

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
	:	
Plaintiff,	:	CIVIL ACTION NO.
	:	1:19-CV-03265-CMS
v.	:	
	:	
PAUL ALAR AND	:	
WEST MOUNTAIN, LLC,	:	
	:	
Defendants.	:	

FINAL JUDGMENT

Plaintiff Securities and Exchange Commission (“Commission”) having filed a Complaint and Defendants Paul Alar (“Alar”) and West Mountain, LLC (“West Mountain”) (collectively “Defendants”) having entered general appearances; consented to the Court’s jurisdiction over Defendants and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph V); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are permanently restrained and enjoined from violating Section 206(2) of the Investment Advisers Act of 1940 (the “Advisers Act”) [15 U.S.C. § 80b-6(2)] while acting as an investment adviser, using the mails or any means or instrumentality of interstate commerce, directly or indirectly, to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client by, by, directly or indirectly, (i) creating a false appearance or otherwise deceiving any client or prospective client, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any client or prospective client, about the value of any securities held by the client; or (iii) by collecting management or performance fees that are based on valuations of investments that have been fraudulently and materially overvalued.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) Defendants’ officers, agents, servants, employees, and attorneys;

and (b) other persons in active concert or participation with Defendants or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are jointly and severally liable for disgorgement of \$191,105, representing net profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$32,908, and a civil penalty in the amount of \$111,614 pursuant to Section 209(e) of the Advisers Act [15. U.S.C. § 80b-9(e)]. Defendants shall satisfy this obligation pursuant to the terms of the payment schedule set forth in paragraph V., below.

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

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

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; West Mountain's and Alar's names as defendants in this action; and specifying that payment is made pursuant to this Final Judgment.

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

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

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

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

The Commission may propose a plan to distribute the Fund subject to the Court’s approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The recipients of such distribution shall not include Alar, any entity invested in the West Mountain Funds (defined below) in which Alar has any ownership interest or otherwise controls, any family member of Alar, or any person employed by, or serving as an officer of, West Mountain. The Court shall retain jurisdiction over the administration of any distribution of the Fund and the Fund may only be disbursed pursuant to an Order of the Court.

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendants shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendants’ payment of disgorgement in this action, argue that they are entitled to, nor shall they further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendants’ payment

of a civil penalty in this action (“Penalty Offset”). If the court in any Related Investor Action grants such a Penalty Offset, Defendants shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission’s counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For purposes of this paragraph, a “Related Investor Action” means a private damages action brought against Defendant by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

III.

Defendants shall pay the total of disgorgement, prejudgment interest, and penalty due of \$335,627 in five installment payments to the Commission according to the following schedule:

- (1) \$85,000 to be paid no later than October 4, 2024;
- (2) \$20,000 to be paid no later than April 1, 2025;
- (3) \$20,000 to be paid no later than September 1, 2025;
- (4) \$20,000 to be paid no later than January 2, 2026; and

(5) \$190,627 within two years after entry of this Final Judgment.

Payments shall be deemed made on the date they are received by the Commission and shall be applied first to post judgment interest, which accrues pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after 30 days of the entry of Final Judgment. Prior to making the final payment set forth herein, Defendants or their counsel shall contact the staff of the Commission for the amount due for the final payment.

If Defendants fail to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth above, all outstanding payments under this Final Judgment, including post-judgment interest, minus any payments made, shall become due and payable within 30 days at the discretion of the staff of the Commission without further application to the Court.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendants shall comply with all of the undertakings and agreements set forth therein, including the undertakings to:

(1) Not directly or indirectly solicit or accept any additional investors or investments in West Mountain Partners, LP or West Mountain Ltd. (collectively the “West Mountain Funds”) or any other pooled investment vehicle managed by West Mountain;

(2) Not assess, charge, or collect from the West Mountain Funds any additional management or performance fees that are attributable to the year-end 2016 increase in valuation of the West Mountain Funds’ direct investments in Groen Brothers Aviation Global, Inc. (“Groen”) or Alternative Petroleum Technologies S.A. (“APT”), or any subsidiary, affiliated or successor entities;

(3) Reverse from the West Mountain Funds’ and/or West Mountain’s accounting books and records any accrued management or performance fees owed to either Defendant to the extent those fees are based on the year-end 2016 increase in valuation of the West Mountain Funds’ direct investments in Groen and APT;

(4) Use the proceeds from the sale of any West Mountain Funds’ holdings to first redeem the capital accounts of all West Mountain Funds investors, provided however that no portion of any investment in the West Mountain Funds by Alar or any entity investor in which Alar has an ownership interest or that he controls (the “Alar Accounts”) shall be redeemed until the capital accounts of all other investors in the West Mountain Funds have been fully redeemed (after which the Alar

Accounts' capital accounts will be fully redeemed and, to the extent any sale proceeds are then remaining, all investors in the West Mountain Funds will share in those proceeds pro rata, including the Alar Accounts);

(5) Provide a copy of this Final Judgment to: (a) current investors in the West Mountain Funds and, going forward, (b) any prospective investor in any pooled investment vehicle managed by Alar; or (c) any prospective investors from whom Alar personally solicits an investment for a pooled investment vehicle with which Alar is affiliated; and

(6) Certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Defendants agree to provide such evidence. Defendants shall submit the certification and supporting material to M. Graham Loomis, Esq. Regional Trial Counsel, Atlanta Regional Office, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the undertakings.

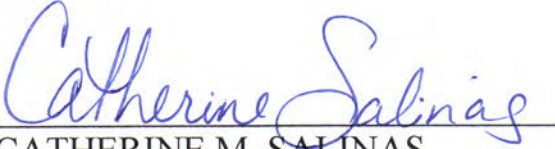
V.

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

VI.

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

Dated: September 4, 2024.



CATHERINE M. SALINAS
UNITED STATES MAGISTRATE JUDGE