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

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**v.**

**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.: SACV 16-00974-CJC(AGR<sub>x</sub>)**

**ORDER ON STIPULATION  
REGARDING SETTLEMENT FUNDS  
TRANSFER**

1 Plaintiff Securities and Exchange Commission (“SEC”), Defendants Charles C.  
2 Liu and Xin (Lisa) Wang, and Michael Grassmueck, the court-appointed receiver in this  
3 action (the “Receiver”) (collectively, the “Parties”), having stipulated to the foregoing  
4 relief in connection with a potential settlement of the SEC’s case against Liu and Wang  
5 (the “Potential Settlement”), and good cause having been shown,  
6

7 IT IS HEREBY ORDERED that nothing in the Court’s Amended and Restated  
8 Preliminary Injunction, (Dkt. 179), shall prohibit Liu and Wang from causing the amount  
9 of \$26,967,918 (the “Settlement Funds”) to be transferred (“Settlement Funds Transfer”)  
10 to the bank account of Liu’s and Wang’s attorneys, Sills Cummis & Gross P.C. (“Sills  
11 Cummis”), or prohibit Sills Cummis from receiving the Settlement Funds and disbursing  
12 and/or transferring such Funds in accordance with the terms of the Potential Settlement  
13 papers filed with the Court and the terms of the Parties’ stipulation;  
14

15 IT IS FURTHER ORDERED that within twenty-four (24) hours of receipt of the  
16 total Settlement Funds, counsel for Liu and Wang shall provide to the Parties and the  
17 Court written confirmation and appropriate supporting documentation showing that the  
18 Settlement Funds have been so deposited with counsel;  
19

20 IT IS FURTHER ORDERED that unless as provided herein, the Settlement Funds  
21 in the Sills Cummis account shall remain frozen pending further order of the Court. Such  
22 funds shall be available only for the purpose of making payment to the SEC for the  
23 Potential Settlement;  
24

25 IT IS FURTHER ORDERED that the Parties and all third-parties are enjoined  
26 from commencing, prosecuting, continuing or enforcing any suit or proceeding; using  
27 self-help, executing, issuing, or causing the execution or issuance of any process for the  
28 purpose of impounding, taking possession of, interfering with, or creating or enforcing a

1 lien upon; and/or doing any act or thing whatsoever to interfere with the possession of,  
2 the Settlement Funds in the account of Sills Cummis;

3  
4 IT IS FURTHER ORDERED that upon confirmation that the Settlement Funds  
5 have been deposited to the Sills Cummis account, counsel for the SEC intends to seek  
6 approval of the Potential Settlement from the SEC Commissioners and:

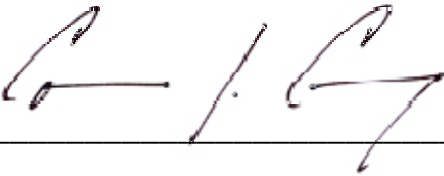
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8 A. In the event that the Potential Settlement is approved by the SEC  
9 Commissioners, then the SEC shall file with the Court settlement papers  
10 associated with the Potential Settlement (which would be comprised of  
11 consents by both Liu and Wang to the settlement, a Second Amended and  
12 Restated Preliminary Injunction, and a proposed final judgment against  
13 them). Upon signing and entry of the final judgment and the Second  
14 Amended and Restated Preliminary Injunction by the Court, the Settlement  
15 Funds shall be transferred to the SEC within five business days, through the  
16 payment procedure set forth in the Final Judgment. The SEC may, in its  
17 sole discretion and by motion, propose a plan to distribute the Settlement  
18 Funds subject to the Court's approval. Such a plan may provide that the  
19 Settlement Funds may be distributed pursuant to the Fair Fund provisions of  
20 Section 308(a) of the Sarbanes-Oxley Act of 2002;

21  
22 B. In the event that the Potential Settlement is not approved by the SEC  
23 Commissioners, upon written notice from SEC counsel to that effect,  
24 without any further order by the Court, Sills Cummis shall, within five (5)  
25 business days, transfer the Settlement Funds to the persons who had initially  
26 made the transfers of the Settlement Funds. Upon doing so, Sills Cummis  
27 shall within forty-eight (48) hours of such transfer provide written  
28 confirmation to the Parties of such a transfer.

1 IT IS FURTHER ORDERED that the SEC's pending motion for summary  
2 judgment, (Dkt. 199), shall be held in abeyance upon further Order of the Court, on the  
3 condition that the Settlement Funds Transfer permitted by this Order shall occur no later  
4 than March 17, 2017.

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DATED: February 24, 2017



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CORMAC J. CARNEY  
UNITED STATES DISTRICT JUDGE