

United States District Court
for the
Southern District of Florida

Securities and Exchange)
Commission, Plaintiff,)
) Civil Action No. 22-22143-Civ-Scola
v.)
)
Carlos Pingarron, Defendant.)

Final Judgment Against Defendant Carlos Pingarron

This cause comes before the Court upon Plaintiff Securities and Exchange Commission's unopposed motion for final judgment against Defendant Carlos Pingarron. (Pl.'s Mot., ECF No. 9). Through Pingarron's consent to final judgment (Def.'s Consent, ECF No. 9-2), without admitting or denying the allegations of the complaint (except that Pingarron admits the jurisdiction of this Court over him and over the subject matter of this action and as otherwise set forth in Section IV below), Pingarron has waived service of a summons and the complaint, entered a general appearance, consented to entry of this final judgment, waived findings of fact and conclusions of law, and waived any right to appeal from this final judgment. The Court finds that good cause exists for entry of the final judgment. Accordingly, the Court **grants** the Commission's motion (**ECF No. 9**). The Court further orders as follows:

I.

Disgorgement, Prejudgment Interest, and Civil Penalty

It is further ordered and adjudged that Pingarron is liable to the Commission for \$857,331 in disgorgement, representing net profits gained as a result of the conduct alleged in the complaint, prejudgment interest on disgorgement of \$89,636, and a civil penalty of \$100,000 pursuant to Section 20(d) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Securities Exchange Act of 1933 ("Exchange Act") [15 U.S.C. § 78u(d)(3)].

Pingarron shall pay the total of \$1,046,067 to the Commission within 30 days of entry of this Final Judgment. Pingarron 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>. Pingarron 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

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
HQ Bldg. Room 265, AMK-326
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, name of this Court, and Carlos Pingarron as a defendant in this action; and specifying that payment is made pursuant to this final judgment.

Pingarron shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action, Robert K. Levenson, Senior Trial Counsel, Securities and Exchange Commission, 801 Brickell Avenue, Suite 1950, Miami, FL 33131. By making this payment, Pingarron relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Pingarron.

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by using all collection procedures authorized by law, including, but not limited to, moving for civil contempt at any time after 30 days following entry of this final judgment. The Commission may enforce the Court's judgment for penalties by the use of all collection procedures authorized by law, including the Federal Debt Collection Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the violation of any Court orders issued in this action. Pingarron shall pay post judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest and income earned thereon (collectively, the "Fund"), pending further order of the Court.

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

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this final judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Pingarron shall not, after offset or reduction of any award of compensatory damages in any related investor action based on Pingarron's payment of disgorgement in this

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

II.

Incorporation of Consent

It is further ordered and adjudged that the consent filed the Commission's motion (ECF No. 9-2) is incorporated herein with the same force and effect as if fully set forth herein, and Pingarron shall comply with all of the undertakings and agreements set forth therein.

III.

Retention of Jurisdiction

It is further ordered and adjudged that this Court shall retain jurisdiction of this matter and over Pingarron in order to implement and carry out the terms of this final judgment and all orders and decrees that may be entered, to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and to order any other relief that this Court deems appropriate under the circumstances.

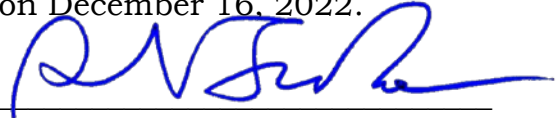
IV.

Bankruptcy Nondischargeability

It is further ordered and adjudged 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 Pingarron, and further, any debt for disgorgement, prejudgment interest, civil penalty, or other amounts due by Pingarron under this final judgment or any other judgment, order, consent order, decree, or settlement agreement entered

in connection with this proceeding, is a debt for the violation by Pingarron of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code [11 U.S.C. § 523(a)(19)].

Done and ordered in Miami, Florida, on December 16, 2022.



Robert N. Scola, Jr.
United States District Judge