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8 **UNITED STATES DISTRICT COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA**

10 **SAN FRANCISCO DIVISION**

11 **SECURITIES AND EXCHANGE**
12 **COMMISSION,**

13 **Plaintiff,**

14 **v.**

15 **HERBERT RICHARD LAWSON,**
16 **WILLIAM B. LAWSON, and**
17 **JOHN J. CERULLO,**

18 **Defendants.**

19 Civil No. 3:14-cv-02157-EDL

20 **FINAL JUDGMENT AS**
21 **TO DEFENDANT**
22 **WILLIAM B. LAWSON**

23 The Securities and Exchange Commission having filed a Complaint, and
24 Defendant William B. Lawson (“Defendant”) having entered a general appearance; consented to
25 the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of
26 this Final Judgment without admitting or denying the allegations of the Complaint (except as to
27 jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from
28 this Final Judgment:

I.

1 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and
2 Defendant's agents, servants, employees, attorneys, and all persons in active concert or
3 participation with them who receive actual notice of this Final Judgment by personal service or
4 otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section
5 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [*15 U.S.C. § 78j(b)*] and Rule
6 10b-5 promulgated thereunder [*17 C.F.R. § 240.10b-5*], by using any means or instrumentality of
7 interstate commerce, or of the mails, or of any facility of any national securities exchange, in
8 connection with the purchase or sale of any security:

9

10 (a) to employ any device, scheme, or artifice to defraud;

11 (b) to make any untrue statement of a material fact or to omit to state a material fact
12 necessary in order to make the statements made, in the light of the circumstances
13 under which they were made, not misleading; or

14 (c) to engage in any act, practice, or course of business which operates or would
15 operate as a fraud or deceit upon any person.

16

17 **II.**

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
19 and Defendant's agents, servants, employees, attorneys, and all persons in active concert or
20 participation with them who receive actual notice of this Final Judgment by personal service or
21 otherwise are permanently restrained and enjoined from violating Section 17(a) of the Securities
22 Act of 1933 [*15 U.S.C. § 77q(a)*] in the offer or sale of any security by the use of any means or
23 instruments of transportation or communication in interstate commerce or by use of the mails,
24 directly or indirectly:

25

26 (a) to employ any device, scheme, or artifice to defraud;

27

- (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 FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$1,853,671.28, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$162,442.60, and a civil penalty in the amount of \$1,853,671.28 pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]. Defendant shall satisfy this obligation by paying \$3,869,785.16 to the Securities and Exchange Commission within 14 days. 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 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; William B. Lawson 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,

1 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of
2 the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to
3 this Final Judgment to the United States Treasury.

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

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9 **IV.**

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

13
14 **V.**

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

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18 **VI.**

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

21 IT IS SO ORDERED

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26 Dated: May 20, 2014


UNITED STATES DISTRICT JUDGE