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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11
12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 vs.

15
16 WORLD CAPITAL MARKET INC.;
WCM777 INC.; WCM777 LTD. d/b/a
17 WCM777 ENTERPRISES, INC.; and
18 MING XU a/k/a PHIL MING XU,

19 Defendants,

20 and

21 KINGDOM CAPITAL MARKET,
22 LLC; MANNA HOLDING GROUP,
LLC; MANNA SOURCE
23 INTERNATIONAL, INC.; WCM
RESOURCES, INC.; AEON
24 OPERATING, INC.; PMX JEWELS,
LTD.; TOPACIFIC INC.; TO PACIFIC
25 INC.; VINCENT J. MESSINA; and
26 INTERNATIONAL MARKET
VENTURES,

27 Relief Defendants.
28

Case No. CV-14-2334-JFW-MRW

**CONSENT OF DEFENDANT MING
XU a/k/a PHIL MING XU**

1 1. Defendant Ming Xu a/k/a Phil Ming Xu (“Defendant”) acknowledges
2 having been served with the complaint (“Complaint”) in this action, enters a general
3 appearance, and admits the Court’s jurisdiction over Defendant and over the subject
4 matter of this action.

5 2. Without admitting or denying the allegations of the Complaint (except as
6 to paragraph 11 and except as to personal and subject matter jurisdiction, which
7 Defendant admits), Defendant hereby consents to the entry of a judgment in the form
8 attached hereto (“Judgment”) and incorporated by reference herein, which, among
9 other things:

- 10 a. permanently restrains and enjoins Defendants from violation of
11 Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933
12 (“Securities Act”), 15 U.S.C. §§ 77e(a), 77e(c) & 77q(a); and
13 Section 10(b) of the Securities Exchange Act of 1934 (“Exchange
14 Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §
15 240.10b-5;
- 16 b. orders Defendant to pay disgorgement in an amount to be
17 determined at a later date, plus prejudgment interest thereon in an
18 amount to be determined at a later date; and
- 19 c. orders Defendant to pay a civil penalty in an amount to be
20 determined at a later date, pursuant to Section 20(d) of the
21 Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the
22 Exchange Act, 15, U.S.C. § 78u(d)(3).

23 3. Defendant agrees that he shall not seek or accept, directly or indirectly,
24 reimbursement or indemnification from any source, including but not limited to
25 payment made pursuant to any insurance policy, with regard to any civil penalty
26 amounts that Defendant pays pursuant to any final judgment entered in this case,
27 regardless of whether such penalty amounts or any part thereof are added to a
28 distribution fund or otherwise used for the benefit of investors. Defendant further

1 agrees that he shall not claim, assert, or apply for a tax deduction or tax credit with
2 regard to any federal, state, or local tax for any penalty amounts that Defendant pays
3 pursuant to any final judgment, regardless of whether such penalty amounts or any
4 part thereof are added to a distribution fund or otherwise used for the benefit of
5 investors.

6 4. Defendant agrees that the Court shall order disgorgement of ill-gotten
7 gains, prejudgment interest thereon, and a civil penalty pursuant to Section 20(d) of
8 the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15
9 U.S.C. § 78u(d)(3). Defendant further agrees that the amounts of the disgorgement
10 and civil penalty shall be determined by the Court upon motion of the plaintiff
11 Securities and Exchange Commission (“SEC”), and that prejudgment interest shall be
12 calculated from March 1, 2013, based on the rate of interest used by the Internal
13 Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C.
14 § 6621(a)(2). Defendant further agrees that in connection with the SEC’s motion for
15 disgorgement and/or civil penalties, and at any hearing held on such a motion: (a)
16 Defendant will be precluded from arguing that he did not violate the federal securities
17 laws as alleged in the Complaint; (b) Defendant may not challenge the validity of this
18 Consent or the Judgment; (c) solely for the purposes of such motion, the allegations
19 of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court
20 may determine the issues raised in the motion on the basis of affidavits, declarations,
21 excerpts of sworn deposition or investigative testimony, and documentary evidence,
22 without regard to the standards for summary judgment contained in Rule 56(c) of the
23 Federal Rules of Civil Procedure. In connection with the SEC’s motion for
24 disgorgement and/or civil penalties, the parties may take discovery, including
25 discovery from appropriate non-parties.

26 5. Defendant waives the entry of findings of fact and conclusions of law
27 pursuant to Rule 52 of the Federal Rules of Civil Procedure.

28 6. Defendant waives the right, if any, to a jury trial and to appeal from the

1 entry of the Judgment.

2 7. Defendant enters into this Consent voluntarily and represents that no
3 threats, offers, promises, or inducements of any kind have been made by the SEC or
4 any member, officer, employee, agent, or representative of the SEC to induce
5 Defendant to enter into this Consent.

6 8. Defendant agrees that this Consent shall be incorporated into the
7 Judgment with the same force and effect as if fully set forth therein.

8 9. Defendant will not oppose the enforcement of the Judgment on the
9 ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of
10 Civil Procedure, and hereby waives any objection based thereon.

11 10. Defendant waives service of the Judgment and agrees that entry of the
12 Judgment by the Court and filing with the Clerk of the Court will constitute notice to
13 Defendant of its terms and conditions. Defendant further agrees to provide counsel
14 for the SEC, within thirty days after the Judgment is filed with the Clerk of the Court,
15 with an affidavit or declaration stating that Defendant has received and read a copy of
16 the Judgment.

17 11. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims
18 asserted against Defendant in this civil proceeding. Defendant acknowledges that no
19 promise or representation has been made by the SEC or any member, officer,
20 employee, agent, or representative of the SEC with regard to any criminal liability
21 that may have arisen or may arise from the facts underlying this action or immunity
22 from any such criminal liability. Defendant waives any claim of Double Jeopardy
23 based upon the settlement of this proceeding, including the imposition of any remedy
24 or civil penalty herein. Defendant further acknowledges that the Court's entry of a
25 permanent injunction may have collateral consequences under federal or state law
26 and the rules and regulations of self-regulatory organizations, licensing boards, and
27 other regulatory organizations. Such collateral consequences include, but are not
28 limited to, a statutory disqualification with respect to membership or participation in,

1 or association with a member of, a self-regulatory organization. This statutory
2 disqualification has consequences that are separate from any sanction imposed in an
3 administrative proceeding. In addition, in any disciplinary proceeding before the
4 SEC based on the entry of the injunction in this action, Defendant understands that he
5 shall not be permitted to contest the factual allegations of the Complaint in this
6 action.

7 12. Defendant understands and agrees to comply with the terms of 17 C.F.R.
8 § 202.5(e), which provides in part that it is the SEC's policy "not to permit a
9 defendant or respondent to consent to a judgment or order that imposes a sanction
10 while denying the allegations in the complaint or order for proceedings," and "a
11 refusal to admit the allegations is equivalent to a denial, unless the defendant or
12 respondent states that he neither admits nor denies the allegations." As part of
13 Defendant's agreement to comply with the terms of Section 202.5(e), Defendant: (i)
14 will not take any action or make or permit to be made any public statement denying,
15 directly or indirectly, any allegation in the complaint or creating the impression that
16 the complaint is without factual basis; (ii) will not make or permit to be made any
17 public statement to the effect that Defendant does not admit the allegations of the
18 Complaint, or that this Consent contains no admission of the allegations, without also
19 stating that Defendant does not deny the allegations; (iii) upon the filing of this
20 Consent, Defendant hereby withdraws any papers filed in this action to the extent that
21 they deny any allegation in the Complaint; and (iv) stipulates solely for purposes of
22 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C.
23 §523, that the allegations in the Complaint are true, and further, that any debt for
24 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant
25 under the Judgment or any other judgment, order, consent order, decree or settlement
26 agreement entered in connection with this proceeding, is a debt for the violation by
27 Defendant of the federal securities laws or any regulation or order issued under such
28 laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.

1 §523(a)(19). If Defendant breaches this agreement, the SEC may petition the Court
2 to vacate the Final Judgment and restore this action to its active docket. Nothing in
3 this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take
4 legal or factual positions in litigation or other legal proceedings in which the SEC is
5 not a party.

6 13. Defendant hereby waives any rights under the Equal Access to Justice
7 Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other
8 provision of law to seek from the United States, or any agency, or any official of the
9 United States acting in his or her official capacity, directly or indirectly,
10 reimbursement of attorney's fees or other fees, expenses, or costs expended by
11 Defendant to defend against this action. For these purposes, Defendant agrees that
12 Defendant is not the prevailing party in this action since the parties have reached a
13 good faith settlement.

14 14. Defendant agrees that the SEC may present the Judgment to the Court
15 for signature and entry without further notice.

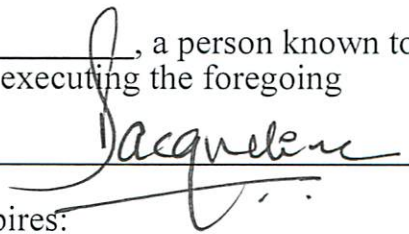
16 15. Defendant agrees that this Court shall retain jurisdiction over this matter
17 for the purpose of enforcing the terms of this Consent and the Judgment, including
18 the determination of disgorgement, prejudgment interest, and a civil penalty.

19
20 Dated: 7/17/2014



21 Ming Xu a/k/a Phil Ming Xu

22 On July 17th, 2014, _____, a person known to
23 me, personally appeared before me and acknowledged executing the foregoing
24 Consent.



25 Notary Public
26 Commission expires:

27 Approved as to form:

28 
Michael Volkof, Esq.
MV

**ATTACHED:
CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT**

State of California)
County of Los Angeles)

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

On July 17th 2014 before me, Jacqueline Joseph (Notary Public)
(here insert name and title of the officer)
personally appeared Ming Xu

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Jacqueline



(Seal)

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of _____

containing _____ pages, and dated _____.

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-Fact
- Corporate Officer(s) _____ Title(s)
- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: _____

representing: _____
Name(s) of Person(s) or Entity(ies) Signer is Representing

Additional Information

Method of Signer Identification

Proved to me on the basis of satisfactory evidence:
 form(s) of identification credible witness(es)

Notarial event is detailed in notary journal on:

Page # _____ Entry # _____

Notary contact: _____

Other

Additional Signer(s) Signer(s) Thumbprint(s)

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4 (240) 505-1992
5 Attorney for Defendant Ming Xu a/k/a Phil Ming Xu
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PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION,
5670 Wilshire Boulevard,, 11th Floor, Los Angeles, California 90036-3648
Telephone No. (323) 965-3998; Facsimile No. (323) 965-3908.

On July 30, 2014, I caused to be served the document entitled **CONSENT OF DEFENDANT MING XU a/k/a PHIL MING XU** on all the parties to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency’s practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

UNITED PARCEL SERVICE: By placing in sealed envelope(s) designated by United Parcel Service (“UPS”) with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: July 30, 2014

/s/ John B. Bulgozdy

John B. Bulgozdy

1 **SEC v. WORLD CAPITAL MARKET, et al.**
2 **United States District Court—Central District of California**
3 **Case No. 2:14-cv-02334-JFW-MRW**

4 **SERVICE LIST**

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13 ***WCM777 Inc., WCM777 Ltd. dba WCM777 Enterprises, Inc., and Relief***
14 ***Defendant Manna Source International, Inc.***

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38 ***Market Ventures***

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9 *WCM777, Inc., WCM777, Ltd. d/b/a WCM777 Enterprises, Inc., Kingdom*
10 *Capital Market, LLC; Manna Holding Group, LLC; Manna Source*
11 *International, Inc., WCM Resources, Inc., ToPacific Inc. and To Pacific*
12 *Inc.*

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