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

14 SECURITIES AND EXCHANGE  
15 COMMISSION,

16 Plaintiff,

17 vs.

18 SAFEVEST, LLC; JON G. ERVIN; and  
19 JOHN V. SLYE;

20 Defendants.

Case No. SACV08-00473 JVS (MLGx)

**ORDER GRANTING MOTION BY  
PLAINTIFF SECURITIES AND  
EXCHANGE COMMISSION FOR  
SUMMARY JUDGMENT AGAINST  
JOHN V. SLYE; FINAL  
JUDGMENT IMPOSING  
PERMANENT INJUNCTION,  
DISGORGEMENT AND CIVIL  
PENALTY**

21 This matter came on for hearing on the Motion by Plaintiff Securities and  
22 Exchange Commission (“Commission”) for Summary Judgment against Defendant  
23 John V. Slye (“Slye”), made pursuant to Fed. R. Civ. P. 56. The Court, having  
24 considered the memoranda and evidence filed by the parties, and all other  
25 argument and evidence presented to it:

26 **I.**

27 IT IS HEREBY ORDERED that the Motion By Plaintiff Securities And  
28 Exchange Commission For Summary Judgment Against Defendant John V. Slye is  
GRANTED.

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**II.**

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2 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that  
3 defendant Slye and his agents, servants, employees, and attorneys, and those  
4 persons in active concert or participation with any of them, who receive actual  
5 notice of this Final Judgment, by personal service or otherwise, and each of them,  
6 be and hereby are permanently restrained and enjoined from, directly or indirectly,  
7 in the offer or sale of any securities, by the use of any means or instruments of  
8 transportation or communication in interstate commerce or by use of the mails:

- 9 A. employing any device, scheme or artifice to defraud;
- 10 B. obtaining money or property by means of any untrue statement of a  
11 material fact or any omission to state a material fact necessary in order  
12 to make the statements made, in light of the circumstances under  
13 which they were made, not misleading; or
- 14 C. engaging in any transaction, practice, or course of business which  
15 operates or would operate as a fraud or deceit upon the purchaser;
- 16 in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

**III.**

17  
18 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that  
19 defendant Slye and his agents, servants, employees, and attorneys, and those  
20 persons in active concert or participation with any of them, who receive actual  
21 notice of this Final Judgment, by personal service or otherwise, and each of them,  
22 be and hereby are permanently restrained and enjoined from, directly or indirectly,  
23 in connection with the purchase or sale of any security, by the use of any means or  
24 instrumentality of interstate commerce, or of the mails, or of any facility of any  
25 national securities exchange:

- 26 A. employing any device, scheme or artifice to defraud;
- 27 B. making any untrue statement of a material fact or omitting to state a  
28 material fact necessary in order to make the statements made, in the

1 light of the circumstances under which they were made, not  
2 misleading; or

3 C. engaging in any act, practice, or course of business which operates or  
4 would operate as a fraud or deceit upon any person;  
5 in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule  
6 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

7 **IV.**

8 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that  
9 defendant Slye is liable for disgorgement of \$458,840, representing profits gained  
10 as a result of the conduct alleged in the Complaint, together with prejudgment  
11 interest thereon in the amount of \$9,902.31, for a total of \$468,742.31. Defendant  
12 shall satisfy this obligation by paying \$468,742.31 within ten (10) business days  
13 after entry of this Final Judgment by certified check, bank cashier's check, or  
14 United States postal money order payable to Thomas A. Seaman, the Court-  
15 appointed Receiver in this action. The payment shall be delivered or mailed to Mr.  
16 Seaman at 2 Park Plaza, Suite 480, Irvine, CA 92614-3512. Defendant shall pay  
17 post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

18 **V.**

19 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that  
20 defendant Slye shall pay a civil penalty in the amount of \$130,000.00 pursuant to  
21 Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the  
22 Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant shall satisfy this obligation by  
23 paying \$130,000.00 within ten (10) business days after entry of this Final  
24 Judgment by certified check, bank cashier's check, or United States postal money  
25 order payable to the Securities and Exchange Commission. The payment shall be  
26 delivered or mailed to the Office of Financial Management, Securities and  
27 Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-  
28 3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying

1 Slye as the defendant in this action; setting forth the title and civil action number of  
2 this action and the name of this Court; and specifying that payment is made  
3 pursuant to this Final Judgment. The Commission shall remit the funds paid  
4 pursuant to this paragraph to the United States Treasury.

5 **VI.**

6 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that  
7 paragraphs IV. through XIV. of the Preliminary Injunction, which impose an asset  
8 freeze and which govern the conduct of the receivership in this action, shall remain  
9 in full force and effect until further order of this Court.

10 **VII.**

11 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Court  
12 shall retain jurisdiction over this action for the purpose of implementing and  
13 carrying out the terms of this Final Judgment and all orders and decrees which may  
14 be entered herein and to entertain any suitable application or motion for additional  
15 relief within the jurisdiction of this Court.

16 **VIII.**

17 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, there  
18 being no just reason for delay, the Clerk of the Court is hereby directed, pursuant to  
19 Rule 54(b) of the Federal Rules of Civil Procedure, to enter this Final Judgment  
20 forthwith.

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22 Dated: July 10, 2009



23 HONORABLE JAMES V. SELNA  
24 UNITED STATES DISTRICT JUDGE  
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