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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. AXESSTEL, INC. et al., Defendants.

Case No.: 3:18-cv-01486-L

**ORDER GRANTING JOINT
MOTION [Doc. 11] FOR
JUDGMENT; AND ENTERING
CONSENT JUDGMENT**

FINAL JUDGMENT AS TO DEFENDANT STEVEN R. SABIN

The Securities and Exchange Commission (“SEC” or “Commission”) having filed a Complaint and Defendant Steven R. Sabin (“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); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

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

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal

1 service or otherwise, and each of them, be and hereby are permanently restrained and
2 enjoined from violating, directly or indirectly, Section 13(b)(5) of the Exchange Act [15
3 U.S.C. § 78m(b)(5)] and Rule 13b2-1 thereunder [17 C.F.R. §240.13b2-1] by:

- 4
- 5 (a) knowingly circumventing or knowingly failing to implement a system of
6 internal accounting controls or knowingly falsifying or causing to be
7 falsified any book, record, or account of any issuer which has a class of
8 securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C.
9 781] or any company which is required to file reports pursuant to Section
10 15(d) of the Exchange Act [15 U.S.C. 78o(d)]; or
11
- 12 (b) falsifying or causing to be falsified, directly or indirectly, any book,
13 record or account subject to Section 13(b)(2)(A) of the Exchange Act [15
14 U.S.C. § 78m(b)(2)(A)].
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17 III.

18 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant, and
19 Defendant's agents, servants, employees, and attorneys, and those persons in active
20 concert or participation with them who receive actual notice of this Final Judgment, by
21 personal service or otherwise, and each of them, be and hereby are permanently
22 restrained and enjoined from aiding and abetting any violation of Section 13(a) of the
23 Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20,13a-1, and 13a-13 thereunder [17
24 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13] by knowingly or recklessly providing
25 substantial assistance to an issuer that has a class of securities registered pursuant to
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1 Section 12 of the Exchange Act [15 U.S.C. § 781] or Section 15(d) of the Exchange Act
2 [15 U.S.C. § 78o(d)] in failing to file with the Commission such accurate and complete
3 information, reports, and documents as are required to be filed with the Commission
4 pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the Rules
5 thereunder, including but not limited to annual reports on Form 10-K [17 C.F.R. §
6 249.310] and quarterly reports on Form 10-Q [17 C.F.R. § 249.308a], and such further
7 material information, if any, as may be necessary to make the required statements, in
8 light of the circumstances under which they are made, not misleading.
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12 IV.

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
14 shall pay a civil penalty in the amount of \$10,000 to the Securities and Exchange
15 Commission pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].
16 Defendant shall make this payment pursuant to the terms of the payment schedule set
17 forth in paragraph V below after entry of this Final Judgment.
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19 Defendant may transmit payment electronically to the Commission, which will
20 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be
21 made directly from a bank account via Pay.gov through the SEC website at
22 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check,
23 bank cashier's check, or United States postal money order payable to the Securities and
24 Exchange Commission, which shall be delivered or mailed to
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27 Enterprise Services Center
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1 Accounts Receivable Branch
2 6500 South MacArthur Boulevard
3 Oklahoma City, OK 73169

4 and shall be accompanied by a letter identifying the case title, civil action number, and
5 name of this Court; Steven R. Sabin as a defendant in this action; and specifying that
6 payment is made pursuant to this Final Judgment.

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

13
14 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28
15 USC § 1961.
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17 V.

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Steven R.
19 Sabin shall pay the total penalty of \$10,000 in two (2) installments to the Commission
20 according to the following schedule: (a) a \$2,500 payment within 14 days of entry of this
21 Final Judgment; and (b) a \$7,500 payment within 360 days of entry of this Final
22 Judgment. Payments shall be deemed made on the date they are received by the
23 Commission and shall be applied first to post judgment interest, which accrues pursuant
24 to 28 U.S.C. § 1961 on any unpaid amounts due after 14 days of the entry of this Final
25 Judgment. Prior to making the final payment set forth herein, Sabin shall contact the
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1 staff of the Commission for the amount due for the final payment.

2 If Sabin fails to make any payment by the date agreed and/or in the amount
3 agreed according to the schedule set forth above, all outstanding payments under this
4 Final Judgment, including post-judgment interest, minus any payments made, shall
5 become due and payable immediately at the discretion of the staff of the Commission
6 without further application to the Court.
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9 VI.

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


15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
16 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11
17 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and
18 further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts
19 due by Defendant under this Final Judgment or any other judgment, order, consent order,
20 decree or settlement agreement entered in connection with this proceeding, is a debt for
21 the violation by Defendant of the federal securities laws or any regulation or order issued
22 under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
23 §523(a)(19).
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VIII.

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

Dated: July 10, 2018


Hon. M. James Lorenz
United States District Judge