

JS-6

NOTE: CHANGES MADE BY THE COURT

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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,
vs.

HIGH PARK INVESTMENT GROUP,
INC., a Nevada corporation, HARBOR
FINANCIAL INVESTMENT GROUP,
INC., a Nevada corporation, EDWARD
R. SHOWALTER,

Defendants.

Case No. SACV05-1090 CJC (MLGx)

**ORDER AND FINAL JUDGMENT
AS TO DEFENDANT EDWARD R.
SHOWALTER**

FINAL JUDGMENT AS TO DEFENDANT EDWARD R. SHOWALTER

Before the Court is the application of Plaintiff Securities and Exchange Commission (the “Commission”) for entry of a default judgment against Defendant Edward R. Showalter (“Defendant”) pursuant to Rule 55(b)(2) of the Federal Rules of Civil Procedure and Local Rule 55-1. The Court, having considered the Commission’s application, the memorandum of points and authorities filed in support of the application, the declaration including exhibits relating thereto, and other files and records of this case, orders as follows:

I.

IT IS ORDERED that the Commission’s application for entry of a default judgment against Defendant is hereby GRANTED.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant’s agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 5 of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or

1 (c) Making use of any means or instruments of transportation or
2 communication in interstate commerce or of the mails to offer to sell
3 or offer to buy through the use or medium of any prospectus or
4 otherwise any security, unless a registration statement has been filed
5 with the Commission as to such security, or while the registration
6 statement is the subject of a refusal order or stop order or (prior to the
7 effective date of the registration statement) any public proceeding or
8 examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

9 **III.**

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

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

25
26 **IV.**

27 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
28 that Defendant and Defendant's agents, servants, employees, attorneys, and all

1 persons in active concert or participation with them who receive actual notice of
2 this Judgment by personal service or otherwise are permanently restrained and
3 enjoined from violating, directly or indirectly, Section 10(b) of the Securities
4 Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5
5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or
6 instrumentality of interstate commerce, or of the mails, or of any facility of any
7 national securities exchange, in connection with the purchase or sale of any
8 security:

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

16 **V.**

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, given the
18 Defendant's lengthy criminal sentence and \$15 million restitution order in the
19 parallel criminal case (*see United States v. Showalter*, Case No. SACR 06-00129-
20 AG, and the fact that all available assets have been distributed by the trustee in the
21 related bankruptcy action (*see In re High Park Investment Group, Inc.*, 8:06-bk-
22 11254-ES (C.D. Cal, Santa Ana Division) and with the consent of the Commission,
23 the Commission's claims for disgorgement, prejudgment interest, and civil
24 penalties are hereby dismissed.

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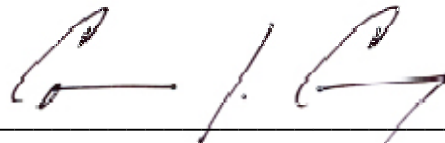
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VI.

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: August 5, 2015

A handwritten signature in dark ink, appearing to be "L. J. G.", is written over a horizontal line.

UNITED STATES DISTRICT JUDGE