

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

SAKWINDER SINGH NARWAL, JUSTIN
BECK, BRIAN HILL, AND LARRY DOWNS

Defendants.

Case No. 3:11-cv-00303-JAH-POR

**FINAL JUDGMENT AS TO
DEFENDANT LARRY DOWNS**

1 The Securities and Exchange Commission having filed a Complaint and Defendant Larry
 2 Downs ("Defendant") having entered a general appearance; consented to the Court's jurisdiction
 3 over Defendant and the subject matter of this action; consented to entry of this Final Judgment
 4 without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived
 5 findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

6 I.

7 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and
 8 Defendant's agents, servants, employees, attorneys, and all persons in active concert or
 9 participation with them who receive actual notice of this Final Judgment by personal service or
 10 otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section
 11 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and
 12 Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or
 13 instrumentality of interstate commerce, or of the mails, or of any facility of any national
 14 securities exchange, in connection with the purchase or sale of any security:

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

21 II.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
 23 and Defendant's agents, servants, employees, attorneys, and all persons in active concert or
 24 participation with them who receive actual notice of this Final Judgment by personal service or
 25 otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities
 26 Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the
 27 use of any means or instruments of transportation or communication in interstate commerce or
 28 by use of the mails, directly or indirectly:

- 1 (a) to employ any device, scheme, or artifice to defraud;
- 2 (b) to obtain money or property by means of any untrue statement of a material fact
- 3 or any omission of a material fact necessary in order to make the statements
- 4 made, in light of the circumstances under which they were made, not misleading;
- 5 or
- 6 (c) to engage in any transaction, practice, or course of business which operates or
- 7 would operate as a fraud or deceit upon the purchaser.

8 III.

9 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant

10 is permanently barred from participating in an offering of a penny stock, including engaging in

11 activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or

12 attempting to induce the purchase or sale of any penny stock. A penny stock is any equity

13 security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the

14 Exchange Act [17 C.F.R. 240.3a51-1].

15 IV.

16 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant

17 is liable for disgorgement of \$139,168, representing profits gained as a result of the conduct

18 alleged in the Complaint, together with prejudgment interest thereon in the amount of \$1,312.74,

19 for a total of \$140,480.74 on a joint and several basis with Justin Beck and Brian Hill. Based on

20 Defendant's sworn representations in his Statement of Financial Condition dated September 1,

21 2010, and other documents and information submitted to the Commission, however, the Court is

22 not ordering Defendant to pay a civil penalty and disgorgement and pre-judgment interest

23 thereon is waived. The determination not to impose a civil penalty and to waive payment of

24 disgorgement and pre-judgment interest is contingent upon the accuracy and completeness of

25 Defendant's Statement of Financial Condition. If at any time following the entry of this Final

26 Judgment the Commission obtains information indicating that Defendant's representations to the

27 Commission concerning his assets, income, liabilities, or net worth were fraudulent, misleading,

28 inaccurate, or incomplete in any material respect as of the time such representations were made,

1 the Commission may, at its sole discretion and without prior notice to Defendant, petition the
2 Court for an order requiring Defendant to pay disgorgement, pre-judgment and post-judgment
3 interest thereon, and the maximum civil penalty allowable under the law. In connection with any
4 such petition, the only issue shall be whether the financial information provided by Defendant
5 was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the time such
6 representations were made. In its petition, the Commission may move this Court to consider all
7 available remedies, including, but not limited to, ordering Defendant to pay funds or assets,
8 directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The
9 Commission may also request additional discovery. Defendant may not, by way of defense to
10 such petition: (1) challenge the validity of the Consent or this Final Judgment; (2) contest the
11 allegations in the Complaint filed by the Commission; (3) assert that payment of disgorgement,
12 pre-judgment and post-judgment interest or a civil penalty should not be ordered; (4) contest the
13 amount of disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition
14 of the maximum civil penalty allowable under the law; or (6) assert any defense to liability or
15 remedy, including, but not limited to, any statute of limitations defense.

16 V.

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

20 VI.

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

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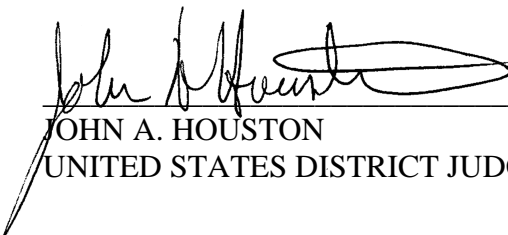
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VII.

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.

Dated: February 22, 2011



JOHN A. HOUSTON
UNITED STATES DISTRICT JUDGE