

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA, WESTERN DIVISION

Securities and Exchange Commission v. Brian Lam

Case No. 2:22-cv-06831-WLH-E (C.D. Cal. Mar. 10, 2025) · No. 2:22-cv-06831-WLH-E · Decided March 11,
2025

SUMMARY

This final judgment permanently enjoins Nathan Nhan Nguyen from violating federal securities registration and broker-dealer requirements and from participating in unregistered securities offerings. The court orders Nguyen to pay a \$1,000 civil penalty and Nguyen Group LLC to pay a \$25,000 civil penalty, while determining that no disgorgement is owed based on repayment of illicit funds.

CASE DETAILS

COURT	United States District Court for the Central District of California, Western Division
WRITING FOR THE COURT	Wesley L. Hsu
JURISDICTION	United States District Court for the Central District of California, Western Division
DECIDED	March 11, 2025
DOCKET	2:22-cv-06831-WLH-E
DISPOSITION	other
PROCEDURAL POSTURE	The court entered a final judgment as to Defendant Nathan Nhan Nguyen after previously entering a bifurcated consent judgment and considering the SEC's partially unopposed motion for monetary relief.
PRECEDENTIAL VALUE	unpublished

TOPICS

- remedies
- injunctions
- commercial litigation
- civil procedure
- contempt

PRACTICE AREAS

- securities enforcement
- administrative law
- equitable remedies
- civil procedure

QUESTIONS PRESENTED

1. What injunctive relief should be entered against Nathan Nhan Nguyen for violations of Sections 5 of the Securities Act and 15(a) of the Exchange Act?
2. Whether Nguyen should be permanently enjoined from participating in unregistered securities offerings under Section 21(d)(5) of the Exchange Act.
3. What disgorgement and civil-penalty amounts should be imposed against Nguyen and Nguyen Group LLC.

HOLDINGS

1. Nguyen is permanently restrained and enjoined from violating Section 5 of the Securities Act by offering or selling securities without an applicable registration statement or exemption, or while a registration statement is subject to specified statutory proceedings.
2. Nguyen is permanently restrained and enjoined from violating Section 15(a) of the Exchange Act by effecting or inducing securities transactions without being associated with a broker or dealer registered under Section 15(b).
3. Nguyen is permanently restrained and enjoined from directly or indirectly participating, including through an entity he owns or controls, in the issuance, purchase, offer, or sale of securities in an unregistered offering.
4. Nguyen is liable for \$0 in disgorgement because he repaid the illicit funds, but Nguyen must pay a \$1,000 civil penalty and Nguyen Group LLC must pay a \$25,000 civil penalty.

KEY QUOTATIONS

“IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 5 of the Securities Act of 1933” (at 1)

“Defendant is liable for \$0 in disgorgement, as determined by the Commission’s Motion, based on Defendant Nguyen’s repayment of illicit funds.” (at 3)

FACTUAL BACKGROUND

The SEC brought an enforcement action involving alleged violations of the federal securities laws. Nguyen had previously consented to a bifurcated judgment, and the SEC later sought monetary relief. The court found that Nguyen had repaid illicit funds and therefore owed no disgorgement, but imposed a \$1,000 civil penalty on Nguyen and a \$25,000 civil penalty on Nguyen Group LLC; the court reduced the initially requested penalties after considering Nguyen's representation that he had spent more than \$200,000 making victims whole.

PROCEDURAL HISTORY

On March 21, 2023, the court entered a bifurcated consent judgment against Nathan Nhan Nguyen, reserving determination of disgorgement, prejudgment interest, and civil penalties. The SEC later moved for monetary relief against defendants and relief defendants. The court entered this final judgment, imposing permanent injunctions, determining disgorgement and civil-penalty amounts, and retaining jurisdiction to enforce the judgment.

DISPOSITION

other

CASES CITED

- S.E.C. v. RMR Asset Mgmt. Co., 553 F. Supp. 3d 820, 828 (S.D. Cal. 2021)

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