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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
MING XU a/k/a PHIL MING XU,
18

19 Defendants,

20 and

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

27 Relief Defendants.
28

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

**JUDGMENT AS TO DEFENDANT
MING XU a/k/a PHIL MING XU**

1 The Securities and Exchange Commission (“SEC”) having filed a Complaint
2 and Defendant Ming Xu a/k/a Phil Ming Xu having entered a general appearance;
3 consented to the Court’s jurisdiction over Defendant and the subject matter of this
4 action; consented to the entry of this Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction and except as otherwise
6 provided herein in paragraph VI); waived findings of fact and conclusions of law; and
7 waived any right to appeal from this Judgment:

8 I.

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

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

24 II.

25 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
26 Defendant and Defendant’s agents, servants, employees, attorneys, and all persons in
27 active concert or participation with them who receive actual notice of this Judgment
28 by personal service or otherwise are permanently restrained and enjoined from

1 violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”), 15 U.S.C.
2 § 77q(a), in the offer or sale of any security by the use of any means or instruments of
3 transportation or communication in interstate commerce or by use of the mails,
4 directly or indirectly:

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

12 III.

13 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
14 Defendant and Defendant’s agents, servants, employees, attorneys, and all persons in
15 active concert or participation with them who receive actual notice of this Judgment
16 by personal service or otherwise are permanently restrained and enjoined from
17 violating Section 5 of the Securities Act, 15 U.S.C. § 77e, by, directly or indirectly, in
18 the absence of any applicable exemption:

- 19 (a) Unless a registration statement is in effect as to a security, making use of
20 any means or instruments of transportation or communication in
21 interstate commerce or of the mails to sell such security through the use
22 or medium of any prospectus or otherwise;
- 23 (b) Unless a registration statement is in effect as to a security, carrying or
24 causing to be carried through the mails or in interstate commerce, by any
25 means or instruments of transportation, any such security for the purpose
26 of sale or for delivery after sale; or
- 27 (c) Making use of any means or instruments of transportation or
28 communication in interstate commerce or of the mails to offer to sell or

1 offer to buy through the use or medium of any prospectus or otherwise
2 any security, unless a registration statement has been filed with the SEC
3 as to such security, or while the registration statement is the subject of a
4 refusal order or stop order or (prior to the effective date of the
5 registration statement) any public proceeding or examination under
6 Section 8 of the Securities Act, 15 U.S.C. § 77h.

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. § 77t(d),
11 and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The Court shall
12 determine the amounts of the disgorgement and civil penalty upon motion of the
13 SEC. Prejudgment interest shall be calculated from March 1, 2014, based on the rate
14 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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1 V.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
3 Consent is incorporated herein with the same force and effect as if fully set forth
4 herein, and that Defendant shall comply with all of the undertakings and agreements
5 set forth therein.

6 VI.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
8 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
9 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
10 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
11 amounts due by Defendant under this Judgment or any other judgment, order, consent
12 order, decree or settlement agreement entered in connection with this proceeding, is a
13 debt for the violation by Defendant of the federal securities laws or any regulation or
14 order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy
15 Code, 11 U.S.C. §523(a)(19).

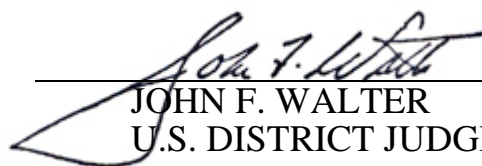
16 VII.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
18 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
19 Judgment.

20 VIII.

21 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
22 Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and
23 without further notice.

24
25 Dated: July 30, 2014

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28 JOHN F. WALTER
U.S. DISTRICT JUDGE