

1 CHRISTINE NESTOR, Fla. Bar No. 597211

2 Email: [nestorc@sec.gov](mailto:nestorc@sec.gov)

3 STEPHANIE N. MOOT, Fla. Bar No. 30377

4 Email: [moots@sec.gov](mailto:moots@sec.gov)

5 ANDREW O. SCHIFF, Pa. Bar No. 43641

6 Email: [schiffa@sec.gov](mailto:schiffa@sec.gov)

7 Attorneys for Plaintiff  
8 Securities and Exchange Commission  
9 801 Brickell Avenue, Suite 1950  
10 Miami, FL 33131  
11 Telephone: (305) 982-6300  
12 Facsimile: (305) 516-4154

13 LOCAL COUNSEL

14 DONALD W. SEARLES, Cal. Bar No. 135705

15 Email: [searlesd@sec.gov](mailto:searlesd@sec.gov)

16 Securities and Exchange Commission  
17 444 S. Flower Street, Suite 900  
18 Los Angeles, CA 90071  
19 Telephone: (323) 965-3398  
20 Facsimile: (213) 443-1904

21 **UNITED STATES DISTRICT COURT**  
22 **CENTRAL DISTRICT OF CALIFORNIA**

23 CV 18-10481 FMO (JCx)

24 SECURITIES AND EXCHANGE  
25 COMMISSION,

26 Plaintiff,

27 vs.

28 ROBERT DAVIS, JR., et al.

Defendants.

**FINAL JUDGMENT AS TO  
DEFENDANT DONALD ANTHONY  
MACKENZIE**

29 This cause comes before the Court upon the Unopposed Motion by Plaintiff  
30 Securities and Exchange Commission for Entry of Final Judgments against Certain

1 Defendants (“Motion”). By the Consent attached hereto, and without admitting or denying  
2 the allegations of the Amended Complaint (except as to subject matter and personal  
3 jurisdiction, which are admitted, and except as provided in paragraph IV herein), Donald  
4 Anthony Mackenzie (“Mackenzie” or “Defendant”) has: entered a general appearance;  
5 consented to entry of this Final Judgment; waived findings of fact and conclusions of law;  
6 and waived any right to appeal from this Final Judgment. The Court finds that good cause  
7 exists for entry of the Final Judgment. Accordingly, the Commission’s Motion is  
8 **GRANTED**. The Court further orders as follows:

9 **I.**

10 **DISGORGEMENT, PREJUDGMENT INTEREST, AND CIVIL PENALTY**

11 **IT IS ORDERED, ADJUDGED, AND DECREED** that Mackenzie is liable for  
12 disgorgement of \$105,985.04 representing net profits gained as a result of the conduct  
13 alleged in the Amended Complaint, together with prejudgment interest thereon in the  
14 amount of \$26,573.79, and a civil penalty in the amount of \$100,000 pursuant to Section  
15 20(d) of the Securities Act of 1933 (“Securities Act”) and Section 21(d)(3) of the Securities  
16 Exchange Act of 1934 (“Exchange Act”), for a total of \$232,558.83, all jointly and  
17 severally with Defendant Old Security Financial Group, Inc. Defendant shall satisfy this  
18 obligation by paying \$232,558.83 to the Securities and Exchange Commission pursuant to  
19 the terms of the payment schedule set forth in paragraph II below after entry of this Final  
20 Judgment.

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

27 Enterprise Services Center

28 Accounts Receivable Branch

1 6500 South MacArthur Boulevard

2 Oklahoma City, OK 73169

3 and shall be accompanied by a letter identifying the case title, civil action number, and  
4 name of this Court; Mackenzie as a defendant in this action; and specifying that payment  
5 is made pursuant to this Final Judgment.

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

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

14 The Commission may enforce the Court's judgment for penalties by the use of all  
15 collection procedures authorized by law, including the Federal Debt Collection Procedures  
16 Act, 28 U.S.C. § 3001 et seq., and moving for civil contempt for the violation of any Court  
17 orders issued in this action. Defendant shall pay post judgment interest on any amounts  
18 due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The  
19 Commission shall hold the funds, together with any interest and income earned thereon  
20 (collectively, the "Fund"), pending further order of the Court.

21 The Commission may propose a plan to distribute the Fund subject to the Court's  
22 approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair  
23 Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall  
24 retain jurisdiction over the administration of any distribution of the Fund and the Fund may  
25 only be disbursed pursuant to an Order of the Court.

26 Regardless of whether any such Fair Fund distribution is made, amounts ordered to  
27 be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the  
28 government for all purposes, including all tax purposes. To preserve the deterrent effect

1 of the civil penalty, Defendant shall not, after offset or reduction of any award of  
2 compensatory damages in any Related Investor Action based on Defendant's payment of  
3 disgorgement in this action, argue that he is entitled to, nor shall he further benefit by,  
4 offset or reduction of such compensatory damages award by the amount of any part of  
5 Defendant's payment of a civil penalty in this action ("Penalty Offset"). If the court in any  
6 Related Investor Action grants such a Penalty Offset, Defendant shall, within 30 days after  
7 entry of a final order granting the Penalty Offset, notify the Commission's counsel in this  
8 action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair  
9 Fund, as the Commission directs. Such a payment shall not be deemed an additional civil  
10 penalty and shall not be deemed to change the amount of the civil penalty imposed in this  
11 Judgment. For purposes of this paragraph, a "Related Investor Action" means a private  
12 damages action brought against Defendant by or on behalf of one or more investors based  
13 on substantially the same facts as alleged in the Complaint in this action.

## 14 II.

### 15 PAYMENT PLAN

16 Mackenzie shall pay the total of disgorgement, prejudgment interest, and penalty  
17 due of \$232,558.83 in 2 installments to the Commission according to the following  
18 schedule: (1) \$160,000 within 3 days of entry of this Final Judgment; and \$72,558.83 by  
19 December 31, 2021. Payments shall be deemed made on the date they are received by the  
20 Commission and shall be applied first to post judgment interest, which accrues pursuant to  
21 28 U.S.C. § 1961 on any unpaid amounts due after 30 days of the entry of Final Judgment.  
22 Prior to making the final payment set forth herein, Mackenzie shall contact the staff of the  
23 Commission for the amount due for the final payment.

24 If Mackenzie fails to make any payment by the date agreed and/or in the amount  
25 agreed according to the schedule set forth above, all outstanding payments under this Final  
26 Judgment, including post-judgment interest, minus any payments made, shall become due  
27 and payable immediately at the discretion of the staff of the Commission without further  
28 application to the Court.

1 **III.**

2 **INCORPORATION OF CONSENT**

3 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Consent  
4 is incorporated herein with the same force and effect as if fully set forth herein, and that  
5 Mackenzie shall comply with all of the undertakings and agreements set forth therein.

6 **IV.**

7 **BANKRUPTCY NONDISCHARGEABILITY**

8 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, solely for  
9 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11  
10 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and  
11 further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts  
12 due by Defendant under this Final Judgment or any other judgment, order, consent order,  
13 decree or settlement agreement entered in connection with this proceeding, is a debt for the  
14 violation by Defendant of the federal securities laws or any regulation or order issued under  
15 such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.  
16 §523(a)(19).

17 **V.**

18 **RETENTION OF JURISDICTION**

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

22 **VI.**

23 **RULE 54(b) CERTIFICATION**

24 There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of  
25  
26  
27  
28

1 Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and  
2 without further notice.

3  
4 **DONE and ORDERED** in Chambers, Los Angeles California, this 21st day of  
5 January, 2021.

6  
7 /s/

8 FERNANDO M. OLGUIN  
9 UNITED STATES DISTRICT JUDGE

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28