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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
EASTERN DIVISION**

<p>SECURITIES AND EXCHANGE COMMISSION,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>ALAN CHARLES KAPANICAS,</p> <p style="text-align: center;">Defendant.</p>
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Case No.: EDCV 17-1704 FMO (JPRx)

**FINAL JUDGMENT AS TO
DEFENDANT ALAN CHARLES
KAPANICAS**

FINAL JUDGMENT

The Securities and Exchange Commission having filed a Complaint and Defendant Alan Charles Kapanicas (“Defendant”) 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 V); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

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I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Sections 17(a)(2) and (3) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. §§ 77q(a)(2) and (3)] in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- (b) 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 FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from participating in an offering of municipal securities, as defined in Section 3(a)(29) of the Securities Exchange Act of 1934 [15 U.S.C. § 78c(a)(29)], including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any municipal security; *provided, however*, that such injunction shall not

1 prevent Defendant from purchasing or selling municipal securities for his own
2 personal account.

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

9 **III.**

10 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
11 shall pay a civil penalty in the amount of \$37,500 to the Securities and Exchange
12 Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)].
13 Defendant shall make this payment, together with any post-judgment interest, which
14 will accrue from the date of the Final Judgment, within 365 days after entry of this
15 Final Judgment. Defendant shall pay post-judgment interest pursuant to 28 U.S.C. §
16 1961.

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

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

26 and shall be accompanied by a letter identifying the case title, civil action number,
27 and name of this Court; Alan Charles Kapanicas as defendant in this action; and
28 specifying that payment is made pursuant to this Final Judgment.

1 Defendant shall simultaneously transmit photocopies of evidence of payment
2 and case identifying information to the Commission's counsel in this action. By
3 making this payment, Defendant relinquishes all legal and equitable right, title, and
4 interest in such funds and no part of the funds shall be returned to Defendant. The
5 Commission shall send the funds paid pursuant to this Final Judgment to the United
6 States Treasury. Defendant shall pay post-judgement interest on any delinquent
7 amounts pursuant to 28 U.S.C. § 1961.

8 **IV.**

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

13 **V.**

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

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1 **VI.**

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

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6 Dated: August 24, 2017

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10 HONORABLE FERNANDO M. OLGUIN
11 UNITED STATES DISTRICT JUDGE
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