

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 10-CV-80737-HURLEY/HOPKINS

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
)
v.)
)
TRADE-LLC,)
PHILIP W. MILTON, and)
WILLIAM H. CENTER,)
)
Defendants,)
)
CENTER RICHMOND LLC,)
BD LLC, and)
TWTT-LLC,)
)
Relief Defendants.)
_____)

**JUDGMENT OF PERMANENT INJUNCTION
AND OTHER RELIEF AGAINST WILLIAM H. CENTER**

Plaintiff Securities and Exchange Commission having filed a Complaint seeking, among other things, a permanent injunction prohibiting Defendant William H. Center (“Center”) from violating the antifraud and other provisions of the federal securities laws; and Center, by the ~~attached~~ ^{attached to DE # 38} Consent, having entered a general appearance, consented to the Court’s jurisdiction over him and the subject matter of this action, consented to the entry of this Judgment of Permanent Injunction and Other Relief Against William H. Center (“Judgment”) without admitting or denying the allegations of the Complaint (except as to subject matter and personal jurisdiction), waived findings of fact and conclusions of law, and waived any right to appeal from this Judgment; and the Court accepting such Consent and having jurisdiction over Center and the subject matter of this action:

I.

PERMANENT INJUNCTION

Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder

IT IS ORDERED AND ADJUDGED that Center, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this 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 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 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.

Section 15(a) of the Exchange Act

IT IS FURTHER ORDERED AND ADJUDGED that Center, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)(1)], by using any means or instrumentality of interstate commerce, or of the

mails, or of any facility of any national securities exchange, while acting as a broker or dealer engaged in the business of effecting transactions in securities for the accounts of others, effecting transactions in securities, or inducing or attempting to induce the purchase or sale of securities, without registering as a broker or dealer in accordance with Section 15(b) of the Exchange Act, 15 U.S.C. § 78o(b).

Sections 206(1) and 206(2) of the Advisers Act

IT IS FURTHER ORDERED AND ADJUDGED that Center, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Sections 206(1) and 206(2) of the Investment Advisers Act of 1940, [15 U.S.C. §§ 80b-6(1) and 80b-6(2)], while acting as an investment adviser, by the use of any means or instrumentality of interstate commerce, or of the mails:

- (a) employing any device, scheme, or artifice to defraud any client or prospective client; or
- (b) engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon any client or prospective client.

II.

INCORPORATION OF CONSENT

IT IS FURTHER ORDERED AND ADJUDGED that Center's Consent is incorporated herein with the same force and effect as if fully set forth herein.

III.

ACCOUNTING

IT IS FURTHER ORDERED AND ADJUDGED that Center shall make a sworn accounting within thirty (30) days of the issuance of this Judgment to the Commission and this Court of all funds, whether in the form of compensation, commissions, income (including payments for assets, shares or property of any kind), draws and other benefits (including the provision of services of a personal nature or mixed business and personal nature) he received, directly or indirectly, from any Defendant or Relief Defendant.

IV.

RECORDS PRESERVATION

IT IS FURTHER ORDERED AND ADJUDGED that, pending determination of the Commission's request for disgorgement and civil money penalties, Center, his directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with any one or more of them, and each of them, be and hereby are restrained and enjoined from, directly or indirectly, destroying, mutilating, concealing, altering, disposing of, or otherwise rendering illegible in any manner, any of the books, records, documents, correspondence, brochures, manuals, papers, ledgers, accounts, statements, obligations, files and other property of or pertaining to him, the Defendants, or Relief Defendants wherever located, until further Order of this Court.

V.

DISGORGMENT AND CIVIL PENALTY

IT IS FURTHER ORDERED AND ADJUDGED that Center shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and a civil penalty pursuant to Section 21(d) of

the Exchange Act [15 U.S.C. § 78u(d)] and Section 209 of the Advisers Act [15 U.S.C. § 80b-9]. If the parties are unable to come to a resolution, the Court shall determine the amounts of disgorgement, prejudgment interest, and civil penalty upon motion of the Commission. Prejudgment interest shall be calculated from August 1, 2009, based on the rate of interest used by the Internal Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the Commission's motion for disgorgement and/or civil penalty, and at any hearing held on such a motion: (a) Center will be precluded from arguing he did not violate the federal securities laws as alleged in the Complaint; (b) Center may not challenge the validity of the Consent or the Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence, without regard to the standards for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with the Commission's motion for disgorgement and/or civil penalties, the parties may take discovery, including discovery from appropriate non-parties.

VI.

RETENTION OF JURISDICTION


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

VII.

CERTIFICATION UNDER RULE 54(b)

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

DONE AND ORDERED this 13th day of Aug, 2010 at West Palm Beach, Florida.



DANIEL T.K. HURLEY
UNITED STATES DISTRICT JUDGE

Copies to all counsel and parties of record