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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

SKY CAPITAL LLC a/k/a GRANTA CAPITAL  
LLC, ROSS MANDELL, STEPHEN SHEA,  
ADAM HARRINGTON RUCKDESCHER, ARN  
WILSON, MICHAEL PASSARO and ROBERT  
GRABOWSKI

Defendants.

09-Civ-6129 (PAC)

ECF CASE

**FINAL DEFAULT JUDGMENT AS TO DEFENDANT ROSS MANDELL**

**WHEREAS**, on July 8, 2009, Plaintiff Securities and Exchange Commission ("Commission") commenced this action by filing a Complaint seeking injunctive and other relief; charging Defendant Ross Mandell. ("Defendant" or "Ross Mandell") with violations of Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)], Section 10(b) of the Securities Exchange Act of 1934 [15 U.S.C. § 78j(b)], Rule 10b-5 [17 C.F.R. § 240.10b-5]; and Section 15(c) of the Exchange Act [15 U.S.C. § 78o(c)];

**WHEREAS**, in accordance with Fed. R. Civ. P. 4(e)(2), the Commission delivered a copy of the Summons and Complaint to Ross Mandell;

**WHEREAS**, Ross Mandell failed to answer, move, or otherwise respond to the Complaint and has not defended this action;

**WHEREAS**, the Clerk of this Court entered Clerk's Certificate of Default against Defendant Ross Mandell on May 20, 2016;

**WHEREAS**, the Court having found that this Court has jurisdiction over Ross Mandell and over the subject matter of this action and the jurisdiction to grant the relief requested by the Commission, the Court being fully advised of the premises:

**I.**

**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 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.

**II.**

**IT IS HEREBY 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 Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using 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:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make 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
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, while acting as brokers or dealers, 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 15(c) of the Exchange Act [15 U.S.C. § 78o(c)] by making use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange of which it is a member, or any security-based swap agreement, by means of any manipulative, deceptive, or other fraudulent device or contrivance.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that disgorgement, prejudgment interest and a civil penalty under 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)], are appropriate in this case. However, as a result of the forfeiture, fine, restitution and incarceration ordered against Defendant in United States v. Ross Mandell, et al., 09-cr-662 (S.D.N.Y.), the Court is not ordering Defendant to pay disgorgement, prejudgment interest, and a civil penalty.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] [and/or Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)]], Defendant is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].


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 Final Default Judgment.

VII.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

Dated: August 4, 2016

  
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UNITED STATES DISTRICT JUDGE