

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**

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:

11 **I.**

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
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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
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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


UNITED STATES DISTRICT JUDGE

Respectfully Submitted by:

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