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9 **UNITED STATES DISTRICT COURT**
 10 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**
 11 **WESTERN DIVISION**

12 SECURITIES AND EXCHANGE
 13 COMMISSION,

14 Plaintiff,

15 vs.

16 LION GATE CAPITAL, INC., and
 17 KENNETH RICKEL,

18 Defendants.

Case No. CV 08-6574 DSF (MANx)

FINAL JUDGMENT AS TO DEFENDANTS
LION GATE CAPITAL, INC. AND
KENNETH RICKEL

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1 The Securities & Exchange Commission having filed a Complaint and
2 Defendants Lion Gate Capital, Inc. (“Lion Gate”) and Kenneth Rickel (“Rickel”)
3 (collectively, the “Defendants”) having entered a general appearance; consented to
4 the Court’s jurisdiction over Defendants and the subject matter of this action;
5 consented to entry of this Final Judgment without admitting or denying the
6 allegation of the Complaint (except as to jurisdiction); waived findings of fact and
7 conclusions of law; and waived any right to appeal from this Final Judgment:

8 **I.**

9 It is HEREBY Ordered, Adjudged, and Decreed that Defendants and
10 Defendants’ agents, servants, employees, attorneys, and all person in active concert
11 or participation with them who receive actual notice of this Final Judgment by
12 personal service or otherwise are permanently restrained and enjoined from
13 violating, directly or indirectly, Rule 105 of Regulation M under the Securities
14 Exchange Act of 1934, 17 C.F.R. § 242.105.

15 **II.**

16 It is HEREBY Further Ordered, Adjudged, and Decreed that Defendants are
17 jointly and severally liable with each other for disgorgement of \$88,335,
18 representing profits gained as a result of the conduct alleged in the Complaint,
19 together with prejudgment interest thereon in the amount of \$ 11,665, and a civil
20 penalty in the amount of \$50,000 pursuant to Section 21(d)(3) of the Exchange Act,
21 15 U.S.C. § 78u(d)(3), for a total of \$150,000. Defendant shall satisfy this
22 obligation by paying \$150,000 within ten (10) business days after entry of this Final
23 Judgment by certified check, bank cashier’s check, or United States postal money
24 order payable to the Securities & Exchange Commission. The payment shall be
25 delivered or mailed to the Office of Financial Management, Securities & Exchange
26 Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3,
27 Alexandria, Virginia 22312, and shall be accompanied by a letter identifying Lion
28 Gate and Rickel as the defendants in this action; setting forth the title and civil

1 action number of this action and the name of this Court; and specifying that
2 payment is made pursuant to this Final Judgment. Defendant shall pay post-
3 judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. The
4 Commission shall remit the funds paid pursuant to this paragraph to the United
5 States Treasury.

6 **III.**

7 It is HEREBY Further Ordered, Adjudged, and Decreed that the Consent is
8 incorporated herein with the same force and effect as if fully set forth herein, and
9 that Defendants shall comply with all of the undertakings and agreements set forth
10 herein.

11 **IV.**

12 It is HEREBY Further Ordered, Adjudged, and Decreed that this Court shall
13 retain jurisdiction of this matter for the purposes of enforcing the terms of this Final
14 Judgment.

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16 DATED: 9/24/09 _____



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18 The Honorable Dale S. Fischer