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JS-6

9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11 **Western Division**

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14 **SECURITIES AND EXCHANGE
COMMISSION,**

15 **Plaintiff,**

16 **vs.**

17 **HANI ZEINI,**

18 **Defendant.**
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Case No. 2:18-cv-08103-JFW (SKx)

**FINAL JUDGMENT AS TO
DEFENDANT HANI ZEINI**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Hani Zeini having entered a general appearance; consented to the Court's
3 jurisdiction over him and the subject matter of this action; consented to entry of this
4 Final Judgment without admitting or denying the allegations of the Complaint (except
5 as to jurisdiction and except as otherwise provided herein in paragraph VI); waived
6 findings of fact and conclusions of law; and waived any right to appeal from this
7 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
13 any means or instrumentality of interstate commerce, or of the mails, or of any
14 facility of any national securities exchange, in connection with the purchase or sale of
15 any 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 of the
19 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).

28 **II.**

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

6 (a) to employ any device, scheme, or artifice to defraud;

7 (b) to obtain money or property by means of any untrue statement of a
8 material fact or any omission of a material fact necessary in order to make the
9 statements made, in light of the circumstances under which they were made,
10 not misleading; or

11 (c) to engage in any transaction, practice, or course of business which
12 operates or would operate as a fraud or deceit upon the purchaser.

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

19 **III.**

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

27 **IV.**

28 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant

1 shall pay a civil penalty in the amount of \$160,000 to the Securities and Exchange
2 Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and
3 Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall make
4 this payment within 14 days after entry of this Final Judgment.

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

11 Enterprise Services Center
12 Accounts Receivable Branch
13 6500 South MacArthur Boulevard
14 Oklahoma City, OK 73169

15 and shall be accompanied by a letter identifying the case title, civil action number,
16 and name of this Court; Hani Zeini as a defendant in this action; and specifying that
17 payment is made pursuant to this Final Judgment.

18 Defendant shall simultaneously transmit photocopies of evidence of payment
19 and case identifying information to the Commission's counsel in this action. By
20 making this payment, Defendant relinquishes all legal and equitable right, title, and
21 interest in such funds and no part of the funds shall be returned to Defendant. The
22 Commission shall send the funds paid pursuant to this Final Judgment to the United
23 States Treasury. Defendant shall pay post-judgment interest on any delinquent
24 amounts pursuant to 28 USC § 1961.

25 **V.**

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
27 Consent is incorporated herein with the same force and effect as if fully set forth
28 herein, and that Defendant shall comply with all of the undertakings and agreements

1 set forth therein.

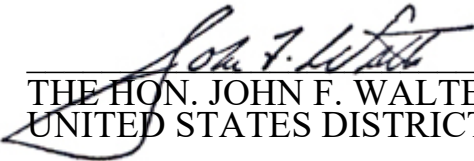
2 **VI.**

3 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
4 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
5 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
6 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
7 amounts due by Defendant under this Final Judgment or any other judgment, order,
8 consent order, decree or settlement agreement entered in connection with this
9 proceeding, is a debt for the violation by Defendant of the federal securities laws or
10 any regulation or order issued under such laws, as set forth in Section § 523(a)(19) of
11 the Bankruptcy Code [11 U.S.C. § 523(a)(19)].

12 **VII.**

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

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17 Dated: August 15, 2019

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19 THE HON. JOHN F. WALTER
20 UNITED STATES DISTRICT JUDGE
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