

UNITED STATES DISTRICT COURT
District of Minnesota

Securities and Exchange Commission

JUDGMENT IN A CIVIL CASE

V.

Case Number: 09-368 ADM/AJB

John W. Lawton; Paramount Partners, LP;
 Crossroad Capital Management, LLC

☐ **Jury Verdict.** This action came before the Court for a trial by jury. The issues have been tried and the jury has rendered its verdict.

☒ **Decision by Court.** This action came to trial or hearing before the Court. The issues have been tried or heard and a decision has been rendered.

IT IS ORDERED AND ADJUDGED THAT:

1. Lawton's Motion to Vacate Permanent Injunction [Docket No. 44] is **DENIED**;
2. The Commission's Motion to Determine Disgorgement and Other Monetary Relief [Docket No. 53] is **GRANTED IN PART** and **DENIED IN PART**;
3. Lawton wishes to terminate his representation by counsel in this matter and proceed pro se. Given the procedural posture of this case, the Court finds that no prejudice to Lawton will result if Lawton proceeds pro se and the Motion to Withdraw [Docket No. 72] is **GRANTED**;
4. Lawton's Motion to Stay/Set Aside Interim Order [Docket No. 76] is **DENIED**;
5. Lawton shall pay disgorgement of \$1,758,788.00 plus prejudgment interest calculated from February 2009 to the date of this Order using the Internal Revenue Service delinquent tax rate for unpaid taxes, and Crossroad shall pay disgorgement of \$2,075,670.00 plus prejudgment interest calculated from February 2009 to the date of this Order using the Internal Revenue Service delinquent tax rate for unpaid taxes, such payment shall be made to the Clerk of this Court;
6. Lawton shall pay a civil penalty in the amount of \$100,000.00 and Crossroad shall pay a civil penalty in the amount of \$500,000.00, such payment shall be made to the Clerk of this Court; and
7. The Court's previous Order of Permanent Injunction [Docket No. 34] is hereby incorporated into this Order.

February 7, 2011

Date

RICHARD D. SLETTEN, CLERK

s/LP Holden

(By)

LP Holden Deputy Clerk