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**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

BIC REAL ESTATE DEVELOPMENT
CORPORATION and DANIEL R.
NASE, individually and d/b/a
BAKERSFIELD INVESTMENT
CLUB,

Defendants,

BIC SOLO 401K TRUST and
MARGARITA NASE,

Relief Defendants.

Case No. 1:16-cv-00344-LJO-JLT

**JUDGMENT AS TO DEFENDANT
DANIEL R. NASE**

The Securities and Exchange Commission (“SEC”) having filed a Complaint and Defendant Daniel R. Nase 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 Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph VI); waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is 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

1 any means or instrumentality of interstate commerce, or of the mails, or of any
2 facility of any national securities exchange, in connection with the purchase or sale of
3 any security:

- 4 (a) to employ any device, scheme, or artifice to defraud;
- 5 (b) to make any untrue statement of a material fact or to omit to state a
6 material fact necessary in order to make the statements made, in the light
7 of the circumstances under which they were made, not misleading; or
- 8 (c) to engage in any act, practice, or course of business which operates or
9 would operate as a fraud or deceit upon any person.

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

16
17 **II.**

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
19 Defendant is permanently restrained and enjoined from violating Section 17(a) of the
20 Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale
21 of any security by the use of any means or instruments of transportation or
22 communication in interstate commerce or by use of the mails, directly or indirectly:

- 23 (a) to employ any device, scheme, or artifice to defraud;
- 24 (b) to obtain money or property by means of any untrue statement of a
25 material fact or any omission of a material fact necessary in order to
26 make the statements made, in light of the circumstances under which
27 they were made, not misleading; or
- 28 (c) to engage in any transaction, practice, or course of business which

1 operates or would operate as a fraud or deceit upon the purchaser.

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

8 **III.**

9 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
10 Defendant is permanently restrained and enjoined from violating Section 5 of the
11 Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any
12 applicable exemption:

- 13 (a) Unless a registration statement is in effect as to a security, making use of
14 any means or instruments of transportation or communication in
15 interstate commerce or of the mails to sell such security through the use
16 or medium of any prospectus or otherwise;
- 17 (b) Unless a registration statement is in effect as to a security, carrying or
18 causing to be carried through the mails or in interstate commerce, by any
19 means or instruments of transportation, any such security for the purpose
20 of sale or for delivery after sale; or
- 21 (c) Making use of any means or instruments of transportation or
22 communication in interstate commerce or of the mails to offer to sell or
23 offer to buy through the use or medium of any prospectus or otherwise
24 any security, unless a registration statement has been filed with the SEC
25 as to such security, or while the registration statement is the subject of a
26 refusal order or stop order or (prior to the effective date of the
27 registration statement) any public proceeding or examination under
28 Section 8 of the Securities Act [15 U.S.C. § 77h].

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

7 **IV.**

8 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
9 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,
10 and a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §
11 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. The Court
12 shall determine the amounts of the disgorgement and civil penalty upon motion of the
13 SEC. Prejudgment interest shall be calculated from March 11, 2016, based on the
14 rate of interest used by the Internal Revenue Service for the underpayment of federal
15 income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the SEC's
16 motion for disgorgement and/or civil penalties, and at any hearing held on such a
17 motion: (a) Defendant will be precluded from arguing that he did not violate the
18 federal securities laws as alleged in the Complaint; (b) Defendant may not challenge
19 the validity of the Consent or this Judgment; (c) solely for the purposes of such
20 motion, the allegations of the Complaint shall be accepted as and deemed true by the
21 Court; and (d) the Court may determine the issues raised in the motion on the basis of
22 affidavits, declarations, excerpts of sworn deposition or investigative testimony, and
23 documentary evidence, without regard to the standards for summary judgment
24 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with
25 the SEC's motion for disgorgement and/or civil penalties, the parties may take
26 discovery, including discovery from appropriate non-parties.

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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, 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 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).

VII.

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 Judgment.

IT IS SO ORDERED.

Dated: July 26, 2016

/s/ Lawrence J. O'Neill
UNITED STATES CHIEF DISTRICT JUDGE