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7 **UNITED STATES DISTRICT COURT**
8 **CENTRAL DISTRICT OF CALIFORNIA**
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10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 vs.

14 TOON GOGGLES, INC., and IRA
15 WARKOL,

16 Defendants.
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Case No. 2:19-cv-07687

**FINAL JUDGMENT AS TO
DEFENDANT IRA WARKOL**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Ira Warkol having entered a general appearance; consented to the Court's
3 jurisdiction over Defendant and the subject matter of this action; consented to entry
4 of this Final Judgment without admitting or denying the allegations of the Complaint
5 (except as to jurisdiction and except as otherwise provided herein in paragraph VI)
6 waived findings of fact and conclusions of law; and waived any right to appeal from
7 this Final Judgment:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating Section 5 of the Securities Act
11 [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable
12 exemption:

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

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
2 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
3 binds the following who receive actual notice of this Final Judgment by personal
4 service or otherwise: (a) Defendants' officers, agents, servants, employees, and
5 attorneys; and (b) other persons in active concert or participation with Defendants or
6 with anyone described in (a).

7 **II.**

8 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
9 Defendant is permanently restrained and enjoined from violating Section 15(a) of the
10 Exchange Act [15 U.S.C. § 78o(a)] by, directly or indirectly, in the absence of any
11 applicable exemption, making use of the mails or any means or instrumentality of
12 interstate commerce to effect any transactions in, or to induce or attempt to induce the
13 purchase or sale of, any security (other than an exempted security or commercial
14 paper, bankers' acceptances, or commercial bills) unless registered in accordance
15 with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
17 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
18 binds the following who receive actual notice of this Final Judgment by personal
19 service or otherwise: (a) Defendants' officers, agents, servants, employees, and
20 attorneys; and (b) other persons in active concert or participation with Defendants or
21 with anyone described in (a).

22 **III.**

23 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND
24 DECREED that Defendant is liable for disgorgement of \$1,748,985.42, representing
25 profits gained as a result of the conduct alleged in the Complaint, together with
26 prejudgment interest thereon in the amount of \$283,641.40, for a total of
27 \$2,032,626.82. Defendant shall satisfy this obligation by paying \$2,032,626.82 to the
28 Securities and Exchange Commission within 14 days after entry of this Final

1 Judgment.

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

8 Enterprise Services Center
9 Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169
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11 and shall be accompanied by a letter identifying the case title, civil action number,
12 and name of this Court; Ira Warkol as a defendant in this action; and specifying that
13 payment is made pursuant to this Final Judgment.

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

18 The Commission shall hold the funds (collectively, the "Fund") and may
19 propose a plan to distribute the Fund subject to the Court's approval. The Court shall
20 retain jurisdiction over the administration of any distribution of the Fund. If the
21 Commission staff determines that the Fund will not be distributed, the Commission
22 shall send the funds paid pursuant to this Final Judgment to the United States
23 Treasury.

24 The Commission may enforce the Court's judgment for disgorgement and
25 prejudgment interest by moving for civil contempt (and/or through other collection
26 procedures authorized by law) at any time after 14 days following entry of this Final
27 Judgment. Defendant shall pay post judgment interest on any delinquent amounts
28 pursuant to 28 U.S.C. § 1961.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that that Defendant shall pay a civil penalty in the amount of \$189,427 to the Securities and Exchange Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)]. Defendant shall make this payment within 14 days after entry of this Final Judgment.

Defendant 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>. Defendant 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

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

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent of Defendant is incorporated herein with the same force and effect as if fully

1 set forth herein, and that Defendant shall comply with all of the undertakings and
2 agreements set forth therein.

3 **VI.**

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
5 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
6 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
7 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
8 amounts due by Defendant under this Final Judgment or any other judgment, order,
9 consent order, decree or settlement agreement entered in connection with this
10 proceeding, is a debt for the violation by Defendant of the federal securities laws or
11 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
12 the Bankruptcy Code, 11 U.S.C. §523(a)(19).


13 **VII.**

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

17 **VIII.**

18 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
19 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith
20 and without further notice.

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22 Dated: October 28, 2019

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24 UNITED STATES DISTRICT JUDGE
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