

1 **UNITED STATES DISTRICT COURT**
2 **CENTRAL DISTRICT OF CALIFORNIA**
3 **Southern Division**

4
5 **SECURITIES AND EXCHANGE**
6 **COMMISSION,**

7 **Plaintiff,**

8 **vs.**

9 **GUY SCOTT GRIFFITHE, and**
10 **ROBERT WILLIAM RUSSELL,**

11 **Defendants.**
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Case No. 8:20-cv-00124-DOC-JDE

FINAL JUDGMENT AS TO
DEFENDANT ROBERT WILLIAM
RUSSELL

14 The Securities and Exchange Commission (“Commission”) having filed a
15 Complaint and Robert William Russell (“Defendant”) having entered a general
16 appearance, consented to the Court’s jurisdiction over Defendant and the subject
17 matter of this action, consented to entry of the Judgment dated June 21, 2021
18 (“Judgment,” which is incorporated herein) without admitting or denying the
19 allegations of the Complaint except as to jurisdiction and except as otherwise
20 provided in Paragraph III of the Judgment, and upon motion of the Commission for
21 entry of final judgment ordering disgorgement and civil money penalties the Court
22 finds that:

23 **I.**

24 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that**
25 **Defendant is permanently restrained and enjoined from violating, directly or**
26 **indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange**
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1 Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R.
2 § 240.10b-5], by using any means or instrumentality of interstate commerce, or of
3 the mails, or of any facility of any national securities exchange, in connection with
4 the purchase or sale of any security:

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

6 (b) to make any untrue statement of a material fact or to omit to
7 state a material fact necessary in order to make the statements made, in the
8 light of the circumstances under which they were made, not misleading; or

9 (c) to engage in any act, practice, or course of business which
10 operates or would operate as a fraud or deceit upon any person.

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

17 **II.**

18 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND
19 DECREED that Defendant is permanently restrained and enjoined from violating
20 Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. §
21 77q(a)] in the offer or sale of any security by the use of any means or instruments
22 of transportation or communication in interstate commerce or by use of the mails,
23 directly or indirectly:

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

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

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

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

11 **III.**

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
13 the Consent executed by Defendant on May 3, 2021 and filed on the case docket
14 as Document No 72-1 is incorporated herein with the same force and effect as if
15 fully set forth herein, and that Defendant shall comply with all of the undertakings
16 and agreements set forth therein.

17 **IV.**

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

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$275,153.90 representing net profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$44,190.38 and a civil penalty in the amount of \$378,888.93 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d)(2)(C), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3)(B) (iii). Defendant shall satisfy this obligation by paying \$698,232.56 to the Securities and Exchange Commission within 30 days after entry of this 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 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; Defendant's name as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

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

1 penalty in this action (“Penalty Offset”). If the court in any Related Investor
2 Action grants such a Penalty Offset, Defendant shall, within 30 days after entry of
3 a final order granting the Penalty Offset, notify the Commission’s counsel in this
4 action and pay the amount of the Penalty Offset to the United States Treasury or to
5 a Fair Fund, as the Commission directs. Such a payment shall not be deemed an
6 additional civil penalty and shall not be deemed to change the amount of the civil
7 penalty imposed in this Judgment. For purposes of this paragraph, a “Related
8 Investor Action” means a private damages action brought against Defendant by or
9 on behalf of one or more investors based on substantially the same facts as alleged
10 in the Complaint in this action.

11 **VI.**

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

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16 IT IS SO ORDERED.

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20 DAVID O. CARTER
21 United States District Judge
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24 Dated: November 18, 2021
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