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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **Southern Division**

12
13 **SECURITIES AND EXCHANGE**
14 **COMMISSION,**

15 **Plaintiff,**

16 **vs.**

17 **JUSTIN SAMUEL CARY,**

18 **Defendant.**
19

Case No. 8:17-cv-01649-DOC-JCG

FINAL JUDGMENT AS TO
DEFENDANT JUSTIN SAMUEL
CARY [15]

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Justin Samuel Cary (“Defendant”) having entered a general appearance;
3 consented to the Court’s jurisdiction over Defendant and the subject matter of this
4 action; consented to entry of this Final Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction and except as otherwise
6 provided herein in paragraph VI); waived findings of fact and conclusions of law; and
7 waived any right to appeal from this Final Judgment:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
10 permanently restrained and enjoined from violating, directly or indirectly, Section
11 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. §
12 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any
13 means or instrumentality of interstate commerce, or of the mails, or of any facility of
14 any national securities exchange, in connection with the purchase or sale of any
15 security:

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

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
24 binds the following who receive actual notice of this Final Judgment by personal
25 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
26 attorneys; and (b) other persons in active concert or participation with Defendant or
27 with anyone described in (a).

1 II.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant
3 to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), and/or Section 20(e)
4 of the Securities Act, 15 U.S.C. § 77t(e), Defendant is prohibited, for five years
5 following the date of entry of this Final Judgment, from acting as an officer or
6 director of any issuer that has a class of securities registered pursuant to Section 12 of
7 the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to
8 Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

9 III.

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
11 is liable for disgorgement of \$8,140.25, representing profits gained as a result of the
12 conduct alleged in the Complaint, together with prejudgment interest thereon in the
13 amount of \$514.78, and a civil penalty in the amount of \$8,140.25 pursuant to
14 Section 21(d) and Section 21A of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u-1.
15 Defendant shall satisfy this obligation by paying \$16,795.28 to the Securities and
16 Exchange Commission pursuant to the terms of the payment schedule set forth in
17 paragraph IV below after entry of this Final Judgment.

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

24 Enterprise Services Center
25 Accounts Receivable Branch
26 6500 South MacArthur Boulevard
27 Oklahoma City, OK 73169
28

1 and shall be accompanied by a letter identifying the case title, civil action number,
2 and name of this Court; Justin Samuel Cary as a defendant in this action; and
3 specifying that payment is made pursuant to this Final Judgment.

4 Defendant shall simultaneously transmit photocopies of evidence of payment
5 and case identifying information to the Commission's counsel in this action. By
6 making this payment, Defendant relinquishes all legal and equitable right, title, and
7 interest in such funds and no part of the funds shall be returned to Defendant. The
8 Commission shall send the funds paid pursuant to this Final Judgment to the United
9 States Treasury.

10 The Commission may enforce the Court's judgment for disgorgement and
11 prejudgment interest by moving for civil contempt (and/or through other collection
12 procedures authorized by law) at any time after 14 days following entry of this Final
13 Judgment. Defendant shall pay post judgment interest on any delinquent amounts
14 pursuant to 28 U.S.C. § 1961.

15 IV.

16 Justin Samuel Cary shall pay the total of disgorgement, prejudgment interest,
17 and penalty (name as applicable) due of \$16,795.28 in 2 installments to the
18 Commission according to the following schedule: (1) \$8,655.03, within 14 days of
19 entry of this Final Judgment; (2) \$8,140.25, within 365 days of entry of this Final
20 Judgment. Payments shall be deemed made on the date they are received by the
21 Commission and shall be applied first to post judgment interest, which accrues
22 pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after 14 days of the entry of
23 Final Judgment. Prior to making the final payment set forth herein, Justin Samuel
24 Cary shall contact the staff of the Commission for the amount due for the final
25 payment.

26 If Justin Samuel Cary fails to make any payment by the date agreed and/or in
27 the amount agreed according to the schedule set forth above, all outstanding
28 payments under this Final Judgment, including post-judgment interest, minus any

1 payments made, shall become due and payable immediately at the discretion of the
2 staff of the Commission without further application to the Court.

3 V.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
5 Consent is incorporated herein with the same force and effect as if fully set forth
6 herein, and that Defendant shall comply with all of the undertakings and agreements
7 set forth therein.

8 VI.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
10 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
11 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
12 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
13 amounts due by Defendant under this Final Judgment or any other judgment, order,
14 consent order, decree or settlement agreement entered in connection with this
15 proceeding, is a debt for the violation by Defendant of the federal securities laws or
16 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of
17 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

18 VII.

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

22
23 Dated: January 5, 2018

David O. Carter

UNITED STATES DISTRICT JUDGE
DAVID O. CARTER