

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

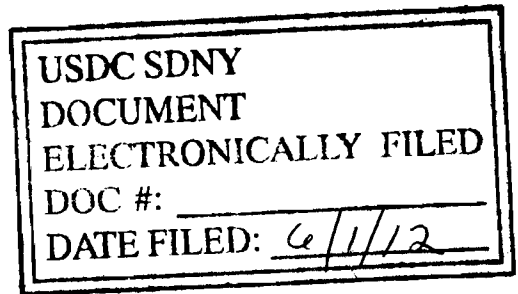
SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

H. CLAYTON PETERSON,
DREW CLAYTON PETERSON,
DREW K. BROWNSTEIN,
and
BIG 5 ASSET MANAGEMENT, LLC,

Defendants.



11 Civ. 5448 (RPP)

ECF CASE

FINAL JUDGMENT AS TO DEFENDANT DREW K. BROWNSTEIN

The Securities and Exchange Commission having filed an Amended Complaint and Defendant Drew K. Brownstein ("Defendant") having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment; waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

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.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is:

- (1) liable for disgorgement of \$130,671.68 representing profits that the Defendant gained in his personal accounts as a result of the conduct alleged in the Amended Complaint, plus pre-judgment interest thereon in the amount of \$8,653.40 for a total of \$139,325.08, provided that Defendant's disgorgement obligations of this amount, including all outstanding pre- and post-judgment interest, is credited by the \$130,672 payment made pursuant to the January 17, 2012 Order of Forfeiture (the "Forfeiture Order") entered against Defendant in the parallel criminal proceeding titled United States v. Drew Brownstein, 11-CR-00904 (RPP) (S.D.N.Y.) (the "Criminal Case");
- (2) liable for disgorgement of \$305,050.96 representing profits that Defendant gained in his relatives' accounts as a result of the conduct alleged in the Amended Complaint, plus pre-judgment interest thereon in the amount of \$14,774.04 for a total of \$319,825, provided that Defendant's disgorgement obligations of this amount,

including all outstanding pre- and post- judgment interest is credited by the \$319,825 payment made pursuant to the Forfeiture Order entered against Defendant in the Criminal Case;

- (3) liable for disgorgement, on a joint and several basis with Defendant Big 5 Asset Management, LLC ("Big 5"), of \$4,148,262.95, representing profits gained by Big 5 hedge funds as a result of the conduct alleged in the Amended Complaint, together with pre-judgment interest thereon in the amount of \$274,709 for a total of \$4,422,971.95, provided that Defendant's disgorgement obligations of this amount, including all outstanding pre- and post-judgment interest, is credited by the \$1,995,359 payment made pursuant to the Forfeiture Order entered against Defendant in the Criminal Case.

Defendant shall satisfy this obligation by paying \$2,436,266.35 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment. Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account or by credit or debit card via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of

this Court; Drew K. Brownstein as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Court is not imposing a civil penalty against Defendant in light of the Judgment entered on January 11, 2012, in United States v. Drew K. Brownstein, pursuant to which Defendant was sentenced to one year and one day imprisonment, three years' supervised release, including six months of home confinement, and ordered to pay a criminal fine of \$7,500 and forfeit \$2.445 million.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

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 Judgment.

VI.

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: June 1, 2012


UNITED STATES DISTRICT JUDGE



**THIS DOCUMENT WAS ENTERED
ON THE DOCKET ON _____**