

scheme. Specifically, the Commission alleged that the Defendant was trading in the common stock of issuers quoted on the National Association of Securities Dealers Automated Quotation System (Nasdaq) whose share prices were being manipulated through unauthorized intrusions and trading in online brokerage accounts of unsuspecting customers at U.S. broker-dealers.

B. Alternative Service Of Process On Defendant

On August 19, 2008, the Court granted the Commission's Motion to Serve the Defendant by Alternative Means on the Defendant through the U.S. broker-dealer, Interactive Brokers, LLC, with whom the Defendant maintained his U.S. accounts. (Docket No. 6). The Commission served broker-dealer Interactive Brokers, LLC with copies of the Summons and Complaint in the manner prescribed in the Order of August 19, 2008.

C. Clerk's Certificate Of Default

On February 24, 2009, the Clerk of the Court certified that the Defendant had been duly served with the Summons and Complaint and that no Answer or other responsive pleading to the Summons and Complaint had been filed by or on behalf of the Defendant and that the time for the Defendant to answer had expired. As of the date of this Motion, the Defendant has not entered an appearance in this case, filed pleadings, or served pleadings upon the Plaintiff.

D. Good Cause Exists To Enter A Default Judgment Against Defendant

The Defendant has not filed an answer to the Complaint or any other responsive pleadings. In consideration of the foregoing, and being fully advised, the Court finds that

good cause exists for granting the Commission's Motion for Default Judgment, Permanent Injunction, and Other Relief.

THEREFORE,

I.

IT IS HEREBY ORDERED that the Commission's Motion for Default Judgment, Permanent Injunction and Other Relief Against the Defendant is hereby granted.

II.

IT IS HEREBY FURTHER ORDERED that Defendant and his officers, directors, subsidiaries, affiliates, agents, servants, employees, attorneys-in-fact, and those persons in active concert or participation with him who receive actual notice of this order by personal service or otherwise, and each of them, are enjoined and restrained from directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or of any facility of any national securities exchange in connection with the purchase or sale of any security from: (1) employing any device, scheme, or artifice to defraud; (2) making any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (3) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person in violation of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. 240.10b-5].

III.

IT IS HEREBY FURTHER ORDERED that Defendant, and his officers, directors, subsidiaries, affiliates, agents, servants, employees, attorneys-in-fact, and those

persons in active concert or participation with them who receive actual notice of this order by personal service or otherwise, and each of them, are enjoined and restrained from, directly or indirectly, in the offer or sale of any security by the use of any means or instruments of transportation, or communication in interstate commerce or by the use of the mails from: (1) employing any device, scheme, or artifice to defraud; (2) obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (3) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser in violation of Section 17(a) of the Securities Act [15 U.S.C. §77q(a)].

IV.

IT IS HEREBY FURTHER ORDERED that the Defendant is liable for disgorgement of \$60,362, representing profits as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$10,494.92, for a total of \$70,856.92. Defendant shall satisfy this obligation by paying \$70,856.92 within ten business days to the Clerk of this Court, together with a cover letter identifying each submitting Defendant by name as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of such payment and letter to the Commission's counsel in this action. By making this payment, Defendant relinquish all legal and equitable right, title, and interest in such funds, and no part of the funds shall be returned to Defendant. The Clerk shall

deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS") or any other type of interest bearing account that is utilized by the Court. These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute the Fund subject to the Court's approval. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

V.

IT IS HEREBY FURTHER ORDERED that Defendant shall pay a third tier civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)(3)] in the amount of \$520,000. Defendant shall make the payment within ten (10) business days after entry of the entry of a Final Judgment setting the amount by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Defendant by name as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment

is made pursuant to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall either remit the funds paid pursuant to this paragraph to the United States Treasury, or to the Clerk of the Court for distribution under the Fair Fund provisions of Section 308 of the Sarbanes Oxley Act of 2002.

VI.

IT IS HEREBY FURTHER ORDERED that the Commission may by motion propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendant's payment of disgorgement in this action, argue that he or she is entitled to, nor shall he or she further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendant's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, the affected Defendant shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this

Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against any Defendant by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

VII.

IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VII.

IT IS HEREBY FURTHER ORDERED that there being no cause for delay, the Clerk of the Court is directed, pursuant to 55(b) of the Federal Rules of Civil Procedure, to enter the Final Judgment for Defendant forthwith.

SO ORDERED.

Dated:

July 6, 2009

/s/ Janet C. Hall
UNITED STATES DISTRICT JUDGE