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11 **UNITED STATES DISTRICT COURT**  
12 **CENTRAL DISTRICT OF CALIFORNIA**  
13 **SOUTHERN DIVISION**

14 SECURITIES AND EXCHANGE  
15 COMMISSION,

16 Plaintiff,

17 vs.

18 APARTMENTS AMERICA, LLC;  
MICHAEL J. STEWART; JOHN J.  
19 PACKARD; and RANDALL A. SMITH,

20 Defendants.  
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Case No. SACV 12-754 DOC (ANx)

**FINAL JUDGMENT OF PERMANENT  
INJUNCTION AND OTHER RELIEF  
AGAINST DEFENDANT RANDALL A.  
SMITH**

1 The Securities and Exchange Commission having filed a Complaint and  
2 Defendant, Randall A. Smith (“Smith”), having filed an answer to the Complaint;  
3 consented to the Court’s jurisdiction over Smith and the subject matter of this  
4 action; consented to entry of this Judgment without admitting or denying the  
5 allegations of the Complaint (except as to jurisdiction); waived findings of fact and  
6 conclusions of law; and waived any right to appeal from this Judgment.

7 **I.**

8 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
9 that Smith and Smith’s agents, servants, employees, attorneys, and all persons in  
10 active concert or participation with them who receive actual notice of this  
11 Judgment by personal service or otherwise are permanently restrained and enjoined  
12 from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”)  
13 [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or  
14 instruments of transportation or communication in interstate commerce or by use  
15 of the mails, directly or indirectly:

- 16 (a) to employ any device, scheme, or artifice to defraud;  
17 (b) to obtain money or property by means of any untrue statement  
18 of a material fact or any omission of a material fact necessary in order to make the  
19 statements made, in light of the circumstances under which they were made, not  
20 misleading; or  
21 (c) to engage in any transaction, practice, or course of business  
22 which operates or would operate as a fraud or deceit upon the purchaser.

23 **II.**

24 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
25 that Smith and Smith’s agents, servants, employees, attorneys, and all persons in  
26 active concert or participation with them who receive actual notice of this  
27 Judgment by personal service or otherwise are permanently restrained and enjoined  
28 from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or

1 indirectly, in the absence of any applicable exemption:

2 (a) Unless a registration statement is in effect as to a security,  
3 making use of any means or instruments of transportation or communication in  
4 interstate commerce or of the mails to sell such security through the use or medium  
5 of any prospectus or otherwise;

6 (b) Unless a registration statement is in effect as to a security,  
7 carrying or causing to be carried through the mails or in interstate commerce, by  
8 any means or instruments of transportation, any such security for the purpose of  
9 sale or for delivery after sale; or

10 (c) Making use of any means or instruments of transportation or  
11 communication in interstate commerce or of the mails to offer to sell or offer to  
12 buy through the use or medium of any prospectus or otherwise any security, unless  
13 a registration statement has been filed with the Commission as to such security, or  
14 while the registration statement is the subject of a refusal order or stop order or  
15 (prior to the effective date of the registration statement) any public proceeding or  
16 examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

17 **III.**

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
19 that Smith and Smith's agents, servants, employees, attorneys, and all persons in  
20 active concert or participation with them who receive actual notice of this  
21 Judgment by personal service or otherwise, and any entity Smith owns or controls,  
22 are permanently restrained and enjoined from offering unregistered securities.

23 **IV.**

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Smith is  
25 liable for a civil penalty in the amount of **\$75,000** pursuant to Section 20(d) of the  
26 Securities Act, 15 U.S.C. § 77t(d). Smith shall satisfy this obligation by paying  
27 **\$75,000** to the Commission within 14 days after entry of this Final Judgment.

28 Smith may transmit payment electronically to the Commission, which will

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

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

10 and shall be accompanied by a letter identifying the case title, civil action number,  
11 and name of this Court; Randall A. Smith as a Defendant in this action; and  
12 specifying that payment is made pursuant to this Final Judgment.

13 Smith shall simultaneously transmit photocopies of evidence of payment and  
14 case identifying information to the Commission's counsel in this action. By  
15 making this payment, Smith relinquishes all legal and equitable right, title, and  
16 interest in such funds and no part of the funds shall be returned to Smith. The  
17 Commission shall send the funds paid pursuant to this Final Judgment to the  
18 United States Treasury.

19 **V.**

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the  
21 Consent is incorporated herein with the same force and effect as if fully set forth  
22 herein, and that Smith shall comply with all of the undertakings and agreements set  
23 forth therein.

24 **VI.**

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this  
26 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms  
27 of this Judgment.

28 **VII.**

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

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5 Dated: 3/3/14

*David O. Carter*

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HONORABLE DAVID O. CARTER  
UNITED STATES DISTRICT JUDGE

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