



U.S. SECURITIES AND EXCHANGE COMMISSION

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Litigation Release No. 20489 / March 12, 2008

Securities and Exchange Commission v. High Park Investment Group Inc., Harbor Financial Investment Group, Inc., and Edward R. Showalter, (United States District Court for the Central District of California, Case No. SACV05-1090 CJC (Mlgx))

United States of America v. Showalter (United States District Court For The Central District of California, Case No. SACR-06-129-AG)

Edward R. Showalter, Defendant in SEC Enforcement Action, Sentenced in Federal Court on Related Criminal Charges

The Commission announced today that on March 4, 2008, Edward R. Showalter, a defendant in a previously-filed Commission enforcement action, was sentenced in U.S. District Court for the Central District of California to almost thirteen years in prison to be followed by three years of supervised release. Showalter pled guilty in September 2006 to charges of wire fraud, related to his conduct in the investment fraud alleged in the Commission's November 2005 civil action. In addition to his jail sentence, Showalter was ordered to pay over \$15 million in restitution to defrauded investors.

The Commission's previously-filed civil action against Showalter (and his two companies, High Park Investment Group, Inc. and Harbor Financial Group, Inc.) alleged violations of the registration and anti-fraud provisions of the federal securities laws. Immediately after filing the action, the Commission obtained emergency relief from the court in the form of a temporary restraining order and an asset freeze against all defendants, as well as the appointment of a temporary receiver over Showalter's two companies. In December 2005, and pursuant to a stipulation by the parties, the court made the receiver permanent and issued a preliminary injunction against Showalter and his two companies. One month later, after no responsive pleadings were filed by the two defendant entities, the clerk of the court entered a default against High Park Investment Group, Inc. and Harbor Financial Group, Inc. at the request of the Commission. In July 2006, the liquidation and distribution of the receivership assets were transferred to a bankruptcy court. These receivership assets are currently being supervised by a Chapter 7 Trustee. The Commission's action against Showalter and his two co-defendant entities is still pending.

For further information, see Litigation Release No. 19462 (November 9, 2005).