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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CHARLES C. LIU;
XIN WANG a/k/a LISA WANG;
PACIFIC PROTON THERAPY
REGIONAL CENTER, LLC;
PACIFIC PROTON EB-5 FUND,
LLC; and BEVERLY PROTON
CENTER, LLC f/k/a LOS ANGELES
COUNTY PROTON THERAPY,
LLC,

Defendants.

Case No. 8:16-cv-00974-CJC-AGR

**FINAL JUDGMENT AS TO
DEFENDANT CHARLES C. LIU AND
XIN a/k/a LISA WANG**

1 The Court, having granted the Securities and Exchange Commission’s (“SEC”)
2 Motion for Summary Judgment against Defendants Charles C. Liu and Xin (Lisa)
3 Wang and the SEC’s Motion for Disgorgement against Defendants Charles C. Liu and
4 Xin (Lisa) Wang (collectively, “Defendants”), and having considered all of the
5 evidence and arguments presented by the parties with regard to those motions,
6 including the parties’ respective memoranda of points and authorities as to the
7 motions, the parties’ briefing on disgorgement on remand, and the other filings and
8 records in this action:

9 **I.**

10 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
11 Defendants are permanently restrained and enjoined from violating Section 17(a) of
12 the Securities Act of 1933 (the “Securities Act”) [[15 U.S.C. § 77q\(a\)](#)] in the offer or
13 sale of any security by the use of any means or instruments of transportation or
14 communication in interstate commerce or by use of the mails, directly or indirectly:

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

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
23 provided in [Federal Rule of Civil Procedure 65\(d\)\(2\)](#), the foregoing paragraph also
24 binds the following who receive actual notice of this Final Judgment by personal
25 service or otherwise: (a) Defendants’ officers, agents, servants, employees, and
26 attorneys; and (b) other persons in active concert or participation with Defendants or
27 with anyone described in (a).
28

1 **II.**

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\(d\)\(5\)](#)], Defendants are
4 permanently restrained and enjoined from, directly or indirectly, participating in the
5 offer or sale of any security which constitutes an investment in a “commercial
6 enterprise” under the United States Government EB-5 visa program administered by
7 the United States Citizenship and Immigration Service (“USCIS”), including
8 engaging in activities with a broker, dealer, or issuer, or a Regional Center designated
9 by the USCIS, for purposes of issuing, offering, trading, or inducing or attempting to
10 induce the purchase or sale of any such EB-5 investment.

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

17 **III.**

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
19 Defendants Liu and Wang are jointly and severally liable for disgorgement of
20 \$20,871,758.81, representing net profits gained as a result of the conduct alleged in
21 the Complaint, together with prejudgment interest thereon in the amount of
22 \$70,713.06, that Defendant Liu is further liable for a civil penalty in the amount of
23 \$6,714,580 pursuant to Section 20(d)(2)(C) of the Securities Act, and that Defendant
24 Wang is further liable for a civil penalty in the amount of \$1,538,000 pursuant to
25 Section 20(d)(2)(C) of the Securities Act. Defendants Liu and Wang shall satisfy
26 their disgorgement obligation by paying \$20,942,471.87, Defendant Liu satisfy his
27 penalty obligation by paying \$6,714,580, and Defendant Wang shall satisfy her
28 penalty obligation by paying \$1,538,000, all to the Securities and Exchange

1 Commission and all within 30 days after entry of this Final Judgment.

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

8 Enterprise Services Center

9 Accounts Receivable Branch

10 6500 South MacArthur Boulevard

11 Oklahoma City, OK 73169

12 and shall be accompanied by a letter identifying the case title, civil action number,
13 and name of this Court; Charles C. Liu and Xin a/k/a Lisa Wang as defendants in this
14 action; and specifying that payment is made pursuant to this Final Judgment.

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

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

23 The Commission may enforce the Court's judgment for penalties by the use of
24 all collection procedures authorized by law, including the Federal Debt Collection
25 Procedures Act, [28 U.S.C. § 3001](#) et seq., and moving for civil contempt for the
26 violation of any Court orders issued in this action. Defendants shall pay post
27 judgment interest on any amounts due after 30 days of the entry of this Final
28 Judgment pursuant to [28 U.S.C. § 1961](#). The Commission shall hold the funds,

1 together with any interest and income earned thereon (collectively, the “Fund”),
2 pending further order of the Court.

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

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

26 **IV.**

27 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that within 3
28 days after being served with a copy of this Final Judgment, J.P. Morgan Chase Bank,

1 N.A. Citibank, N.A., Wells Fargo Bank, N.A., and East West Bank shall transfer the
 2 entire balance of the following bank accounts which were frozen pursuant to an Order
 3 of this Court to the Commission:

BANK NAME	ACCOUNT NAME	ACCOUNT NO.
J.P. Morgan Chase Bank, N.A.	Charles Liu	xxxxx3076
J.P. Morgan Chase Bank, N.A.	Charles Liu	xxxxx1055
J.P. Morgan Chase Bank, N.A.	Pacific Proton Therapy Regional Center, LLC	xxxxx6428
J.P. Morgan Chase Bank, N.A.	Pacific Proton EB-5 Fund, LLC	xxxxx1028
J.P. Morgan Chase Bank, N.A.	Los Angeles County Proton Therapy, LLC	xxxxx5152
J.P. Morgan Chase Bank, N.A.	United MPH Ventures, LLC	xxxxx7035
J.P. Morgan Chase Bank, N.A.	MP Medical Hotel, Inc.	xxxxx9018
J.P. Morgan Chase Bank, N.A.	SC MPH Fund, LP	xxxxx2522
J.P. Morgan Chase Bank, N.A.	SC MPH Management, LLC	xxxxx2978
Citibank, N.A.	Charles Liu	xxxxxxxx0486
East West Bank	Pacific Proton Regional Center LLC by Atlantic Escrow Corporation as escrow agent	xxxx9509
J.P. Morgan Chase Bank, N.A.	Xin Wang	xxxxx3983
Wells Fargo Bank, N.A.	Xin Wang	xxxxx9793

25 The foregoing financial institutions may transmit payment electronically to the
 26 Commission, which will provide detailed ACH transfer/Fedwire instructions upon
 27 request. Payment may also be made directly from a bank account via Pay.gov
 28

1 through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. The
2 foregoing financial institutions also may transfer these funds by certified check, bank
3 cashier’s check, or United States postal money order payable to the Securities and
4 Exchange Commission, which shall be delivered or mailed to

5
6 Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
7 Oklahoma City, OK 73169

8 and shall be accompanied by a letter identifying the case title, civil action number,
9 and name of this Court; and specifying that payment is made pursuant to this Final
10 Judgment.

11 **V.**

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
13 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
14 [11 U.S.C. §523](#), the allegations in the complaint are true and admitted by Defendants,
15 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
16 amounts due by Defendants under this Final Judgment or any other judgment, order,
17 consent order, decree or settlement agreement entered in connection with this
18 proceeding, is a debt for the violation by Defendants of the federal securities laws or
19 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
20 the Bankruptcy Code, [11 U.S.C. §523\(a\)\(19\)](#).

21 **VI.**

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
23 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
24 Judgment.

25
26 Dated: July 14, 2021

27 
28 HON. CORMAC J. CARNEY
UNITED STATES DISTRICT JUDGE