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10 **UNITED STATES DISTRICT COURT**  
11 **SOUTHERN DISTRICT OF CALIFORNIA**

12 SECURITIES AND EXCHANGE  
COMMISSION,

13 Plaintiff,

14 vs.

15 MOHIT A. KHANNA and MAK 1  
16 ENTERPRISES GROUP, LLC, and  
SHARANJIT K. KHANNA aka SHARANJIT  
17 K. GREWAL,

18 Defendants,

19 and

20 FIRST OPPORTUNITIES MANAGEMENT  
GROUP, INC.,

21 Relief Defendant.  
22

Case No. 09-CV-1784 BEN (POR)

**FIRST AMENDED COMPLAINT FOR  
VIOLATIONS OF THE FEDERAL  
SECURITIES LAWS**

1 Plaintiff Securities and Exchange Commission (“Commission”) alleges as follows:

2 **JURISDICTION AND VENUE**

3 1. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1)  
4 and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§ 77t(b), 77t(d)(1) &  
5 77v(a), and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27 of the Securities Exchange Act of 1934  
6 (“Exchange Act”), 15 U.S.C. §§ 78u(d)(1), 78u(d)(3)(A), 78u(e), and 78aa.

7 2. Venue is proper in this district pursuant to Section 22(a) of the Securities Act, 15  
8 U.S.C. § 77v(a) and Section 27 of the Exchange Act, 15 U.S.C. § 78aa because certain of the  
9 transactions, acts, practices, and courses of conduct constituting the violations alleged herein  
10 occurred within the Southern District of California, the entity defendant is located in this district,  
11 and one or more of the individual defendants reside in this district.

12 3. The defendants, directly and indirectly, have made, and are making, use of the  
13 means and instrumentalities of interstate commerce and of the mails or of the facilities of a  
14 national exchange in connection with the acts, practices, and courses of business alleged herein  
15 in the Southern District of California and elsewhere.

16 **SUMMARY**

17 4. This matter concerns an unregistered fraudulent offer and sale of securities by  
18 defendants Mohit A. Khanna (“M. Khanna”) and Sharanjit K. Khanna aka Sharanjit K. Grewal  
19 (“S. Khanna”) through defendant MAK 1 Enterprises Group, LLC (“MAK 1”) (collectively, the  
20 “Defendants”), an entity controlled by M. Khanna and/or S. Khanna. From 2003 to August  
21 2009, the Defendants raised \$40 million from 220 investors located in multiple states including  
22 Texas, California, Missouri, Kentucky, New York and several others, and M. Khanna claimed an  
23 even higher amount: \$70 million from 300 investors. The Defendants represented that MAK 1  
24 pooled investor funds to invest in various investment programs including foreign currency  
25 products, commercial paper, and other guaranteed investments. S. Khanna solicited investors for  
26 MAK 1, explained that M. Khanna made money for investors, and represented that M. Khanna  
27 could help investors make money because M. Khanna did “a really good job at that.”

28 5. To entice investors, the Defendants falsely promised exorbitant and guaranteed

1 returns ranging from 17% to 27% per year and 40% to 55% for shorter periods of time. M.  
2 Khanna and MAK 1 assured investors that their investments were insured, when in fact they  
3 were not. Additionally, the Defendants falsely held MAK 1 out as a member of “NASD/SIPC”  
4 and failed to disclose that M. Khanna was barred by Financial Industry Regulatory Authority  
5 (FINRA) in 2004 from being associated in any capacity with any FINRA member.

6 6. In just the first quarter of 2009, M. Khanna and S. Khanna misappropriated at  
7 least \$274,000 of investor funds for their personal expenses, including transfers to M. Khanna’s  
8 other company, relief defendant First Opportunities Management Group, Inc. (“First  
9 Opportunities”). M. Khanna and S. Khanna transferred \$90,000 to an offshore account in  
10 Singapore and, from April 2009 to July 2009, made over \$54,000 in payments on behalf of S.  
11 Khanna. S. Khanna currently owns luxurious real properties that may have been purchased with  
12 investor funds.

13 7. The Defendants stopped paying investors in February 2009, but continued  
14 soliciting new investors. As recently as July 2009, the Defendants raised \$150,000 from a family  
15 associated with a charitable foundation in Texas, including an 81-year old individual.

16 8. Starting at least from February 2009, the Defendants began lulling investors with  
17 false claims. As an example, Defendants M. Khanna and MAK 1 enlisted an accountant to  
18 obtain a bank account balance verification letter, which the Defendants then disseminated to  
19 investors. However, the Defendants obtained this letter by providing the accountant with a  
20 phony computerized “screen shot” of MAK 1’s purported bank activity showing that MAK 1 had  
21 more than \$50 million in its bank account. In fact, the average daily balance in that account  
22 during this period never exceeded \$197,000.

23 9. During the summer of 2009, M. Khanna’s assistant, who claimed to be M.  
24 Khanna’s lawyer’s law clerk, continued deceiving investors by falsely claiming that the  
25 Commission’s action had prevented repayments to investors. The same person later openly  
26 ridiculed the investors as being “nutcases,” “whiners” and “losers.”

27 10. Beginning in at least late 2008 and continuing through 2009, S. Khanna was  
28 involved in perpetrating the Defendants’ fraudulent scheme by, among other things, handling the

1 accounting for MAK 1, controlling a MAK 1 bank account as a co-signatory along with M.  
2 Khanna, making interest distributions to a MAK 1 investor in cash, representing that MAK 1 had  
3 “traders overseas,” promoting MAK 1’s 30-day investment (which she called her “favorite”  
4 because it brought in the most revenue for MAK 1), and holding herself out to investors and  
5 financial institutions as an officer and employee of MAK 1.

6 11. The Defendants, by engaging in the conduct described in this First Amended  
7 Complaint, have violated, and unless enjoined will continue to violate, the antifraud provisions  
8 of the federal securities laws.

9 **THE DEFENDANTS**

10 12. **Mohit A. Khanna**, age 32, is a resident of San Diego, California. Khanna was  
11 the CEO of MAK 1. M. Khanna is the owner of relief defendant First Opportunities and is the  
12 spouse of S. Khanna.

13 13. **Sharanjit K. Khanna**, also known as Sharanjit K. Grewal, age 36, resided during  
14 the relevant period in San Diego, California, and more recently in Reston, Virginia. She is M.  
15 Khanna’s wife. S. Khanna has held Series 7, 63 and 65 securities licenses and was associated  
16 with various brokerage and/or investment advisory firms as a representative from 1997 to 2006.  
17 S. Khanna held herself out alternatively as MAK 1’s president and vice-president.

18 14. **MAK 1 Enterprises Group, LLC** is a Nevada limited liability company located  
19 in San Diego, California. It is not registered with the Commission in any capacity and it has not  
20 registered any offering of its securities under the Securities Act or a class of securities under the  
21 Exchange Act. MAK 1 was controlled by M. Khanna and/or S. Khanna.

22 **THE RELIEF DEFENDANT**

23 15. **First Opportunities Management Group, Inc.** is a Nevada corporation, owned  
24 and controlled by M. Khanna. First Opportunities is also MAK 1’s manager.

25 **FACTUAL BACKGROUND**

26 **The Defendants Conducted an Unregistered Offering of Securities**

27 16. From about 2003 to August 2009, Defendants M. Khanna and MAK 1 have raised  
28 at least \$40 million, and potentially as much as \$70 million, from at least 220 investors. M.

1 Khanna told investors orally and through MAK 1's prospectus, that he pooled their funds to  
2 initially invest in "high yielding, guaranteed commercial paper and other guaranteed  
3 investments." At least since April 2008, he changed his strategy to invest the pooled funds in a  
4 series of "individual currency CD units," issued by MAK 1, that purport to trade currency in the  
5 U.S. and on foreign currency markets (the "CD Units").

6 17. MAK 1 received a 1% annual management fee, reduced from 4% as stated in a  
7 2003 prospectus. M. Khanna was the CEO of MAK 1 and the signatory on its bank accounts,  
8 but S. Khanna held co-signatory authority on at least one MAK 1 account in which investor  
9 funds were deposited. The Defendants created and disseminated monthly statements and  
10 occasional letters to investors containing representations about MAK 1's purported investments.  
11 Investors could also access their account detail through MAK 1's website.

12 18. The Defendants initially operated this business through a California entity called  
13 MAK Enterprises, LLC and later through defendant MAK 1. The Defendants cancelled the  
14 California entity after M. Khanna was barred by FINRA in 2004 from being associated in any  
15 capacity with any FINRA member. The bar resulted from certain false representations by M.  
16 Khanna while he was previously employed at a broker-dealer, where he worked with S. Khanna.

17 19. The Defendants solicited investors from multiple states principally by placing the  
18 company's prospectus on its website which could be accessed by the public without any  
19 password protection. Some investors were solicited through word of mouth referral. The  
20 Defendants made no effort to determine whether investors were "accredited" as defined by the  
21 securities laws, or otherwise sophisticated, and did not provide investors with financial  
22 statements.

23 20. Along with their subscription, investors were typically required to sign a  
24 "confidentiality agreement," which required investors to keep certain information confidential  
25 for 10 years. Investors also signed a separate investment agreement, which, similar to a  
26 promissory note, identified the principal amount invested, the guaranteed rate of return, and the  
27 date for any interest and principal payments. Some of these agreements (hereinafter, the  
28 "Notes") had terms ranging from 14 to 30 days with rollover options; others were essentially

1 demand notes, requiring a 30-day notice.

2 21. The Defendants raised money as recently July 2009 from a family associated with  
3 a charitable foundation, which itself is an investor.

4 22. S. Khanna participated in the Defendants' unregistered securities offerings. S.  
5 Khanna held herself out as an officer and employee of MAK 1 since 2002. She represented to a  
6 financial institution that she earned \$93,547 *per month* at MAK 1 and listed as assets certain  
7 accounts which were MAK 1 bank accounts. Business cards identified S. Khanna as MAK 1's  
8 "president" and were made available to investors at the MAK 1 office, where she had her own  
9 office. She solicited investors for MAK 1, including at her gym. On at least one occasion, S.  
10 Khanna pointed out gym members who had invested in MAK 1 to potential investors and  
11 explained that M. Khanna made money for them. On at least one occasion, S. Khanna  
12 represented that M. Khanna would help a potential investor make money and that M. Khanna did  
13 a "really good job at that." S. Khanna also participated in M. Khanna's solicitations of investors  
14 to purchase MAK 1 securities and she accompanied M. Khanna when he met with a MAK 1  
15 investor to review the investor's MAK 1 account statements and the performance of her  
16 investments.

### 17 **The Defendants Operated a Fraudulent Scheme**

#### 18 **Defendants Falsely Promised Inflated and Guaranteed Returns**

19 23. From 2003 to the present, Defendants M. Khanna and MAK 1 falsely promised  
20 investors, orally and in writing, exorbitant returns on their investment. During this period, the  
21 Defendants represented different annual rates of returns ranging from 17% to 27% per year and  
22 40% to 55% for terms ranging from 14 to 30 days. In some instances, M. Khanna promised an  
23 additional 10% annual dividend. M. Khanna promised investors orally and through the  
24 prospectus that these returns were guaranteed. He even confirmed the inflated returns and the  
25 fact that they were guaranteed in each of the Notes given to investors.

26 24. Defendants M. Khanna and MAK 1 deceived investors by highlighting MAK 1's  
27 positive performance history in the prospectus, which showed MAK 1's purported monthly  
28 returns between 17% and 26% for mid-2004 to the present (with a cumulative return of 321% in

1 2008 alone). The prospectus also boasted MAK 1's "proven" performance record over the past  
2 six years and particularly, its consistent double-digit returns, even during down markets.  
3 Contrary to the Defendants' representations, several investors never received these returns. For  
4 some other investors, the Defendants rolled over their ostensible returns upon expiration of the  
5 term of the Note. In early 2009, the Defendants stopped making the promised payments to  
6 investors.

7 25. As recently as April 2009, by which time MAK 1 had ceased paying returns to  
8 investors, S. Khanna represented to at least one investor that she did the accounting for MAK 1.  
9 S. Khanna had also represented she was involved in advertising and promoting MAK 1  
10 investments and that her "favorite" was a 30-day program since that brought MAK 1 the most  
11 revenue. Consistent with these statements, S. Khanna was a co-signatory on one MAK 1 account  
12 along with M. Khanna in 2009 into which investor deposits of at least \$468,000 were made. S.  
13 Khanna personally made MAK 1 interest distributions to an investor, including delivering cash  
14 payments to the investor. S. Khanna perpetuated Defendants' fraudulent scheme by representing  
15 to at least one investor that MAK 1 had "traders overseas."

16 **Defendants Misrepresented that the Investments were Insured**

17 26. Defendants M. Khanna and MAK 1 told investors that their investments were  
18 insured. Specifically, MAK 1's 2003 prospectus stated that investors' accounts had FDIC and  
19 SIPC insurance which guaranteed the original principal as well as any other future deposits. The  
20 same prospectus also stated that a portion of MAK 1's annual management fee was for MAK 1's  
21 payments for "FDIC/SIPC insurance." In fact, MAK 1 has never been a member of FDIC, nor  
22 have its investments ever been insured by FDIC or SIPC.

23 27. From 2003 to at least July 2009, M. Khanna also orally misrepresented to  
24 investors that MAK 1 had purchased policies insuring the investors' principal. Additionally,  
25 MAK 1's 2008 and 2009 prospectuses included language that misled investors into believing that  
26 their investments were insured. Specifically, the prospectus stated that "the insurances [*sic*]  
27 purchased by MAK 1 and the bundling of the investments in CD form along with insurance  
28 underwriting gives [*sic*] the investor a guaranteed investment." To corroborate his false

1 statements, M. Khanna requested the Defendants' insurance agent to send a certificate of liability  
2 insurance to at least 70 individual investors in multiple states specifying that the investor was the  
3 certificate holder. In fact, the insurance policy referenced in the certificates related to MAK 1's  
4 professional liability policy, which did not insure MAK 1's obligations to its investors.

5 **Defendants Concealed Information Relating to M. Khanna's FINRA Bar**

6 28. The prospectus touted MAK 1's years of business experience and track record and  
7 boasted that MAK 1 was the general partner and "sole trading advisor" for the series of currency  
8 trading accounts. MAK 1's website made similar touts about the company and its performance.

9 29. These specific representations are false and misleading and blatantly omit  
10 material facts. Specifically, Defendants failed to disclose that (a) in 2004, M. Khanna, the CEO  
11 of MAK 1, was barred by FINRA from associating in any manner with a FINRA member; and  
12 (b) M. Khanna was found by FINRA in 2004 to have made false representations to investors of  
13 his then firm. In fact, MAK 1's prospectus and its website did not even mention M. Khanna's  
14 name despite the fact that he held himself out as the CEO of MAK 1.

15 30. S. Khanna, who has been married to M. Khanna since at least 2002, did not  
16 disclose the 2004 FINRA bar against M. Khanna to investors.

17 **The Defendants Misappropriated Investor Funds**

18 31. The Defendants did not invest investor monies as represented. MAK 1's  
19 Prospectuses represented that MAK 1's CD Units, with acronyms "CSFSB," "DBALXB," and  
20 "BGTUSA," traded in the U.S. and in foreign currency markets. Additionally, some investors  
21 were provided with two other similar acronyms. All of these representations were false. In fact,  
22 these acronyms are neither valid identification numbers for securities nor are they officially  
23 recognized foreign currency "pairs." These CD Units are fictional and non-existent. S. Khanna  
24 falsely represented to at least one investor that MAK 1 had "traders overseas."

25 32. Just in the first three months in 2009, the Defendants transferred approximately  
26 \$344,000 of investor funds to M. Khanna and \$70,000 to First Opportunities, which M. Khanna  
27 controlled. M. Khanna used these monies to pay for his and S. Khanna's personal expenses  
28 including luxury cars and residential mortgages. Additionally, between April and July 2009, the



1 Defendants used more than \$55,000 of investor funds to pay for S. Khanna's luxury cars and  
2 other expenses. The fact of the transfers and their purpose were never disclosed to the investors.

3 33. S. Khanna, who directly or indirectly received funds misappropriated from  
4 investors in 2009, held signatory authority on one of MAK 1's bank accounts during this period.  
5 Investor deposits into that account exceeded \$468,000 and at least \$78,000 in direct transfers to  
6 M. Khanna were made from that account.

7 34. The Defendants used investor funds to purchase real properties in San Diego and  
8 Los Angeles counties, some of which were held in the name of S. Khanna. Neither M. Khanna  
9 nor the prospectus disclosed that investor funds would be used in this manner.

10 **The Defendants Lulled Investors**

11 35. In or about February 2009, the Defendants stopped making payments of returns to  
12 investors. Despite investor complaints and requests for redemptions, the Defendants continued,  
13 as recently as July 2009, to solicit new investors. During the same period, S. Khanna handled  
14 MAK 1's accounting and was a co-signatory on one of MAK 1's bank accounts. The  
15 Defendants failed to repay MAK 1 investors and instead adopted a number of strategies to  
16 discourage withdrawals and to lull them into believing that their investments were safe and  
17 secure:

18 (a) In February 2009, M. Khanna enlisted an accountant to verify in writing that  
19 MAK 1 had more than \$50 million in its bank account, when the average daily balance in this  
20 account at that time never exceeded \$197,000. For this purpose, M. Khanna faxed a fabricated  
21 "screen shot" of MAK 1's purported account activity at a bank, showing a fictitious ledger  
22 balance of over \$52 million. M. Khanna then disseminated the accountant's false written  
23 verification to investors to mislead them into believing that MAK 1 was "\$50 million strong"  
24 and had sufficient funds to repay them. In July 2009, M. Khanna approached the accountant  
25 for yet another verification letter.

26 (b) In or about April 2009, S. Khanna represented to an investor that MAK 1 had  
27 "traders overseas."

28 (c) In or about June 2009, M. Khanna asked the same accountant to "audit" certain

1 transactional trading documents for MAK 1's purported account at a foreign currency trading  
2 firm. For this purpose, M. Khanna provided the accountant with fictitious trading records for  
3 one month. In fact, M. Khanna and MAK 1 have no accounts at that firm, and the trading  
4 records appear to have been generated from a tutorial/ demonstration page from the firm's  
5 website.

6 (d) The Defendants or their agents continued to promise investors that their money  
7 was safe, that the Defendants had ample funds to repay them, and that the Commission had  
8 filed an action which prevented the Defendants from repaying investors. These representations  
9 were false.

10 **FIRST CLAIM FOR RELIEF**

11 **FRAUD IN THE OFFER OR SALE OF SECURITIES**

12 **Violations of Section 17(a) Of the Securities Act**

13 **(Against All Defendants)**

14 36. The Commission realleges and incorporates by reference paragraphs 1 through 35  
15 above.

16 37. Defendants M. Khanna, S. Khanna, and MAK 1, and each of them, by engaging  
17 in the conduct described above, directly or indirectly, in the offer or sale of securities by the use  
18 of means or instruments of transportation or communication in interstate commerce or by use of  
19 the mails:

- 20 a. with scienter, employed devices, schemes, or artifices to defraud;
- 21 b. obtained money or property by means of untrue statements of a material  
22 fact or by omitting to state a material fact necessary in order to make the  
23 statements made, in light of the circumstances under which they were  
24 made, not misleading; or
- 25 c. engaged in transactions, practices, or courses of business which operated  
26 or would operate as a fraud or deceit upon the purchaser.

27 38. By engaging in the conduct described above, Defendants M. Khanna, S. Khanna,  
28 and MAK 1, and each of them, violated, and unless restrained and enjoined will continue to

1 violate, Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

2 **SECOND CLAIM FOR RELIEF**

3 **FRAUD IN CONNECTION WITH THE PURCHASE OR SALE OF SECURITIES**

4 **Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder**

5 **(Against All Defendants)**

6 39. The Commission realleges and incorporates by reference paragraphs 1 through 35  
7 above.

8 40. Defendants M. Khanna, S. Khanna, and MAK 1, and each of them, by engaging  
9 in the conduct described above, directly or indirectly, in connection with the purchase or sale of a  
10 security, by the use of means or instrumentalities of interstate commerce, of the mails, or of the  
11 facilities of a national securities exchange, with scienter:

- 12 a. employed devices, schemes, or artifices to defraud;
- 13 b. made untrue statements of a material fact or omitted to state a material  
14 fact necessary in order to make the statements made, in light of the  
15 circumstances under which they were made, not misleading; or
- 16 c. engaged in acts, practices, or courses of business which operated or would  
17 operate as a fraud or deceit upon other persons.

18 41. By engaging in the conduct described above, Defendants M. Khanna, S. Khanna,  
19 and MAK 1, and each of them, violated, and unless restrained and enjoined will continue to  
20 violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17  
21 C.F.R. § 240.10b-5.

22 **THIRD CLAIM FOR RELIEF**

23 **UNREGISTERED OFFER AND SALE OF SECURITIES**

24 **Violations of Sections 5(a) and 5(c) of the Securities Act**

25 **(Against All Defendants)**

26 42. The Commission realleges and incorporates by reference paragraphs 1 through 35  
27 above.

28 43. Defendants M. Khanna, S. Khanna, and MAK 1, and each of them, by engaging

1 in the conduct described above, directly or indirectly, made use of means or instruments of  
2 transportation or communication in interstate commerce or of the mails, to offer to sell or to sell  
3 securities, or to carry or cause such securities to be carried through the mails or in interstate  
4 commerce for the purpose of sale or for delivery after sale.

5 44. No registration statement has been filed with the Commission or has been in  
6 effect with respect to the offering alleged herein.

7 45. By engaging in the conduct described above, Defendants M. Khanna, S. Khanna,  
8 and MAK 1, and each of them, violated, and unless restrained and enjoined will continue to  
9 violate, Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c).

10 **PRAYER FOR RELIEF**

11 WHEREFORE, the Commission respectfully requests that the Court:

12 **I.**

13 Issue findings of fact and conclusions of law that the Defendants committed the alleged  
14 violations.

15 **II.**

16 Issue judgments, in a form consistent with Rule 65(d) of the Federal Rules of Civil  
17 Procedure, temporarily, preliminarily, and permanently enjoining Defendants M. Khanna, S.  
18 Khanna, and MAK 1, and their officers, agents, servants, employees and attorneys, and those in  
19 active concert or participation with any of them, who receive actual notice of the order by  
20 personal service or otherwise, and each of them, from violating Sections 5(a) and 5(c) of the  
21 Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c), Section 17(a) of the Securities Act, 15 U.S.C. §  
22 77q(a) and Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17  
23 C.F.R. § 240.10b-5.

24 **III.**

25 Issue, in a form consistent with Rule 65 of the Federal Rules of Civil Procedure, a  
26 temporary restraining order and a preliminary injunction freezing the assets of each of the  
27 Defendants and any entity affiliated with any of them, appointing a receiver over MAK 1,  
28 prohibiting M. Khanna and MAK 1 from destroying documents, granting expedited discovery,

1 repatriating funds, and requiring accountings from M. Khanna and MAK 1.

2 **IV.**

3 Order the Defendants and the Relief Defendant to disgorge all ill-gotten gains from the  
4 illegal conduct alleged herein, together with prejudgment interest thereon.

5 **V.**

6 Order Defendants M. Khanna, S. Khanna, and MAK 1 to pay civil penalties pursuant to  
7 Section 20(d) of the Securities Act, 15 U.S.C. §77t(d) and Section 21(d)(3) of the Exchange Act,  
8 15 U.S.C. §78u(d)(3).

9 **VI.**

10 Issue, in a form consistent with Fed. R. Civ. P. 65, an order appointing a receiver over  
11 Defendant MAK 1 and the assets thereof.

12 **VII.**

13 Retain jurisdiction of this action in accordance with the principles of equity and the  
14 Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and  
15 decrees that may be entered, or to entertain any suitable application or motion for additional  
16 relief within the jurisdiction of this Court.

17 **VIII.**

18 Grant such other and further relief as this Court may determine to be just and necessary.

19  
20  
21 DATED: September 18, 2009

22 /s/ David S. Brown  
23 David S. Brown  
24 Attorney for Plaintiff  
25 Securities and Exchange Commission  
26  
27  
28

**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, 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036-3648

Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908.

On September 18, 2009, I served the document entitled **FIRST AMENDED COMPLAINT FOR VIOLATIONS OF THE FEDERAL SECURITIES LAWS** 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.

**FEDERAL EXPRESS:** By placing in sealed envelope(s) designated by Federal Express with delivery fees paid or provided for, which I deposited in a facility regularly maintained by Federal Express or delivered to a Federal Express 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.

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

**(Federal)** I declare that I am a member of the bar of this Court. I declare under penalty of perjury that the foregoing is true and correct.

Date: September 18, 2009

/s/ David S. Brown  
David S. Brown

1                                    **SEC v. MOHIT A. KHANNA, et al.**  
2                                    **United States District Court – Southern District of California**  
3                                    **Case No. 09CV-1784 BEN (POR)**  
4                                    **(LA-3679)**

5                                    **SERVICE LIST**

6                                    Charles G. La Bella (served by electronic mail)  
7                                    La Bella & McNamara, LLP  
8                                    401 West “A” Street, Suite 1150  
9                                    San Diego, CA 92101  
10                                    Email: [clabella@labellamcnamara.com](mailto:clabella@labellamcnamara.com)  
11                                    ***Court-Appointed Permanent Receiver for Defendant MAK 1 Enterprises Group,***  
12                                    ***LLC***

13                                    Gustav Bujkovsky, Esq. (served by electronic mail)  
14                                    2175 Valley Rim Glen  
15                                    Escondido, CA 92026  
16                                    Email: [gusztav1@yahoo.com](mailto:gusztav1@yahoo.com)  
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