

1 C. DABNEY O'RIORDAN, Cal. Bar No. 205158  
Email: [oriordand@sec.gov](mailto:oriordand@sec.gov)

2 Attorneys for Plaintiff  
3 Securities and Exchange Commission  
4 Rosalind R. Tyson, Regional Director  
5 John M. McCoy III, Associate Regional Director  
6 5670 Wilshire Boulevard, 11th Floor  
7 Los Angeles, California 90036  
8 Telephone: (323) 965-3998  
9 Facsimile: (323) 965-3908

10 **UNITED STATES DISTRICT COURT**  
11 **CENTRAL DISTRICT OF CALIFORNIA**  
12 **SOUTHERN DIVISION**

13 SECURITIES AND EXCHANGE  
14 COMMISSION,

15 Plaintiff,

16 v.

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

20 Defendants.

Case No. SACV 10-0018 JVS (VBKx)

**JUDGMENT OF DISGORGEMENT,  
PREJUDGMENT INTEREST, AND  
PENALTY AS TO DEFENDANT  
GARY MADDUX**

1 The Securities and Exchange Commission having filed a First Amended  
2 Complaint and Defendant Gary Maddux having entered a general appearance;  
3 consented to the Court's jurisdiction over Defendant Maddux and the subject  
4 matter of this action; consented to entry of this Judgment without admitting or  
5 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 Judgment:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant  
10 Maddux is liable for disgorgement of \$222,195.00, representing profits gained as a  
11 result of the conduct alleged in the First Amended Complaint, together with  
12 prejudgment interest thereon in the amount of \$1,213.12, for a total of  
13 \$223,408.12. The payment shall be delivered or mailed to the Office of Financial  
14 Management, Securities and Exchange Commission, Operations Center, 6432  
15 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be  
16 accompanied by a letter identifying Maddux as a defendant in this action; setting  
17 forth the title and civil action number of this action and the name of this Court; and  
18 specifying that payment is made pursuant to this Judgment. Defendant shall pay  
19 post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.  
20 The Commission shall remit the funds paid pursuant to this paragraph to the United  
21 States Treasury. The Commission may enforce the Court's judgment for  
22 disgorgement and prejudgment interest by moving for civil contempt (and/or  
23 through other collection procedures authorized by law) at any time after 14 days  
24 following entry of this Judgment. In response to any such civil contempt motion  
25 by the Commission, Maddux may assert any legally permissible defense.

26 //

27 //

**II.**

1  
2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Maddux  
3 shall pay a civil penalty in the amount of \$150,000 pursuant to Section 20(d) of the  
4 Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15  
5 U.S.C. § 78u(d)(3). Maddux shall make this payment within 14 days after entry of  
6 this Judgment by certified check, bank cashier's check, or United States postal  
7 money order payable to the Securities and Exchange Commission. The payment  
8 shall be delivered or mailed to the Office of Financial Management, Securities and  
9 Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-  
10 3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying  
11 Maddux as a defendant in this action; setting forth the title and civil action number  
12 of this action and the name of this Court; and specifying that payment is made  
13 pursuant to this Judgment. Maddux shall pay post-judgment interest on any  
14 delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the  
15 funds paid pursuant to this paragraph to the United States Treasury.

**III.**

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

**IV.**

21  
22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this  
23 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms  
24 of this Judgment.

25 //

26 //


27 //

28

V.

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 Judgment forthwith and without further notice.

Dated: April 04, 2011



---

UNITED STATES DISTRICT JUDGE

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28