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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

THOMAS A. LABRY,  
CHEROKEE GAS SYSTEMS, INC., SHEA  
C. SILVA, and GARY MADDUX

Defendants.

Case No. SACV 10-0018 JVS (VBKx)

**PERMANENT INJUNCTION AS TO  
DEFENDANTS THOMAS A. LABRY  
AND SHEA C. SILVA**

1 The Securities and Exchange Commission having filed with the Court an  
2 Application for Entry of Default Judgment Against Defendants Thomas A. Labry  
3 and Shea C. Silva (the “Application”) pursuant to Rule 55(b)(2) of the Federal  
4 Rules of Civil Procedure. The Court, having considered the Application, the  
5 Memorandum of Points and Authorities filed in support thereof, the Declarations  
6 of C. Dabney O’Riordan and Michael Thackray filed in support thereof, the  
7 complaints filed in this action, all other documents filed in support of the  
8 Application, and all other argument and evidence presented in support of the  
9 Application, finds that:

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11 **I.**

12 For the reasons set forth in a separate Order, the Court has granted the  
13 Commission’s Application for Entry of Default Judgment Against Defendants  
14 Thomas A. Labry and Shea C. Silva.

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16 **II.**

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

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

- 1 (b) to obtain money or property by means of any untrue statement of a  
2 material fact or any omission of a material fact necessary in order to  
3 make the statements made, in light of the circumstances under which  
4 they were made, not misleading; or  
5 (c) to engage in any transaction, practice, or course of business which  
6 operates or would operate as a fraud or deceit upon the purchaser.  
7

8 **III.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that  
10 Defendants Labry and Silva and each of their agents, servants, employees,  
11 attorneys, and all persons in active concert or participation with them who receive  
12 actual notice of this Permanent Injunction by personal service or otherwise are  
13 permanently restrained and enjoined from violating, directly or indirectly, Section  
14 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C.  
15 § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by  
16 using any means or instrumentality of interstate commerce, or of the mails, or of  
17 any facility of any national securities exchange, in connection with the purchase or  
18 sale of any security:

- 19 (a) to employ any device, scheme, or artifice to defraud;  
20 (b) to make any untrue statement of a material fact or to omit to state a  
21 material fact necessary in order to make the statements made, in the  
22 light of the circumstances under which they were made, not  
23 misleading; or  
24 (c) to engage in any act, practice, or course of business which operates or  
25 would operate as a fraud or deceit upon any person.  
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**IV.**

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Silva and his agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Permanent Injunction by personal service or otherwise are permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

V.

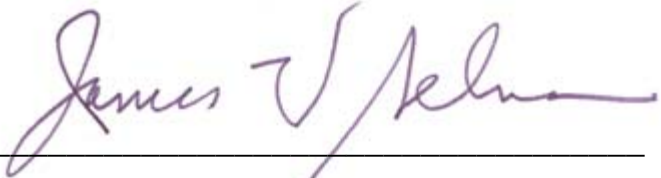
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2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
3 that Defendant Silva and his agents, servants, employees, attorneys, and all persons  
4 in active concert or participation with them who receive actual notice of this  
5 Permanent Injunction by personal service or otherwise are permanently restrained  
6 and enjoined from violating Section 15(a) of the Exchange Act [15 US.C. § 78o(a)]  
7 by not being registered as a broker or dealer with the Commission, while directly  
8 or indirectly, being either a person other than a natural person or a natural person  
9 not associated with a broker or dealer which is a person other than a natural person,  
10 made use of the mails or a means or instrumentality of interstate commerce to  
11 effect transactions in, or to induce or attempt to induce the purchase or sale of,  
12 securities.

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14 VI.

15 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
16 that Defendant Silva and his agents, servants, employees, attorneys, and all persons  
17 in active concert or participation with them who receive actual notice of this  
18 Permanent Injunction by personal service or otherwise are permanently restrained  
19 and enjoined from violating 15(b)(6)(B)(i) of the Exchange Act [15 US.C.  
20 § 78o(b)(6)(B)(i)] from becoming associated with any broker or dealer in  
21 contravention of such the order of the Securities and Exchange Commission  
22 barring him from associating with a broker or dealer.

23 **IT IS SO ORDERED.**

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25 Dated: April 28, 2011

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28 UNITED STATES DISTRICT JUDGE

1 Respectfully Submitted by:

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3 s/ C. Dabney O’Riordan  
4 C. DABNEY O’RIORDAN  
Attorneys for Plaintiff  
Securities and Exchange Commission

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