

JS-6

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

ERIC J. "EJ" DALIUS, ET AL.

Defendants.

Case No. 2:18-cv-08497-FWS-E

Hon. Fred W. Slaughter

**FINAL JUDGMENT AS TO
DEFENDANT RYAN MORGAN
EVANS**

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1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant Ryan Morgan Evans having entered a general appearance; consented to
3 the Court’s jurisdiction over Defendant and the subject matter of this action;
4 consented to entry of this Final Judgment without admitting or denying the
5 allegations of the Complaint (except as to jurisdiction, his violation of Section 5 of
6 the Securities Act of 1933 [15 U.S.C. § 77e] as acknowledged in the Consent of
7 Ryan Morgan Evans and except as otherwise provided herein in paragraph VI);
8 waived findings of fact and conclusions of law; and waived any right to appeal
9 from this Final Judgment:

10 I.

11 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
12 is permanently restrained and enjoined from violating, directly or indirectly,
13 Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15
14 U.S.C. § 78j(b)] and Rule 10b-5(b) promulgated thereunder [17 C.F.R. § 240.10b-
15 5(b)], by using any means or instrumentality of interstate commerce, or of the
16 mails, or of any facility of any national securities exchange, in connection with the
17 purchase or sale of any security:

18 (b) to make any untrue statement of a material fact or to omit to state a
19 material fact necessary in order to make the statements made, in the light of
20 the circumstances under which they were made, not misleading.

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

1 II.

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

8 (2) 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 make
10 the statements made, in light of the circumstances under which they were
11 made, not misleading; or

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

20 III.

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
22 that Defendant is permanently restrained and enjoined from violating Section 5 of
23 the 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
26 of any means or instruments of transportation or communication in
27 interstate commerce or of the mails to sell such security through the
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1 use or medium of any prospectus or otherwise;

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

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

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

20 IV.

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
22 that pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)],
23 Defendant is permanently restrained and enjoined from offering, operating, or
24 participating in a pyramid scheme defined for purposes of this order as any
25 marketing or sales program wherein a participant is compensated or promised
26 compensation solely or primarily (a) for inducing another person to become a
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1 participant in the program, or (b) if such induced person induces another to become
2 a participant in the program.¹

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

9 V.

10 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
11 that Defendant is liable for disgorgement of \$175,000, representing net profits
12 gained as a result of the conduct alleged in the Complaint, together with
13 prejudgment interest thereon in the amount of \$52,129, and a civil penalty in the
14 amount of \$111,614 pursuant to Section 20(d) of the Securities Act and Section
15 21(d)(3) of the Exchange Act. Defendant shall satisfy this obligation by paying
16 \$338,743 to the Securities and Exchange Commission within 30 days after entry of
17 this Final Judgment.

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

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26 ¹ See *In re Koscot Interplanetary, Inc.*, 86 F.T.C. 1106 (1975); *SEC v. Glenn W.*
27 *Turner Enterprises, Inc.*, 474 F.2d 476 (9th Cir. 1973); *Webster v. Omnitrition*
Int’l, Inc., 79 F.3d 776 (9th Cir. 1996) and subsequent cases.

1 Enterprise Services Center
2 Accounts Receivable Branch
3 6500 South MacArthur Boulevard
4 Oklahoma City, OK 73169

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

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

13 The Commission may enforce the Court's judgment for disgorgement and
14 prejudgment interest by using all collection procedures authorized by law,
15 including, but not limited to, moving for civil contempt at any time after 30 days
16 following entry of this Final Judgment.

17 The Commission may enforce the Court's judgment for penalties by the use
18 of all collection procedures authorized by law, including the Federal Debt
19 Collection Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil
20 contempt for the violation of any Court orders issued in this action. Defendant
21 shall pay post judgment interest on any amounts due after 30 days of the entry of
22 this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the
23 funds, together with any interest and income earned thereon (collectively, the
24 "Fund"), pending further order of the Court.

25 The Commission may propose a plan to distribute the Fund subject to the
26 Court's approval. Such a plan may provide that the Fund shall be distributed
27 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act
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1 judgment, order, consent order, decree or settlement agreement entered in
2 connection with this proceeding, is a debt for the violation by Defendant of the
3 federal securities laws or any regulation or order issued under such laws, as set
4 forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

5 VII.

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

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11 Dated: July 19, 2023



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13 Hon. Fred W. Slaughter
14 UNITED STATES DISTRICT JUDGE
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