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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

CV 09 5883
Case No. _____

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

VINAYAK S. GOWRISH,
ADNAN S. ZAMAN,
PASCAL S. VAGHAR,
and
SAMEER N. KHOURY,

Defendants,

and

ELIAS N. KHOURY,

Relief Defendant.

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FINAL JUDGMENT AS TO DEFENDANT PASCAL S. VAGHAR

The Securities and Exchange Commission having filed a Complaint and Pascal S. Vaghar (“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 without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

FINAL JUDGMENT AS TO PASCAL S. VAGHAR

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 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 Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 promulgated thereunder [17 C.F.R. § 240.14e-3], in connection with any tender offer or request or invitation for tenders, from engaging in any fraudulent, deceptive, or manipulative act or practice, by:

1 (a) purchasing or selling or causing to be purchased or sold the securities sought or
2 to be sought in such tender offer, securities convertible into or exchangeable
3 for any such securities or any option or right to obtain or dispose of any of the
4 foregoing securities while in possession of material information relating to
5 such tender offer that Defendant knows or has reason to know is nonpublic and
6 knows or has reason to know has been acquired directly or indirectly from the
7 offering person; the issuer of the securities sought or to be sought by such
8 tender offer; or any officer, director, partner, employee or other person acting
9 on behalf of the offering person of such issuer, unless within a reasonable time
10 prior to any such purchase or sale such information and its source are publicly
11 disclosed by press release or otherwise; or
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14 (b) communicating material, nonpublic information relating to a tender offer,
15 which Defendant knows or has reason to know is nonpublic and knows or has
16 reason to know has been acquired directly or indirectly from the offering
17 person; the issuer of the securities sought or to be sought by such tender offer;
18 or any officer, director, partner, employee, advisor, or other person acting on
19 behalf of the offering person of such issuer, to any person under circumstances
20 in which it is reasonably foreseeable that such communication is likely to
21 result in the purchase or sale of securities in the manner described in
22 subparagraph (a) above, except that this paragraph shall not apply to a
23 communication made in good faith
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25 (i) to the officers, directors, partners or employees of the
26 offering person, to its advisors or to other persons, involved
27 in the planning, financing, preparation or execution of such
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1 tender offer;

2 (ii) to the issuer whose securities are sought or to be sought by
3 such tender offer, to its officers, directors, partners,
4 employees or advisors or to other persons involved in the
5 planning, financing, preparation or execution of the
6 activities of the issuer with respect to such tender offer; or
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8 (iii) to any person pursuant to a requirement of any statute or
9 rule or regulation promulgated thereunder.

10 III.

11 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is
12 liable for disgorgement of \$318,784, representing profits gained as a result of the conduct alleged in
13 the Complaint, together with pre-judgment interest thereon in the amount of \$47,217, for a total of
14 \$366,001. Based on Defendant's sworn representations in his Statement of Financial Condition dated
15 May 2009, and other documents and information submitted to the Commission, however, the Court is
16 not ordering Defendant to pay a civil penalty and payment of all but \$33,000 of the disgorgement and
17 pre-judgment interest thereon is waived. Defendant shall satisfy this obligation by paying \$33,000
18 pursuant to the terms of the payment schedule set forth in Section IV below after entry of this Final
19 Judgment by certified check, bank cashier's check, or United States postal money order payable to
20 the Securities and Exchange Commission. The payments shall be delivered or mailed to the Office of
21 Financial Management, Securities and Exchange Commission, Operations Center, 6432 General
22 Green Way, Mail Stop 0-3, Alexandria, Virginia 22312, and shall be accompanied by a letter
23 identifying Pascal S. Vaghar as a defendant in this action; setting forth the title and civil action
24 number of this action and the name of this Court; and specifying that payment is made pursuant to
25 this Final Judgment. A copy of the letter shall be sent to Julie M. Riewe, Branch Chief, U.S.
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1 Securities and Exchange Commission, Division of Enforcement, 100 F Street, N.E., Washington, DC,
2 20549-5010. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28
3 U.S.C. § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United
4 States Treasury. The determination not to impose a civil penalty and to waive payment of all but
5 \$33,000 of the disgorgement and pre-judgment interest is contingent upon the accuracy and
6 completeness of Defendant's Statement of Financial Condition. If at any time following the entry of
7 this Final Judgment the Commission obtains information indicating that Defendant's representations
8 to the Commission concerning his assets, income, liabilities, or net worth were fraudulent,
9 misleading, inaccurate, or incomplete in any material respect as of the time such representations were
10 made, the Commission may, at its sole discretion and without prior notice to Defendant, petition the
11 Court for an order requiring Defendant to pay the unpaid portion of the disgorgement, pre-judgment
12 and post-judgment interest thereon, and the maximum civil penalty allowable under the law. In
13 connection with any such petition, the only issue shall be whether the financial information provided
14 by Defendant was fraudulent, misleading, inaccurate, or incomplete in any material respect as of the
15 time such representations were made. In its petition, the Commission may move this Court to
16 consider all available remedies, including, but not limited to, ordering Defendant to pay funds or
17 assets, directing the forfeiture of any assets, or sanctions for contempt of this Final Judgment. The
18 Commission may also request additional discovery. Defendant may not, by way of defense to such
19 petition: (1) challenge the validity of the Consent or this Final Judgment; (2) contest the allegations
20 in the Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-judgment
21 and post-judgment interest or a civil penalty should not be ordered; (4) contest the amount of
22 disgorgement and pre-judgment and post-judgment interest; (5) contest the imposition of the
23 maximum civil penalty allowable under the law; or (6) assert any defense to liability or remedy,
24 including, but not limited to, any statute of limitations defense.
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IV.

Pascal S. Vaghar shall pay \$33,000 in two (2) installments according to the following schedule: (1) \$16,500 within ten (10) days of entry of this Final Judgment; and (2) \$16,500 within one hundred and twenty (120) days of entry of this Final Judgment plus post-judgment interest pursuant to 28 U.S.C. § 1961.

If Pascal S. Vaghar fails to make any payment by the dates agreed and/or in the amounts agreed according to the schedule set forth above, all outstanding payments under this Final Judgment, including post-judgment interest, minus any payments made, shall become due and payable immediately without further application to the Court.

V.

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.

VI.

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.

VII.

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: _____, _____



UNITED STATES DISTRICT JUDGE