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9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 OAKLAND DIVISION
12

13 SECURITIES AND EXCHANGE COMMISSION,
14 Plaintiff,
15 v.
16 JSG CAPITAL INVESTMENTS, LLC, JSG
CAPITAL, LLC, JSG CAPITAL LLC, JSG
17 ENTERPRISES, LLC, JASWANT S. GILL, AND
JAVIER RIOS,
18 Defendants,
19 JSG MANAGEMENT GROUP, LLC,
20 Relief Defendant.
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Case No. 4:16-CV-2814-JSW

~~[AMENDED PROPOSED]~~
**JUDGMENT AGAINST
DEFENDANTS JSG CAPITAL
INVESTMENTS, LLC, JSG
CAPITAL, LLC, JSG CAPITAL
LLC, JSG ENTERPRISES, LLC,
AND JASWANT S. GILL**

1 This matter came before the Court on the motion of plaintiff Securities and Exchange
2 Commission (the “Commission”). The Court has received and considered the motion, the
3 Commission’s memorandum of points and authorities, and all other submissions, written or oral, at,
4 before, and after the hearing.

5 Good cause appearing, the Court grants the Commission’s motion and orders as follows:

6 **I.**

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

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

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

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

23 **II.**

24 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that
25 Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG
26 Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill, and their officers, agents, servants,
27 employees, attorneys, subsidiaries and affiliates, and those persons in active concert or
28 participation with any of them, who receive actual notice of this Order, by personal service or

1 otherwise, are permanently restrained and enjoined from violating Section 17(a) of the
2 Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any
3 security by the use of any means or instruments of transportation or communication in
4 interstate commerce or by the use of the mails, directly or indirectly:

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

6 (b) to obtain money or property by means of any untrue statement of a material
7 fact or any omission of a material fact necessary in order to make the statements made, in
8 light of the circumstances under which they were made, not misleading; or

9 (c) to engage in any transaction, practice, or course of business which operates or
10 would operate as a fraud or deceit upon the purchaser.

11 **III.**

12 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendants
13 JSG Capital Investments, LLC, and Jaswant Gill, a.k.a. Jason Gill, and their officers, agents, servants,
14 employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation
15 with any of them, who receive actual notice of this Order, by personal service or otherwise, are
16 permanently restrained and enjoined from violating Sections 206(1) and 206(2) of the Advisers Act
17 (15 U.S.C. §§ 80b-6(1), 80b-6(2)), by use of the mails or any means or instrumentality of interstate
18 commerce, and while engaged in the business of advising others for compensation as to the
19 advisability of investing in, purchasing, or selling securities, directly or indirectly:

20 A. employing devices, schemes, and artifices to defraud clients or prospective clients; or

21 B. engaging in acts, practices, or courses of business which operates or would operate as
22 a fraud or deceit upon clients or prospective clients.

23 **IV.**

24 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendants
25 JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and
26 Jaswant Gill, a.k.a. Jason Gill, and their officers, agents, servants, employees, attorneys, subsidiaries
27 and affiliates, and those persons in active concert or participation with any of them, who receive
28 actual notice of this Order, by personal service or otherwise, are permanently restrained and enjoined

1 until further order by this Court from, directly or indirectly participating in the issuance, purchase,
 2 offer, or sale of any security of or through any entity controlled by, or under joint control with, any of
 3 them, and in particular:

4 A. This prohibition includes but is not limited to the securities described as “Fixed Return
 5 Investment Agreements,” “Promissory Fixed Index Investment Agreement,” “Promissory
 6 Compounded Fixed Index Investment Agreement,” “Promissory Investment Note Agreement,”
 7 “Promissory Conversion Investment Note Term Sheet Agreement,” “Promissory Conversion Note
 8 Agreement,” or “Promissory Conversion Investment Note Agreement,” marketed by Defendants JSG
 9 Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant
 10 Gill, a.k.a. Jason Gill or any of them; and

11 B. This prohibition includes but is not limited to the offer or sale of securities, and the
 12 acceptance of any money or anything of value by any of Defendants JSG Capital Investments, LLC,
 13 JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill for
 14 such securities.

15 This injunction shall not prevent Defendant Gill from purchasing or selling securities through
 16 his own personal accounts, or accounts owned for his or his immediate family’s personal benefit,
 17 such as a family trust account, provided that the accounts are in no way funded by investors’ money.

18 **V.**

19 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendants
 20 JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and
 21 Jaswant Gill, a.k.a. Jason Gill, and their officers, agents, servants, employees, attorneys, subsidiaries
 22 and affiliates, and those persons in active concert or participation with any of them, who receive
 23 actual notice of this Order, by personal service or otherwise, are permanently restrained and enjoined
 24 until further order by this Court from directly or indirectly soliciting any person or entity to purchase
 25 or sell any security and from recommending or advising any person or entity with respect to investing
 26 in any security. This injunction shall not prevent Defendant Gill from making investment decisions
 27 for entities created solely for his or his immediate family’s personal benefit, such as a family trust.

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VI.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill, are jointly and severally liable for disgorgement of \$5,712,740.52, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$172,372.77, for a total of \$5,885,113.29. Relief Defendant JSG Management Group, LLC is liable for disgorgement of \$105,650. Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill shall satisfy this obligation by paying \$5,885,113.29 to plaintiff Securities and Exchange Commission within 14 days after entry of this Judgment. Relief Defendant JSG Management Group, LLC shall satisfy this obligation by paying \$105,650 to plaintiff Securities and Exchange Commission within 14 days after entry of this Judgment.

Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill and the Relief 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>. Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill and the Relief 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 following: the case title; the civil action number; the name of this Court; Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill, and Relief Defendant JSG Management Group, LLC, as defendants and the relief defendant in this action; and specifying that

1 payment is made pursuant to this Judgment.

2 Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG
3 Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill and the Relief Defendant shall simultaneously
4 transmit photocopies of evidence of payment and case identifying information to the Commission's
5 counsel in this action. By making this payment, Defendants JSG Capital Investments, LLC, JSG
6 Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill and the
7 Relief Defendant relinquish all legal and equitable right, title, and interest in such funds, and no part
8 of the funds shall be returned to Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG
9 Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill and the Relief Defendant.

10 The Commission shall hold the funds (collectively, the "Fund") and may propose a plan to
11 distribute the Fund subject to the Court's approval. The Court shall retain jurisdiction over the
12 administration of any distribution of the Fund. If the Commission staff determines that the Fund will
13 not be distributed, the Commission shall send the funds paid pursuant to this Judgment to the United
14 States Treasury.

15 The Commission may enforce the Court's judgment for disgorgement and prejudgment
16 interest by moving for civil contempt (and/or through other collection procedures authorized by law)
17 at any time after 14 days following entry of this Judgment. Defendants JSG Capital Investments,
18 LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill
19 shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

20 VII.

21 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendants JSG
22 Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant
23 Gill, a.k.a. Jason Gill, shall jointly and severally pay a civil penalty in the amount of \$5,712,740.52 to
24 plaintiff Securities and Exchange Commission pursuant to Section 20(d) of the Securities Act
25 [15 U.S.C. § 77t(d)], Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)], and Section 209(e) of
26 the Advisers Act [15 U.S.C. § 80b-9(e)]. Defendants JSG Capital Investments, LLC, JSG Capital,
27 LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill shall make this
28 payment within 14 days after entry of this Judgment.

1 Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG
2 Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill may transmit payment electronically to the
3 Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment
4 may also be made directly from a bank account via Pay.gov through the SEC website at
5 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
6 cashier's check, or United States postal money order payable to the Securities and Exchange
7 Commission, which shall be delivered or mailed to

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

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11 and shall be accompanied by a letter identifying following: the case title; the civil action number; the
12 name of this Court; Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC,
13 JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill, as defendants and the relief defendant in
14 this action; and specifying that payment is made pursuant to this Judgment.

15 Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG
16 Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill shall simultaneously transmit photocopies of
17 evidence of payment and case identifying information to the Commission's counsel in this action. By
18 making this payment, Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital
19 LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill relinquish all legal and equitable
20 right, title, and interest in such funds and no part of the funds shall be returned to Defendants JSG
21 Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, and Jaswant
22 Gill, a.k.a. Jason Gill. The Commission shall send the funds paid pursuant to this Judgment to the
23 United States Treasury. Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital
24 LLC, JSG Enterprises, LLC, and Jaswant Gill, a.k.a. Jason Gill shall pay post-judgment interest on
25 any delinquent amounts pursuant to 28 USC § 1961.

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VIII.

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 Judgment.

Dated: September 12, 2017


UNITED STATES DISTRICT JUDGE