

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

VS.

TOON GOGGLES, INC., and IRA  
WARKOL,

## Defendants.

Case No. 2:19-cv-07687

**FINAL JUDGMENT AS TO  
DEFENDANT IRA WARKOL**

The Securities and Exchange Commission having filed a Complaint and Defendant Ira Warkol having entered a general appearance; consented to the Court's jurisdiction over Defendant 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 VI) waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

1.

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

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

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 Final 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 Defendant is permanently restrained and enjoined from violating Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)] by, directly or indirectly, in the absence of any applicable exemption, making use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) unless registered in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

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 Final 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).

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND  
DECREED that Defendant is liable for disgorgement of \$1,748,985.42, representing  
profits gained as a result of the conduct alleged in the Complaint, together with  
prejudgment interest thereon in the amount of \$283,641.40, for a total of  
\$2,032,626.82. Defendant shall satisfy this obligation by paying \$2,032,626.82 to the  
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  
10      6500 South MacArthur Boulevard  
11      Oklahoma City, OK 73169

12 and shall be accompanied by a letter identifying the case title, civil action number,  
13 and name of this Court; Ira Warkol as a defendant in this action; and specifying that  
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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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.

21  
22 Dated: October 28, 2019

23   
24 John F. Walter  
25 UNITED STATES DISTRICT JUDGE  
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