

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
Western Division**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

BRIAN LAM; NINESQUARE
CAPITAL PARTNERS LLC;
NATHAN NHAN NGUYEN; and
NGUYEN GROUP LLC,

Defendants,

and

YI PING LU; and THY STACY
NGUYEN

Relief Defendants.

Case No. 2:22-cv-06831-WLH-E

**FINAL JUDGMENT AS TO
DEFENDANT NATHAN NHAN
NGUYEN**

1 any security, unless a registration statement has been filed with the
2 Commission as to such security, or while the registration statement is the
3 subject of a refusal order or stop order or (prior to the effective date of
4 the registration statement) any public proceeding or examination under
5 Section 8 of the Securities Act [15 U.S.C. § 77h].

6 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
7 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
8 binds the following who receive actual notice of this Final Judgment by personal
9 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
10 attorneys; and (b) other persons in active concert or participation with Defendant or
11 with anyone described in (a).

12 II.

13 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
14 permanently restrained and enjoined from violating, directly or indirectly, Section
15 15(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. §
16 78o(a)], by making use of the mails or any means or instrumentality of interstate
17 commerce to effect any transactions in, or to induce or attempt to induce the purchase
18 or sale of, any security (other than an exempted security or commercial paper,
19 bankers’ acceptances, or commercial bills) without being associated with a broker or
20 dealer that is registered in accordance with Section 15(b) of the Exchange Act.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
22 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
23 binds the following who receive actual notice of this Final Judgment by personal
24 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
25 attorneys; and (b) other persons in active concert or participation with Defendant or
26 with anyone described in (a).

1 III.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to
3 Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is
4 permanently restrained and enjoined from directly or indirectly, including but not
5 limited to, through any entity owned or controlled by him, participating in the
6 issuance, purchase, offer, or sale of any security in an unregistered offering.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
8 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
9 binds the following who receive actual notice of this Final Judgment by personal
10 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
11 attorneys; and (b) other persons in active concert or participation with Defendant or
12 with anyone described in (a).

13 IV.

14 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
15 Defendant is liable for \$0 in disgorgement, as determined by the Commission’s
16 Motion, based on Defendant Nguyen’s repayment of illicit funds. Defendant is
17 liable, however, for a civil penalty in the amount of \$1,000, with Defendant Nguyen
18 Group LLC liable for \$25,000 in civil penalties, pursuant to Section 21(d)(3) of the
19 Exchange Act [15 U.S.C. § 78u(d)(3)] and Section 20(d) of the Securities Act [15
20 U.S.C. § 77t(d)].¹ Defendant shall satisfy this obligation by paying \$1,000 to the
21
22

23 ¹ The SEC initially sought civil penalty amounts of \$11,524 from Defendant Nguyen
24 and \$115,231 from Defendant Nguyen Group LLC. (Mot. for Monetary Relief,
25 Docket No. 52 at 12). Based, however, on Defendant Nguyen’s uncontested
26 representation that he has spent upwards of \$200,000 towards making victims whole
27 in the last two years, the Court, in its discretion, reduced these amounts. *See S.E.C. v.*
28 *RMR Asset Mgmt. Co.*, 553 F.Supp.3d 820, 828 (S.D. Cal. 2021) (exercising judicial
discretion to reduce civil penalties). The civil penalty amount, however, is not \$0, in
the interest of deterring the underlying conduct.

1 Securities and Exchange Commission within 30 days after entry of this Final
2 Judgment.

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

9
10 Enterprise Services Center
11 Accounts Receivable Branch
12 6500 South MacArthur Boulevard
13 Oklahoma City, OK 73169

14 and shall be accompanied by a letter identifying the case title, civil action number,
15 and name of this Court; Brian Lam as a defendant in this action; and specifying that
16 payment is made pursuant to this Final Judgment.

17 Defendant shall simultaneously transmit photocopies of evidence of payment
18 and case identifying information to the Commission's counsel in this action. By
19 making this payment, Defendant relinquishes all legal and equitable right, title, and
20 interest in such funds and no part of the funds shall be returned to Defendant.

21 The Commission may enforce the Court's judgment for disgorgement and
22 prejudgment interest by using all collection procedures authorized by law, including,
23 but not limited to, moving for civil contempt at any time after 30 days following entry
24 of this Final Judgment.

25 The Commission may enforce the Court's judgment for penalties by the use of
26 all collection procedures authorized by law, including the Federal Debt Collection
27 Procedures Act, 28 U.S.C. § 3001 et seq., and moving for civil contempt for the
28 violation of any Court orders issued in this action. Defendant shall pay post judgment

1 interest on any amounts due after 30 days of the entry of this Final Judgment pursuant
2 to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest
3 and income earned thereon (collectively, the “Fund”), pending further order of the
4 Court.

5 The Commission may propose a plan to distribute the Fund subject to the
6 Court’s approval. Such a plan may provide that the Fund shall be distributed pursuant
7 to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The
8 Court shall retain jurisdiction over the administration of any distribution of the Fund
9 and the Fund may only be disbursed pursuant to an Order of the Court.

10 Regardless of whether any such Fair Fund distribution is made, amounts
11 ordered to be paid as civil penalties pursuant to this Final Judgment shall be treated as
12 penalties paid to the government for all purposes, including all tax purposes. To
13 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
14 reduction of any award of compensatory damages in any Related Investor Action
15 based on Defendant’s payment of disgorgement in this action, argue that he is entitled
16 to, nor shall he further benefit by, offset or reduction of such compensatory damages
17 award by the amount of any part of Defendant’s payment of a civil penalty in this
18 action (“Penalty Offset”). If the court in any Related Investor Action grants such a
19 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
20 the Penalty Offset, notify the Commission’s counsel in this action and pay the amount
21 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
22 Commission directs. Such a payment shall not be deemed an additional civil penalty
23 and shall not be deemed to change the amount of the civil penalty imposed in this
24 Final Judgment. For purposes of this paragraph, a “Related Investor Action” means a
25 private damages action brought against Defendant by or on behalf of one or more
26 investors based on substantially the same facts as alleged in the Complaint in this
27 action.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

V.

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

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: March 10, 2025



HON. WESLEY L. HSU
UNITED STATES DISTRICT JUDGE