

NOT FOR PUBLICATION

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

U.S. Securities and Exchange Commission,

Plaintiff,

v.

Secure Capital Funding, et al.,

Defendants.

Civ. No. 11-916

**ORDER**

THOMPSON, U.S.D.J.

For the reasons set forth in the Opinion issued on this same day,

IT IS on this 10th day of March 2014,

ORDERED that the Final Judgment set forth in this Court's Order of June 28, 2013, (Doc. No. 95), is hereby supplemented; and it is

ORDERED that Defendant Smith is liable for disgorgement of \$3,400,000; and it is

ORDERED that \$104,560 will be offset from Smith's liability upon the completed transfer of \$104,560 from JP Morgan Chase Account No. xxxxx6052 to an account established by the Distribution Agent; and it is

ORDERED that Smith, upon notification and request from the Securities and Exchange Commission via electronic mail, shall pay the sum of \$3,295,440 into the account established by the Distribution Agent and shall simultaneously transmit photocopies of evidence of payment and case identifying information to Plaintiff; and it is

ORDERED that that Smith and STUC, their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise shall repatriate, and take such steps as are necessary to repatriate,

to the territory of the United States of America, all funds transferred out of the United States, at any point from September 1, 2010 to the present, from any bank account within the territory of the United States in the name of SCF or SCC to the bank account identified as “LV71xxxxxx-xxx-xxxxx at Regionala Investiciju Banka, J. Alunana 2, Riga, Latvia;” and it is

ORDERED that, upon notification and request from the Securities and Exchange Commission via electronic mail, Smith and STUC, their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Order by personal service or otherwise shall deposit the repatriated funds into the account established by the Distribution Agent in this case; and it is

ORDERED that Smith, upon written notification and request from the Securities and Exchange Commission via electronic mail, shall pay prejudgment interest in the amount of \$319,481.76 into the account established by the Distribution Agent and shall simultaneously transmit photocopies of evidence of payment and case identifying information to Plaintiff; and it is

ORDERED that Smith, upon written notification and request from the Securities and Exchange Commission via electronic mail, shall pay a civil penalty in the amount of \$3,400,000 into the account established by the Distribution Agent and Smith shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission’s counsel in this action; and it is

ORDERED that JP Morgan Chase, upon written notification and request from the Securities and Exchange Commission, shall transfer \$104,560 from JP Morgan Chase Account No. xxxxx6052 to the account established by the Distribution Agent; and it is further

ORDERED that the Securities and Exchange Commission may enforce this Order against Smith by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following this Order; and it is

ORDERED that Smith shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961 and shall, upon notification and request from the Securities and Exchange Commission via electronic mail, place that amount into the account established by the Distribution Agent. Smith shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action; and it is further

ORDERED that this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes; and it is

ORDERED that Smith shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Smith'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 Smith's payment of a civil penalty in this action, ("Penalty Offset"). If a court in any Related Investor Action<sup>1</sup> grants such a Penalty Offset, Smith 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 Judgment; and it is

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<sup>1</sup> For purposes of this Order, a "Related Investor Action" means a private damages action brought against a party by or on behalf of one or more investors based on substantially the same facts as alleged in the First Amended Complaint in this action

ORDERED that Pringle is liable for a civil penalty in the amount of \$150,000 and shall, upon written notification and request from the Securities and Exchange Commission pay \$150,000 into the account established by the Distribution Agent. Pringle shall simultaneously transmit photocopies of evidence of payment and case identifying information to Plaintiff; and it is

ORDERED that that the Securities and Exchange Commission may enforce this Order against Pringle by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Order; and it is

ORDERED that Pringle shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961 and, upon written notification and request from the Securities and Exchange Commission, shall post judgment interest into the account to be established by the Distribution Agent. Pringle shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action; and it is

ORDERED that amounts ordered to be paid as civil penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes; and it is

ORDERED that Pringle shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Pringle'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 Pringle's payment of a civil penalty in this action. If the court in any Related Investor Action grants such a Penalty Offset, Pringle 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 Judgment; and it is

ORDERED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of the Final Judgment.

/s/ Anne E. Thompson  
ANNE E. THOMPSON, U.S.D.J.