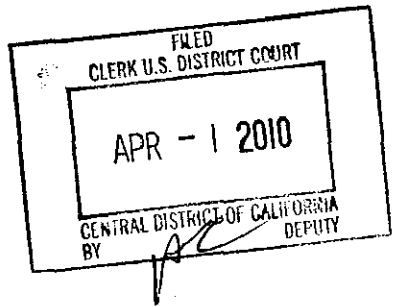


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11 UNITED STATES DISTRICT COURT
12 CENTRAL DISTRICT OF CALIFORNIA

13 SECURITIES AND EXCHANGE
14 COMMISSION,
15 Plaintiff,
16 vs.
17 HORIZON PROPERTY HOLDINGS, L.C.,
18 and CYDNEY SANCHEZ,
19 Defendants.

Case No. CV 09-4340 SVW (JCx)
[PROPOSED] FINAL
JUDGMENT AS TO
DEFENDANTS CYDNEY
SANCHEZ AND HORIZON
PROPERTY HOLDINGS, L.C.

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1 Plaintiff Securities and Exchange Commission having filed a Complaint and
2 Defendants Cydney Sanchez (“Sanchez”) and Horizon Property Holdings, L.C.
3 (“Horizon”) (together, “Defendants”) having entered a general appearance;
4 consented to the Court’s jurisdiction over Defendants and the subject matter of this
5 action; consented to entry of this Final Judgment without admitting or denying the
6 allegations of the Complaint (except as to jurisdiction); waived findings of fact and
7 conclusions of law; and waived any right to appeal from this Final Judgment:

8 **I.**

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

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

25 **II.**

26 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
27 that Defendants and their agents, servants, employees, attorneys, and all persons in
28 active concert or participation with them who receive actual notice of this Final

Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act"), 15 U.S.C. § 77q(a), 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 use of the mails, directly or indirectly:

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

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 5 of 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 **IV.**

10 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED**
11 that Defendants Sanchez and Horizon are jointly and severally liable for
12 disgorgement of \$6,621,076, representing profits gained as a result of the conduct
13 alleged in the Complaint, together with prejudgment interest thereon in the amount
14 of \$28,342, for a total of \$6,649,418. Defendants shall satisfy this obligation by
15 paying \$6,649,418 within 14 days after entry of this Final Judgment to the Clerk of
16 this Court, together with a cover letter identifying Sanchez or Horizon as a
17 defendant in this action; setting forth the title and civil action number of this action
18 and the name of this Court; and specifying that payment is made pursuant to this
19 Final Judgment. Defendants shall simultaneously transmit photocopies of such
20 payment and letter to the Commission's counsel in this action. By making this
21 payment, Defendants relinquish all legal and equitable right, title, and interest in
22 such funds, and no part of the funds shall be returned to either of the Defendants.
23 The Clerk shall deposit the funds into an interest bearing account with the Court
24 Registry Investment System or any other type of interest bearing account that is
25 utilized by the Court. These funds, together with any interest and income earned
26 thereon (collectively, the "Fund"), shall be held in the interest bearing account
27 until further order of the Court. In accordance with 28 U.S.C. § 1914 and the
28 guidelines set by the Director of the Administrative Office of the United States

1 Courts, the Clerk is directed, without further order of this Court, to deduct from the
2 income earned on the money in the Fund a fee equal to ten percent of the income
3 earned on the Fund. Such fee shall not exceed that authorized by the Judicial
4 Conference of the United States. The Commission may propose a plan to
5 distribute the Fund subject to the Court's approval. Defendant shall pay post-
6 judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

7 **V.**

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
9 Defendant Sanchez shall pay a civil penalty in the amount of \$130,000 pursuant to
10 Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the
11 Exchange Act, 15 U.S.C. § 78u(d)(3). Sanchez shall make this payment within 14
12 days after entry of this Final Judgment by certified check, bank cashier's check, or
13 United States postal money order payable to the Securities and Exchange
14 Commission. The payment shall be delivered or mailed to the Office of Financial
15 Management, Securities and Exchange Commission, Operations Center, 6432
16 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be
17 accompanied by a letter identifying Sanchez as a defendant in this action; setting
18 forth the title and civil action number of this action and the name of this Court; and
19 specifying that payment is made pursuant to this Final Judgment. Sanchez shall
20 pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C.
21 § 1961. The Commission shall remit the funds paid pursuant to this paragraph to
22 the United States Treasury.

23 **VI.**

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
25 Defendant Horizon shall pay a civil penalty in the amount of \$650,000 pursuant to
26 Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the
27 Exchange Act, 15 U.S.C. § 78u(d)(3). Horizon shall make this payment within 14
28 days after entry of this Final Judgment by certified check, bank cashier's check, or

1 United States postal money order payable to the Securities and Exchange
2 Commission. The payment shall be delivered or mailed to the Office of Financial
3 Management, Securities and Exchange Commission, Operations Center, 6432
4 General Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be
5 accompanied by a letter identifying Horizon as a defendant in this action; setting
6 forth the title and civil action number of this action and the name of this Court; and
7 specifying that payment is made pursuant to this Final Judgment. Horizon shall
8 pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C.
9 § 1961. The Commission shall remit the funds paid pursuant to this paragraph to
10 the United States Treasury.


11 **VII.**

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
13 Consent of Defendants Cydney Sanchez and Horizon Property Holdings, L.C. is
14 incorporated herein with the same force and effect as if fully set forth herein, and
15 that Defendants shall comply with all of the undertakings and agreements set forth
16 therein.

17 **VIII.**

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

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22 Dated: March 30, 2010

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25 HONORABLE STEPHEN V. WILSON
26 UNITED STATES DISTRICT JUDGE
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