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9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **Southern Division**

12 SECURITIES AND EXCHANGE
13 COMMISSION,

14 Plaintiff,

15 vs.

16 PATRICK S. CARTER, 808
RENEWABLE ENERGY
17 CORPORATION, 808
INVESTMENTS, LLC, MARTIN J.
18 KINCHLOE, PETER J. KIRKBRIDE,
WEST COAST COMMODITIES,
19 LLC, THOMAS A. FLOWERS, and
T.A. FLOWERS LLC,

20 Defendants.
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Case No. 8:16-cv-2070-JVS-DFM

**FINAL JUDGMENT AS TO
DEFENDANT PATRICK S. CARTER**

1 The Securities and Exchange Commission (“SEC” or “Commission”) having
2 filed a Complaint and Defendant Patrick S. Carter (“Defendant” or “Carter”) having
3 entered a general appearance; consented to the Court’s jurisdiction over Defendant
4 and the subject matter of this action; consented to entry of this Final Judgment without
5 admitting or denying the allegations of the Complaint (except as to jurisdiction and
6 except as otherwise provided herein in paragraph X); waived findings of fact and
7 conclusions of law; and waived any right to appeal from this 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
19 of the 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 Judgment by personal service or
25 otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and
26 (b) other persons in active concert or participation with Defendant or with anyone
27 described in (a).

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1 **II.**

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

- 7 (a) to employ any device, scheme, or artifice to defraud;
8 (b) to obtain money or property by means of any untrue statement of a
9 material fact or any omission of a material fact necessary in order to
10 make the statements made, in light of the circumstances under which
11 they were made, not misleading; or
12 (c) to engage in any transaction, practice, or course of business which
13 operates or would operate as a fraud or deceit upon the purchaser.

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

20 **III.**

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant is permanently restrained and enjoined from violating Section 5 of the
23 Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any
24 applicable exemption:

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

1 (b) Unless a registration statement is in effect as to a security, carrying or
2 causing to be carried through the mails or in interstate commerce, by any
3 means or instruments of transportation, any such security for the purpose
4 of sale or for delivery after sale; or

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

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 Judgment by personal service or
16 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
17 (b) other persons in active concert or participation with Defendant or with anyone
18 described in (a).

19 **IV.**

20 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
21 Defendant is permanently restrained and enjoined from violating Section 15(a) of the
22 Exchange Act [15 U.S.C. § 78o(a)] by, directly or indirectly, in the absence of any
23 applicable exemption, making use of the mails or any means or instrumentality of
24 interstate commerce to effect any transactions in, or to induce or attempt to induce the
25 purchase or sale of, any security (other than an exempted security or commercial
26 paper, bankers' acceptances, or commercial bills) unless registered in accordance
27 with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

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

1 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
2 binds the following who receive actual notice of this Judgment by personal service or
3 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
4 (b) other persons in active concert or participation with Defendant or with anyone
5 described in (a).

6 **V.**

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
8 is permanently restrained and enjoined from soliciting, accepting, or depositing any
9 monies from actual or prospective investors in connection with any offering of
10 securities, provided, however, that such injunction shall not prevent Defendant from
11 purchasing or selling securities listed on a national securities exchange for
12 Defendant's own personal accounts.

13 **VI.**

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant
15 to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)] and Section 20(e) of
16 the Securities Act [15 U.S.C. § 77t(e)], Defendant is prohibited from acting as an
17 officer or director of any issuer that has a class of securities registered pursuant to
18 Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports
19 pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

20 **VII.**

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant is permanently barred from participating in an offering of penny stock,
23 including engaging in activities with a broker, dealer, or issuer for purposes of
24 issuing, trading, or inducing or attempting to induce the purchase or sale of any penny
25 stock. A penny stock is any equity security that has a price of less than five dollars,
26 except as provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. 240.3a51-1].

27 **VIII.**

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

1 is liable for disgorgement of \$\$14,628,767.87, representing profits gained as a result
2 of the conduct alleged in the Complaint, together with prejudgment interest thereon in
3 the amount of \$1,317,461.04. Defendant shall satisfy this obligation by paying
4 \$15,946,228.91, to the Securities and Exchange Commission within 14 days after the
5 entry of this Final Judgment.

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

12 Enterprise Services Center
13 Accounts Receivable
14 Branch 6500 South
MacArthur Boulevard
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; Patrick S. Carter as a defendant in this action; and specifying
17 that 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.

24 The Commission may enforce the Court's judgment for disgorgement and
25 prejudgment interest by moving for civil contempt (and/or through other collection
26 procedures authorized by law) at any time after 14 days following entry of this Final
27 Judgment. Defendant shall pay post judgment interest on any delinquent amounts
28 pursuant to 28 U.S.C. § 1961.

1 **IX.**

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
3 Consent of Defendant Patrick S. Carter to Entry of Judgment is incorporated herein
4 with the same force and effect as if fully set forth herein, and that Defendant shall
5 comply with all of the undertakings and agreements set forth therein.

6 **X.**

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

16 **XI.**

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

20 **XII.**

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

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26 Dated: September 20, 2021



HON. JAMES V. SELNA
UNITED STATES DISTRICT JUDGE