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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

JOHN G. RIZZO,

Defendant.

Case No. 13 CV 1801 MMA BLM

**FINAL JUDGMENT AS TO  
DEFENDANT JOHN G. RIZZO**

[Doc. No. 6]

1 The Securities and Exchange Commission having filed a Complaint and  
2 Defendant John G. Rizzo having entered a general appearance; consented to the  
3 Court's jurisdiction over Defendant and the subject matter of this action; consented  
4 to entry of this Judgment; waived findings of fact and conclusions of law; and  
5 waived any right to appeal from this Judgment:

6 **I.**

7 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant  
8 and Defendant's agents, servants, employees, attorneys, and all persons in active  
9 concert or participation with them who receive actual notice of this Judgment by  
10 personal service or otherwise are permanently restrained and enjoined from  
11 violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of  
12 1934 (the "Exchange Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated  
13 thereunder 17 C.F.R. § 240.10b-5, by using any means or instrumentality of  
14 interstate commerce, or of the mails, or of any facility of any national securities  
15 exchange, in connection with the purchase or sale of any security:

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

23 **II.**

24 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND  
25 DECREED that Defendant and Defendant's agents, servants, employees, attorneys,  
26 and all persons in active concert or participation with them who receive actual  
27 notice of this Judgment by personal service or otherwise are permanently restrained  
28 and enjoined from violating Section 17(a) of the Securities Act of 1933 (the

1 “Securities Act”), 15 U.S.C. § 77q(a), in the offer or sale of any security by the use  
2 of any means or instruments of transportation or communication in interstate  
3 commerce or by use of the mails, directly or indirectly:

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

11 **III.**

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that,  
13 pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), and  
14 Section 20(e) of the Securities Act, 15 U.S.C. §77t(e), Defendant is prohibited  
15 from acting as an officer or director of any issuer that has a class of securities  
16 registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is  
17 required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C.  
18 § 78o(d).

19 **IV.**

20 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
21 that Defendant is permanently barred from participating in an offering of penny  
22 stock, including engaging in activities with a broker, dealer, or issuer for purposes  
23 of issuing, trading, or inducing or attempting to induce the purchase or sale of any  
24 penny stock. A penny stock is any equity security that has a price of less than five  
25 dollars, except as provided in Rule 3a51-1 under the Exchange Act, 17 C.F.R.  
26 § 240.3a51-1.

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**V.**

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that disgorgement, prejudgment interest, and a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C., § 77t(d); and Section 21(d) of the Exchange Act, 15 U.S.C. § 78(d)(3), are appropriate in this case. However, as a result of the criminal sanctions ordered against Defendant in *United States v. John G. Rizzo*, 13-cr-2823 (LAB) (S.D. Cal.), the Commission is not seeking monetary remedies against Defendant in this proceeding.

**VI.**

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.

**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.

The Clerk of Court is instructed to close the case.

**IT IS SO ORDERED.**

Dated: May 15, 2014

  
HONORABLE MICHAEL M. ANELLO  
UNITED STATES DISTRICT JUDGE