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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 SOUTHERN DIVISION

11 SECURITIES AND EXCHANGE
12 COMMISSION

13 Plaintiff,

14 vs.

15 THOMAS RUBIN AND BGLR
16 ENTERPRISES, LLC

17 Defendants.

Case No. SACV-11-01466 (JVS)

Hon. James V. Selna

**FINAL JUDGMENT AS TO
DEFENDANTS THOMAS RUBIN
AND BGLR ENTERPRISES**

18 Plaintiff Securities and Exchange Commission commenced this action by
19 filing its Complaint against Defendants Thomas Rubin and BGLR Enterprises LLC
20 (“Defendants”). Defendants previously entered general appearances and consented
21 to the Court’s jurisdiction over them and the subject matter of this action. See
22 Docket No.’s 29, 32. Defendant Thomas Rubin also previously consented to: a
23 permanent injunction prohibiting violations of Sections 10(b) of the Exchange Act
24 of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)]; Section 17(a) of the Securities Act
25 of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)]; Sections 5(a) and (c) of the
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1 Securities Act [15 U.S.C. §§ 77e]; a ten-year penny stock bar; the Commission's
2 entitlement to disgorgement and prejudgment interest, and to a civil money penalty
3 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)]. Docket No.
4 32. Defendant BGLR Enterprises LLC previously consented to a permanent
5 injunction prohibiting violations of Sections 5(a) and (c) of the Securities Act [15
6 U.S.C. §§ 77e]; a ten-year penny stock bar; the Commission's entitlement to
7 disgorgement and prejudgment interest, and to a civil money penalty pursuant to
8 Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)].
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12 The Court previously entered Judgments as to Defendants providing, among
13 other things, that the amounts of disgorgement, prejudgment interest, and civil
14 money penalties against each Defendant be determined upon the Commission's
15 motion. *Id.* On October 11, 2013, the Plaintiff filed its motion, along with a
16 declaration in support and memorandum of law to set disgorgement, prejudgment
17 interest, and civil penalty amounts. The Court having reviewed the Plaintiff's
18 motion and supporting materials, having heard from the parties, and being fully
19 advised of the premises, orders as follows:
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23 I.

24 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that
25 Defendants are liable, jointly and severally, for disgorgement of \$1,323,838,
26 representing profits gained as a result of the conduct alleged in the Complaint,
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1 together with prejudgment interest thereon in the amount of \$461, 023, covering the
2 period beginning on December 7, 2006 for trading in Bluefire, for which the
3 proceeds prior to PJI were \$893,237; beginning on September 30, 2006 for
4 Mattman, for which the proceeds prior to PJI were \$165,952; and beginning on
5 October 23, 2006 for Straight Up, for which the proceeds prior to PJI were
6 \$264,649. Defendant Thomas Rubin is further liable for a civil penalty in the
7 amount of \$130,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C. §
8 77t(d)]. Defendants shall satisfy this obligation by paying the full combined
9 amount within 14 days after entry of this Final Judgment by certified check, bank
10 cashier's check, or United States postal money order payable to the Clerk of this
11 Court, together with a cover letter identifying the particular Defendant as a
12 defendant in this action; setting forth the title and civil action number of this action
13 and the name of this Court; and specifying that payment is made pursuant to this
14 Final Judgment. Defendants shall simultaneously transmit photocopies of such
15 payment and letter to the Commission's counsel in this action. By making this
16 payment, each Defendant relinquishes all legal and equitable right, title, and interest
17 in such funds, and no part of the funds shall be returned to Defendant. Defendants
18 shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C.
19 § 1961.

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28 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

1 account that is utilized by the Court. These funds, together with any interest and
2 income earned thereon (collectively, the “Fund”), shall be held in the interest
3 bearing account until further order of the Court. In accordance with 28 U.S.C.
4 § 1914 and the guidelines set by the Director of the Administrative Office of the
5 United States Courts, the Clerk is directed, without further order of this Court, to
6 deduct from the income earned on the money in the Fund a fee equal to ten percent
7 of the income earned on the Fund. Such fee shall not exceed that authorized by the
8 Judicial Conference of the United States.

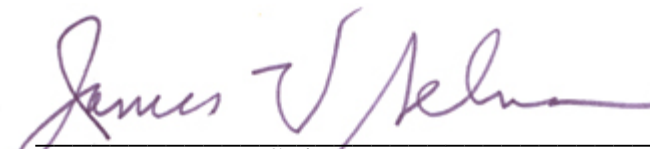
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12 Amounts ordered to be paid as civil penalties pursuant to this Judgment shall
13 be treated as penalties paid to the government for all purposes, including all tax
14 purposes. To preserve the deterrent effect of the civil penalty, Defendants shall not,
15 after offset or reduction of any award of compensatory damages in any Related
16 Investor Action based on Defendant’s payment of disgorgement in this action,
17 argue that it is entitled to, nor shall it further benefit by, offset or reduction of such
18 compensatory damages award by the amount of any part of Defendant’s payment of
19 a civil penalty in this action (“Penalty Offset”). If the court in any Related Investor
20 Action grants such a Penalty Offset, Defendant shall, within thirty (30) days after
21 entry of a final order granting the Penalty Offset, notify the Commission's counsel
22 in this action and pay the amount of the Penalty Offset to the United States
23 Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be
24 deemed an additional civil penalty and shall not be deemed to change the amount of

1 the civil penalty imposed in this Judgment. For purposes of this paragraph, a
2 "Related Investor Action" means a private damages action brought against
3 Defendant by or on behalf of one or more investors based on substantially the same
4 facts as alleged in the Complaint in this action.
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7 II.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this
9 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
10 of this Final Judgment.
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12 Dated: January 22, 2014

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15 Hon. James V. Selna
16 UNITED STATES DISTRICT JUDGE
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PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION, 100 F Street, N.E., Washington, D.C. 20549-5977

Telephone No. (202) 551-4548; Facsimile No. (202) 772-9292.

On October 11, 2013, I caused to be served the document entitled **NOTICE OF LODGING PROPOSED JUDGMENT AS TO THOMAS RUBIN AND BGLR ENTERPRISES AND PROPOSED FINAL JUDGMENT** on all the parties to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency’s practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

UNITED PARCEL SERVICE: By placing in sealed envelope(s) designated by United Parcel Service (“UPS”) with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: October 11, 2013

/s/ David Williams
A. David Williams

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SEC v. RUBIN et al, LLC
United States District Court – Central District of California
SACV-11-01466 (JVS)

SERVICE LIST

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