

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 12-CV-21653-LENARD/O'SULLIVAN

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**SETH EBER, HOWARD ETTELMAN,
RONNY J. HALPERIN, CHARLES
HANSEN III, MELISSA K. RICE,
LUZ RODRIGUEZ, and KEVIN D. SEPE,**

Defendants,

**WEST COAST INVESTMENTS
ENTERPRISES, LLC,**

Relief Defendant.

**ORDER GRANTING PLAINTIFF'S SECOND MOTION FOR DEFAULT JUDGMENT
AGAINST DEFENDANT LUZ RODRIGUEZ (D.E. 37) AND ENTERING
JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF**

THIS CAUSE is before the Court on Plaintiff Securities and Exchange Commission's Second Motion for Entry of a Default Judgment of Permanent Injunction and Other Relief against Defendant Luz Rodriguez (D.E. 37), filed September 12, 2012. Having considered the Motion and the record, the Court finds as follows.

On May 7, 2012, Rodriguez was properly served with a summons and a copy of the Complaint pursuant to Federal Rule of Civil Procedure 4. (See D.E. 6.) As of the date of this Order, Rodriguez has failed to answer or otherwise file a responsive pleading. The Clerk of the

Court entered default against Rodriguez on September 11, 2012. (See D.E. 35.)

By virtue of the entry of default and Rodriguez's failure to respond to the Complaint, Rodriguez is deemed to have admitted the allegations of the Complaint, and the Commission has established liability against her. See Buchanan v. Bowman, 820 F.2d 359, 361 (11th Cir. 1987). Thus, the Court finds that Rodriguez committed the violations alleged in the Complaint.

Accordingly, it is hereby **ORDERED AND ADJUDGED** that Plaintiff's Second Motion for Entry of a Default Judgment of Permanent Injunction and Other Relief against Defendant Luz Rodriguez (D.E. 37), filed September 12, 2012, is **GRANTED**. Default Judgment is entered against Rodriguez as follows:

1. **SECTIONS 5(a) AND 5(c) OF THE SECURITIES ACT OF 1933.** Rodriguez, her agents, servants, employees, attorneys, representatives, 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 Section 5 of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77e, by, directly or indirectly, in the absence of any applicable exemption,

(a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;

(b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any

means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or

(c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act, 15 U.S.C. § 77h.

2. **PENNY STOCK BAR.** Pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), Rodriguez is barred from participating in an offering of penny stock for a period of five years from the date of entry of this Judgment, 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 penny stock. A penny stock is any equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Securities Exchange Act of 1934, 17 C.F.R. § 240.3a51-1.

3. **DISGORGEMENT.** Rodriguez is liable for disgorgement of \$341,742.14, together with prejudgment interest thereon in the amount of \$38,938.84. The total amount, \$380,680.98, shall be due and payable within 14 days of entry of Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account or by credit or debit card via Pay.gov through the

SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to

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

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

Rodriguez shall simultaneously transmit photocopies of such payment and letter to James M. Carlson, Esq., Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, FL 33131. Rodriguez shall pay post-judgment interest on any delinquent amounts pursuant to 28 U.S.C. § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

Rodriguez shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any insurance policy, with regard to any civil penalty amounts that Rodriguez pays pursuant to the Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Rodriguez further shall not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state, or local tax for any penalty amounts that Rodriguez pays pursuant to the Final Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

4. **CIVIL PENALTY.** Rodriguez shall pay a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d). The amount of the civil penalty shall be determined by the Court upon motion of the Commission that shall be filed within 90 days of the date of this Order.

5. **RETENTION OF JURISDICTION.** This Court shall retain jurisdiction over this matter and Rodriguez in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

6. **RULE 54(b) CERTIFICATION.** 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 in Chambers at Miami, Florida, this 13th day of September, 2012.



JOAN A. LENARD
UNITED STATES DISTRICT JUDGE

Copies to counsel and parties of record