

1 MARC J. BLAU, Cal. Bar No. 198162
Email: blaum@sec.gov
2 WILLIAM S. FISKE, Cal. Bar. No. 123071
Email: fiskew@sec.gov

3 Attorneys for Plaintiff
4 Securities and Exchange Commission
Michele Wein Layne, Regional Director
5 Lorraine B. Echavarria, Associate Regional Director
John W. Berry, Regional Trial Counsel
6 5670 Wilshire Boulevard, 11th Floor
Los Angeles, California 90036
7 Telephone: (323) 965-3998
Facsimile: (323) 965-3908
8

9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
11 **SAN FRANCISCO DIVISION**

12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 vs.

16 BEHROOZ SARAFRAZ,

17 Defendant.

Case No. 3:14-cv-02252

**[PROPOSED] FINAL JUDGMENT
AS TO DEFENDANT BEHROOZ
SARAFRAZ**

18
19 The Securities and Exchange Commission (“Commission”) having filed a
20 Complaint and Defendant Behrooz Sarafraz having entered a general appearance;
21 consented to the Court’s jurisdiction over Defendant and the subject matter of this
22 action; consented to entry of this Final Judgment without admitting or denying the
23 allegations of the Complaint (except as to jurisdiction and except as otherwise
24 provided herein in paragraph III); waived findings of fact and conclusions of law;
25 and waived any right to appeal from this Final Judgment:

26 **I.**

27 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
28 and Defendant’s agents, servants, employees, attorneys, and all persons in active

1 concert or participation with them who receive actual notice of this Final Judgment
2 by personal service or otherwise are permanently restrained and enjoined from
3 making use of the mails or any means or instrumentality of interstate commerce to
4 effect any transactions in, or to induce or attempt to induce the purchase or sale of,
5 any security, without being registered as a broker and/or dealer pursuant to Section
6 15(b) of the Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. § 78o(b), in
7 violation of Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)].

8 II.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
10 Defendant is liable for disgorgement of \$16,406,459, representing ill-gotten gains
11 derived as a result of the conduct alleged in the Complaint, together with
12 prejudgment interest thereon in the amount of \$6,075,859.87, and a civil penalty in
13 the amount of \$50,000 pursuant to Section 21(d)(3) of the Exchange Act [15
14 U.S.C. § 78u(d)(3)]. Defendant shall satisfy this obligation by paying
15 \$22,532,318.87 to the Securities and Exchange Commission within 14 days after
16 entry of this Final Judgment.

17 Defendant may transmit payment electronically to the Commission, which
18 will provide detailed ACH transfer/Fedwire instructions upon request. Payment
19 may also be made directly from a bank account via Pay.gov through the SEC
20 website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by
21 certified check, bank cashier’s check, or United States postal money order payable
22 to the Securities and Exchange Commission, which shall be delivered or mailed to

23 Enterprise Services Center
24 Accounts Receivable Branch
25 6500 South MacArthur Boulevard
26 Oklahoma City, OK 73169

27 and shall be accompanied by a letter identifying the case title, civil action number,
28 and name of this Court; Behrooz Sarafraz as a defendant in this action; and
specifying that payment is made pursuant to this Final Judgment.

1 Defendant shall simultaneously transmit photocopies of evidence of
2 payment and case identifying information to the Commission’s counsel in this
3 action. By making this payment, Defendant relinquishes all legal and equitable
4 right, title, and interest in such funds and no part of the funds shall be returned to
5 Defendant. The Commission shall send the funds paid pursuant to this Final
6 Judgment to the United States Treasury.

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

12 **III.**

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely
14 for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy
15 Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by
16 Defendant, and further, any debt for disgorgement, prejudgment interest, civil
17 penalty or other amounts due by Defendant under this Final Judgment or any other
18 judgment, order, consent order, decree or settlement agreement entered in
19 connection with this proceeding, is a debt for the violation by Defendant of the
20 federal securities laws or any regulation or order issued under such laws, as set
21 forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

22 **IV.**

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

26
27 Dated: May 23, 2014

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UNITED STATES DISTRICT JUDGE
MAGISTRATE