied by a letter identifying Labry as a defendant in this action; setting  
5 forth the title and civil action number of this action and the name of this Court; and  
6 specifying that payment is made pursuant to this Judgment. Labry shall pay post-  
7 judgment interest on any delinquent amounts pursuant to 26 USC § 1961. The  
8 Commission shall remit the funds paid pursuant to this paragraph to the United  
9 States Treasury.

10 **IV.**

11 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that  
12 Defendant Silva shall pay a civil penalty in the amount of \$150,000 pursuant to  
13 Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the  
14 Exchange Act, 15 U.S.C. § 78u(d)(3). Silva shall make this payment within 14  
15 days after entry of this Judgment by certified check, bank cashier's check, or  
16 United States postal money order payable to the Securities and Exchange  
17 Commission. The payment shall be delivered or mailed to the Office of Financial  
18 Management, Securities and Exchange Commission, Operations Center, 6432  
19 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be  
20 accompanied by a letter identifying Silva as a defendant in this action; setting forth  
21 the title and civil action number of this action and the name of this Court; and  
22 specifying that payment is made pursuant to this Judgment. Silva shall pay post-  
23 judgment interest on any delinquent amounts pursuant to 26 USC § 1961. The  
24 Commission shall remit the funds paid pursuant to this paragraph to the United  
25 States Treasury.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Permanent Injunction as to Defendants Thomas A. Labry and Shea C. Silva previously entered by this Court on April 28, 2011 shall remain in full force and effect.

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.

Dated: November 22, 2011

James V. Kehoe

UNITED STATES DISTRICT JUDGE

Respectfully Submitted by:

s/ C. Dabney O'Riordan  
**C. DABNEY O'RIORDAN**  
Attorneys for Plaintiff  
Securities and Exchange Com