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U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

4 Attorneys for Plaintiff
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DEPUTY

9 **UNITED STATES DISTRICT COURT**
10 **SOUTHERN DISTRICT OF CALIFORNIA**

12 **SECURITIES AND EXCHANGE**
13 **COMMISSION,**

14 Plaintiff,

15 vs.

16 **VERDE RETIREMENT LLC, a California**
17 **limited liability company, VERDE FX**
18 **NEVADA, LLC, a California limited**
19 **liability company, COVENANT**
20 **CAPITAL PARTNERS, a California**
21 **corporation, and STEVEN L.**
22 **HAMILTON, an individual,**

23 Defendants.

Case No. 12-cv-00445-DMS (BLM)

~~RECEIVED~~ **FINAL JUDGMENT**
AS TO DEFENDANT STEVEN L.
HAMILTON

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Steven L. Hamilton (“Defendant”) having entered a general appearance;
3 consented to the Court’s jurisdiction over Defendant and the subject matter of this
4 action; consented to entry of this Final Judgment; waived findings of fact and
5 conclusions of law; and waived any right to appeal from this Judgment:

6 I.

7 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
8 and Defendant's agents, servants, employees, attorneys, and all persons in active
9 concert or participation with them who receive actual notice of this Final Judgment
10 by personal service or otherwise are permanently restrained and enjoined from
11 violating Section 5 of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C.
12 § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- 13 (a) Unless a registration statement is in effect as to a security, making use
14 of any means or instruments of transportation or communication in
15 interstate commerce or of the mails to sell such security through the
16 use or medium of any prospectus or otherwise;
- 17 (b) Unless a registration statement is in effect as to a security, carrying or
18 causing to be carried through the mails or in interstate commerce, by
19 any means or instruments of transportation, any such security for the
20 purpose of sale or for delivery after sale; or
- 21 (c) Making use of any means or instruments of transportation or
22 communication in interstate commerce or of the mails to offer to sell
23 or offer to buy through the use or medium of any prospectus or
24 otherwise any security, unless a registration statement has been filed
25 with the Commission as to such security, or while the registration
26 statement is the subject of a refusal order or stop order or (prior to the
27 effective date of the registration statement) any public proceeding or
28 examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

1 II.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
3 Defendant and Defendant's agents, servants, employees, attorneys, and all persons
4 in active concert or participation with them who receive actual notice of this Final
5 Judgment by personal service or otherwise are permanently restrained and enjoined
6 from violating Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] in the offer
7 or sale of any security by the use of any means or instruments of transportation or
8 communication in interstate commerce or by use of the mails, directly or
9 indirectly:

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

17 III.

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
19 Defendant and Defendant's agents, servants, employees, attorneys, and all persons
20 in active concert or participation with them who receive actual notice of this Final
21 Judgment by personal service or otherwise are permanently restrained and enjoined
22 from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act
23 of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated
24 thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of
25 interstate commerce, or of the mails, or of any facility of any national securities
26 exchange, in connection with the purchase or sale of any security:

- 27 (a) to employ any device, scheme, or artifice to defraud;
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1 (b) to make any untrue statement of a material fact or to omit to state a
2 material fact necessary in order to make the statements made, in the
3 light of the circumstances under which they were made, not
4 misleading; or

5 (c) to engage in any act, practice, or course of business which operates or
6 would operate as a fraud or deceit upon any person.

7 IV.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
9 Defendant is liable for disgorgement of \$1,871,015.60, representing profits gained
10 as a result of the conduct alleged in the Complaint, together with prejudgment
11 interest thereon in the amount of \$349,817.14. Defendant shall satisfy this
12 obligation by paying \$2,220,832.74 within 14 days after entry of this Final
13 Judgment.

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

20 Enterprise Services Center
21 Accounts Receivable Branch
22 6500 South MacArthur Boulevard
23 Oklahoma City, OK 73169

24 and shall be accompanied by a letter identifying the case title, civil action number,
25 and name of this Court; Steven L. Hamilton as a defendant in this action; and
26 specifying that payment is made pursuant to this Final Judgment.

27 Defendant shall simultaneously transmit photocopies of evidence of
28 payment and case identifying information to the Commission's counsel in this

1 action. By making this payment, Defendant relinquishes all legal and equitable
2 right, title, and interest in such funds and no part of the funds shall be returned to
3 Defendant. The Commission shall send the funds paid pursuant to this Final
4 Judgment to the United States Treasury. Defendant shall pay post-judgment
5 interest on any delinquent amounts pursuant to 28 USC § 1961.

6 V.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
8 Defendant shall pay a civil penalty in the amount of \$450,000 under Section 20(d)
9 of the Securities Act and Section 21(d)(3) of the Exchange Act. Defendant shall
10 make this payment within 14 days after entry of this Final Judgment.

11 Defendant may transmit payment electronically to the Commission, which
12 will provide detailed ACH transfer/Fedwire instructions upon request. Payment
13 may also be made directly from a bank account via Pay.gov through the SEC
14 website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by
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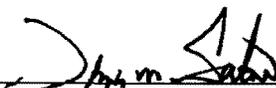
5 VI.

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

10 VII.

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

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15 Dated: 3-28-13

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19 _____
20 UNITED STATES DISTRICT JUDGE
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