

JS-6

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

12 SECURITIES AND EXCHANGE  
13 COMMISSION,

14 Plaintiff,

15 vs.

16 UULALA, INC., OSCAR GARCIA,  
17 AND MATTHEW LOUGHREN,

18 Defendants.

Case No. ED CV 21-01307-JGB-KKx

**FINAL JUDGMENT AS TO  
DEFENDANT MATTHEW  
LOUGHREN**

The Securities and Exchange Commission having filed a Complaint and Defendant **Matthew Loughran** 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:

I.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a)(3) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

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) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant 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 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) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND  
DECREED that Defendant is liable for a civil penalty in the amount of \$50,000  
pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act  
Section 21(d) [15 U.S.C. § 78u(d)]. Defendant shall satisfy this obligation by paying  
\$50,000 to the Securities and Exchange Commission pursuant to the terms of the  
payment schedule set forth in paragraph IV below after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will

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

6 Enterprise Services Center  
7 Accounts Receivable Branch  
8 6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

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

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

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

24 The Commission may propose a plan to distribute the Fund subject to the  
25 Court's approval. Such a plan may provide that the Fund shall be distributed  
26 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of  
27 2002. The Court shall retain jurisdiction over the administration of any distribution  
28 of the Fund and the Fund may only be disbursed pursuant to an Order of the Court.

1        Regardless of whether any such Fair Fund distribution is made, amounts  
2        ordered to be paid as civil penalties pursuant to this Judgment shall be treated as  
3        penalties paid to the government for all purposes, including all tax purposes. To  
4        preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or  
5        reduction of any award of compensatory damages in any Related Investor Action  
6        based on Defendant’s payment of disgorgement in this action, argue that he is entitled  
7        to, nor shall he further benefit by, offset or reduction of such compensatory damages  
8        award by the amount of any part of Defendant’s payment of a civil penalty in this  
9        action (“Penalty Offset”). If the court in any Related Investor Action grants such a  
10      Penalty Offset, Defendant shall, within 30 days after entry of a final order granting  
11      the Penalty Offset, notify the Commission’s counsel in this action and pay the amount  
12      of the Penalty Offset to the United States Treasury or to a Fair Fund, as the  
13      Commission directs. Such a payment shall not be deemed an additional civil penalty  
14      and shall not be deemed to change the amount of the civil penalty imposed in this  
15      Judgment. For purposes of this paragraph, a “Related Investor Action” means a  
16      private damages action brought against Defendant by or on behalf of one or more  
17      investors based on substantially the same facts as alleged in the Complaint in this  
18      action.

IV.

20       Matthew Loughran shall pay the total penalty due of \$50,000 in two (2)  
21       installments to the Commission according to the following schedule: (1) \$10,000,  
22       within 14 days of entry of this Final Judgment; (2) \$40,000 within 364 days of entry  
23       of this Final Judgment. Payments shall be deemed made on the date they are received  
24       by the Commission and shall be applied first to post judgment interest, which accrues  
25       pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after 30 days of the entry of  
26       Final Judgment. Prior to making the final payment set forth herein, Matthew  
27       Loughran shall contact the staff of the Commission for the amount due for the final  
28       payment.

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

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein, including, but not limited to, the undertakings to:

- (i) Cooperate with and not object to Uulala, Inc., permanently disabling any UULA or EUULA tokens owned or beneficially owned by him or held in his name; and
  - (ii) Certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Defendant agrees to provide such evidence. Defendant shall submit the certification and supporting material to Victoria A. Levin, Assistant Director, Division of Enforcement, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the undertakings.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other

1 amounts due by Defendant under this Final Judgment or any other judgment, order,  
2 consent order, decree or settlement agreement entered in connection with this  
3 proceeding, is a debt for the violation by Defendant of the federal securities laws or  
4 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of  
5 the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

6 **VII.**

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

10 **VIII.**

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

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15 Dated: August 18, 2021



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17 Jesus G. Bernal, U.S. District Judge  
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