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9 UNITED STATES DISTRICT COURT  
 10 NORTHERN DISTRICT OF CALIFORNIA  
 11 OAKLAND DIVISION  
 12

13 SECURITIES AND EXCHANGE COMMISSION,

Case No. 4:16-CV-2814-JSW

14 Plaintiff,

15 v.

**~~PROPOSED~~ ORDER GRANTING  
 PRELIMINARY INJUNCTION  
 AND INSTRUCTIONS RE SERVICE**

16 JSG CAPITAL INVESTMENTS, LLC, JSG  
 CAPITAL, LLC, JSG CAPITAL LLC, JSG  
 17 ENTERPRISES, LLC, JASWANT S. GILL, AND  
 JAVIER RIOS,  
 18

19 Defendants,

20 JSG MANAGEMENT GROUP LLC,

21 Relief Defendant.  
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1 This matter came before the Court on the motion of plaintiff Securities and Exchange  
2 Commission (the “SEC” or the “Commission”) for a temporary restraining order and other  
3 preliminary relief (the “Motion”), to restrain and enjoin Defendants JSG Capital Investments, LLC,  
4 JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and  
5 Javier Rios (“Defendants”) during the pendency of this case. *See* Dkt. No. 4. On May 27, 2016, the  
6 Court issued an order granting in part the Commission’s Motion (the “Order”). *See* Dkt. No. 24.

7 This Court also ordered Defendants and Relief Defendant JSG Management Group LLC to  
8 show cause why the Court should not enter a preliminary injunction extending the asset freeze and  
9 other relief granted in the Order until a final adjudication on the merits may be had. *Id.* Specifically,  
10 the Commission now seeks an order: (1) Preliminarily enjoining Defendants from violating the  
11 antifraud provisions of the federal securities laws and from engaging in specified conduct, (2)  
12 Freezing specified assets of Defendants and Relief Defendant, (3) Prohibiting the destruction of  
13 documents, and (4) Requiring accountings by Defendants.

14 The Court, having considered: (1) the Complaint filed by the Commission in this action, (2)  
15 the Commission’s Motion and the Memorandum of Law in support of the Motion, (3) the  
16 Declarations of Ruth L. Hawley, John A. Roscigno, Tracy Johnston, Michelle Chung, and Alla  
17 Karpuk, and all exhibits attached to those declarations, and any proceedings before the Court, finds  
18 that:

19 A. This Court has jurisdiction over the subject matter of this action, and as to all parties,  
20 Defendants and Relief Defendant, and venue properly lies in this District.

21 B. The Commission has made a sufficient and proper showing in support of the relief  
22 granted herein, as required by Section 20(b) of the Securities Act of 1933 (“Securities Act”) (15  
23 U.S.C. § 77t(b)), Section 21(d) of the Securities Exchange Act of 1934 (“Exchange Act”) (15 U.S.C.  
24 § 78u(b)), and Section 209 of the Investment Advisers Act (“Advisers Act”) (15 U.S.C. § 80b-9) by  
25 evidence establishing a prima facie case and a reasonable likelihood that Defendants JSG Capital  
26 Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a.  
27 Jason Gill, and Javier Rios have engaged in, are engaging in, are about to engage in, and will  
28 continue to engage in, unless restrained and enjoined by order of this Court, transactions, acts,

1 practices and courses of business that constitute violations of Section 17(a) of the Securities Act (15  
2 U.S.C. §77q(a)); Section 10(b) of the Exchange Act (15 U.S.C. § 78j(b)) and Rule 10b-5 thereunder  
3 (17 C.F.R. § 240.10b-5); and Sections 206(1) and (2) of the Advisers Act (15 U.S.C. §§ 80b-6(1),  
4 80b-6(2)), and that Relief Defendant JSG Management Group LLC may be in possession of certain  
5 proceeds of those violations and has been unjustly enriched by such receipt.

6 C. Good cause exists to believe that, unless restrained and enjoined by order of this  
7 Court, Defendants and Relief Defendant will dissipate, conceal, or transfer assets which could be  
8 subject to an order directing disgorgement or the payment of civil money penalties in this action. It is  
9 therefore appropriate for the Court to convert the previously ordered freeze on the assets and accounts  
10 of Defendants and Relief Defendant into preliminary relief that remains in place while this action is  
11 pending so that prompt service on appropriate financial institutions can be made, thus preventing the  
12 dissipation of assets.

13 D. Good cause exists to believe that an accounting of assets is necessary.

14 E. Good cause exists to believe that, unless restrained and enjoined by order of this  
15 Court, Defendants may alter or destroy documents relevant to this action.

16 **I.**

17 IT IS HEREBY ORDERED that the SEC's Motion for an Order of Preliminary Injunction is  
18 GRANTED.

19 **II.**

20 IT IS FURTHER ORDERED that Defendants JSG Capital Investments, LLC, JSG Capital,  
21 LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and Javier Rios, and  
22 their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in  
23 active concert or participation with any of them, who receive actual notice of this Order, by personal  
24 service or otherwise, and each of them, be and hereby are preliminarily restrained and enjoined until  
25 further order by this Court from, directly or indirectly, in the offer or sale of any securities, by the use  
26 of any means or instruments of transportation or communication in interstate commerce or by the use  
27 of the mails:

28 A. employing any device, scheme or artifice to defraud;

1 B. obtaining money or property by means of any untrue statement of a material fact or  
2 any omission to state a material fact necessary in order to make the statements made, in light of the  
3 circumstances under which they were made, not misleading; or

4 C. engaging in any transaction, practice, or course of business which operates or would  
5 operate as a fraud or deceit upon the purchaser;

6 in violation of Section 17(a) of the Securities Act (15 U.S.C. § 77q(a)).

7 **III.**

8 IT IS FURTHER ORDERED that Defendants JSG Capital Investments, LLC, JSG Capital,  
9 LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and Javier Rios, and  
10 their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in  
11 active concert or participation with any of them, who receive actual notice of this Order, by personal  
12 service or otherwise, and each of them, be and hereby are preliminarily restrained and enjoined until  
13 further order by this Court from, directly or indirectly, in connection with the purchase or sale of any  
14 security, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any  
15 facility of any national securities exchange:

16 A. employing any device, scheme or artifice to defraud;

17 B. making any untrue statement of a material fact or omitting to state a material fact  
18 necessary in order to make the statements made, in the light of the circumstances under which they  
19 were made, not misleading; or

20 C. engaging in any act, practice, or course of business which operates or would operate as  
21 a fraud or deceit upon any person;

22 in violation of Section 10(b) of the Exchange Act (15 U.S.C. § 78j(b)), and Rule 10b-5  
23 thereunder (17 C.F.R. § 240.10b-5)).

24 **IV.**

25 IT IS FURTHER ORDERED that Defendants JSG Capital Investments, LLC, JSG Capital,  
26 LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and Javier Rios, and  
27 their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in  
28 active concert or participation with any of them, who receive actual notice of this Order, by personal

1 service or otherwise, and each of them, be and hereby are preliminarily restrained and enjoined until  
2 further order by this Court from, directly or indirectly, by use of the mails or any means or  
3 instrumentality of interstate commerce, and while engaged in the business of advising others for  
4 compensation as to the advisability of investing in, purchasing, or selling securities:

5 A. employing devices, schemes, and artifices to defraud clients or prospective clients; or

6 B. engaging in acts, practices, or courses of business which operates or would operate as  
7 a fraud or deceit upon clients or prospective clients;

8 in violation of Sections 206(1) and 206(2) of the Advisers Act (15 U.S.C. §§ 80b-6(1), 80b-  
9 6(2)).

10 **V.**

11 IT IS FURTHER ORDERED that Defendants JSG Capital Investments, LLC, JSG Capital,  
12 LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and Javier Rios, and  
13 their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in  
14 active concert or participation with any of them, who receive actual notice of this Order, by personal  
15 service or otherwise, and each of them, be and hereby are preliminarily restrained and enjoined from  
16 until further order by this Court from, directly or indirectly participating in the issuance, purchase,  
17 offer, or sale of any security of or through any entity controlled by, or under joint control with, any of  
18 them, and in particular:

19 A. This prohibition includes but is not limited to the securities described as “Fixed Return  
20 Investment Agreements,” “Promissory Fixed Index Investment Agreement,” “Promissory  
21 Compounded Fixed Index Investment Agreement,” “Promissory Investment Note Agreement,”  
22 “Promissory Conversion Investment Note Term Sheet Agreement,” “Promissory Conversion Note  
23 Agreement,” or “Promissory Conversion Investment Note Agreement,” marketed by Defendants or  
24 any of them; and

25 B. This prohibition includes but is not limited to the offer or sale of securities, and the  
26 acceptance of any money or anything of value by any Defendant for such securities.

1 **VI.**

2 IT IS FURTHER ORDERED that Defendants JSG Capital Investments, LLC, JSG Capital,  
3 LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and Javier Rios, and  
4 their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in  
5 active concert or participation with any of them, who receive actual notice of this Order, by personal  
6 service or otherwise, and each of them, be and hereby are preliminarily restrained and enjoined until  
7 further order by this Court from, directly or indirectly soliciting any person or entity to purchase or  
8 sell any security, and recommending or advising any person or entity with respect to investing in any  
9 security.

10 **VII.**

11 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, a freeze shall be  
12 remain on all monies and assets (with an allowance for necessary and reasonable living expenses to  
13 be granted only upon good cause shown by application to the Court with notice to and an opportunity  
14 for the SEC to be heard) in all accounts at any bank, financial institution or brokerage firm, or third-  
15 party payment processor, all certificates of deposit, and other funds or assets, held in the name of, for  
16 the benefit of, or over which account authority is held by Defendants JSG Capital Investments, LLC,  
17 JSG Capital, LLC, JSG Capital LLC, JSG Enterprises, LLC, Jaswant Gill, a.k.a. Jason Gill, and  
18 Javier Rios and Relief Defendant JSG Management Group LLC, including but not limited to the  
19 accounts listed below:

20 ACCOUNT HOLDER	FINANCIAL INSTITUTION	ACCOUNT NUMBER
21 JSG Capital Investments, LLC	BBVA Compass	xxxxxxx7924
22 JSG Capital Investments, LLC	BBVA Compass	xxxxxxx8157
23 JSG Management Group LLC	Bank of America	xxxx xxxx 0645
24 Jaswant Gill	Bank of America	xxxx xxxx 1032
25 Jason Gill	Green Dot Bank	Unknown
26 Amit Lalji & Jaswant Gill	US Bank	xxxx xxxx 1710
27 Amit Lalji & Jaswant Gill	US Bank	xxxx xxxx 7358

1	Javier Rios	San Diego Metro. Credit Union	xxxxx4110
2	Javier Rios	Wells Fargo Bank	xxxxxxx7628
3	Javier Rios	Bank of America	xxxx xxxx 2431
4	Javier Rios	Bank of America	xxxx xxxx 5624

5 Any bank, financial institution or brokerage firm, or third-party payment processor holding  
6 such monies and assets described above shall hold and retain within their control and prohibit the  
7 withdrawal, removal, transfer or other disposal of any such funds or other assets except as otherwise  
8 ordered by this Court.

9 **VIII.**

10 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, each of the  
11 Defendants JSG Capital Investments, LLC, JSG Capital, LLC, JSG Capital LLC, JSG Enterprises,  
12 LLC, Jaswant Gill, a.k.a. Jason Gill, and Javier Rios, and Relief Defendant JSG Management Group  
13 LLC, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those  
14 persons in active concert or participation with any of them, who receive actual notice of this Order,  
15 by personal service or otherwise, and each of them, be and hereby are restrained and enjoined from,  
16 directly or indirectly: destroying, mutilating, concealing, transferring, altering, or otherwise  
17 disposing of, in any manner, any documents, which includes all books, records, computer programs,  
18 computer files, computer printouts, contracts, emails, correspondence, memoranda, brochures, or any  
19 other documents of any kind in their possession, custody or control, however created, produced, or  
20 stored (manually, mechanically, electronically, or otherwise), including any metadata that relates to  
21 such documents, pertaining in any manner to any of the Defendants or Relief Defendant.

22 **IX.**

23 IT IS FURTHER ORDERED that Defendants, within seven (7) days of receiving actual  
24 notice of this Order, by personal service or otherwise, shall prepare and deliver to the Commission a  
25 detailed and complete accounting identifying:

26 A. All transfers or payments of funds to them or any other entity controlled by them from  
27 investors or clients in connection with the misconduct described in the Complaint (the identification  
28 shall include the amount of each such transfer or payment, the date of the transfer or payment, and

1 the name, address, account number, and financial institution of the party making and the party  
2 receiving the transfer or payment);

3 B. In detail, the precise disposition of each transfer or payment identified in response to  
4 paragraph A above and all assets derived therefrom, including but not limited to:

- 5 • The nature and results of any investment in which the funds were used;
- 6 • Any subsequent transfer or payment of the funds (the identification shall include  
7 the amount of each such transfer or payment, the date of the transfer or payment,  
8 the name, address, account number and financial institution of the party making  
9 and receiving the transfer or payment, and the reason for the transfer or payment);  
10 and
- 11 • Any fees or expenses charged and a detailed statement of the nature and purpose  
12 of such fees and expenses.

13 C. By name and address, all persons, entities and accounts currently holding funds or  
14 assets derived from the transfers or payments described in paragraph A above and the reason each  
15 received the funds or assets (the identification shall include the amount each received, the date  
16 received, the reason received, the institution and account number or location in which the funds or  
17 other assets are held and the name, address, account number and financial institution of the person or  
18 entity who provided each with the funds or other assets);

19 D. Assets of every type and description with a value of at least one thousand dollars  
20 (\$1,000) presently owned by or held for the direct or indirect benefit, or subject to the direct or  
21 indirect control, of Defendants, whether in the United States or elsewhere; and

22 E. All accounts held at any bank, brokerage or other financial institution in the United  
23 States or elsewhere in the name, for the direct or indirect benefit, or under the direct or indirect  
24 control, of Defendants, or in which Defendants have or had any direct or indirect beneficial interest,  
25 at any time from January 1, 2013 to the present.

26 F. A list of all street and mailing addresses (including without limitation postal box  
27 numbers), telephone or facsimile transmission numbers (including without limitation pagers and  
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1 mobile telephones), electronic mail addresses, safety deposit boxes, and storage facilities used by  
2 them or under their direct or indirect control, at any time since January 1, 2013.

3 In addition, the Defendants shall produce, or consent to the production of, internal accounting  
4 records maintained in QuickBooks or equivalent software.

5 IT IS SO ORDERED.

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7 Dated: June 10, 2016

  
UNITED STATES DISTRICT JUDGE

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11 It is further ordered that the Commission shall serve a copy of this order upon all  
12 Defendants and upon Amit Lalji, and shall file a proof of service with this Court.

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