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9 **UNITED STATES DISTRICT COURT**  
10 **SOUTHERN DISTRICT OF CALIFORNIA**

11 SECURITIES AND EXCHANGE  
12 COMMISSION,

13 Plaintiff,

14 v.

15 MICHAEL SZTROM, DAVID SZTROM,  
16 AND SZTROM WEALTH  
MANAGEMENT, INC.,

17 Defendants.

Case No. 3:21-cv-00086-H-RBB

**FINAL JUDGMENT AS TO  
DEFENDANT MICHAEL SZTROM**

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1 The Securities and Exchange Commission having filed a Complaint and  
2 Defendant Michael Sztrom (“Sztrom”) having entered a general appearance;  
3 consented to the Court’s jurisdiction over Defendant and the subject matter of this  
4 action; consented to entry of this Final Judgment without admitting or denying the  
5 allegations of the Complaint (except as to jurisdiction and except as otherwise  
6 provided herein in paragraph III); waived findings of fact and conclusions of law; and  
7 waived any right to appeal from this Final Judgment:

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9 I.

10 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is  
11 permanently restrained and enjoined from violating, directly or indirectly, Section  
12 206 of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. § 80b-6] by  
13 use of the mails or means and instrumentalities of interstate commerce:

- 14 (a) to employ devices, schemes or artifices to defraud clients or prospective  
15 clients; or  
16 (b) engage in transactions, practices, or courses of business which operate  
17 as a fraud or deceit upon clients or prospective clients.

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

24 II.

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
26 Defendant shall pay a civil penalty in the amount of \$25,000 to the Securities and  
27 Exchange Commission pursuant to Section 209(e)(1) of the Advisers Act, 15 U.S.C.  
28 § 80b-9(e)(1). Defendant shall make this payment within 30 days after entry of this

1 Final Judgment.

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

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

10 and shall be accompanied by a letter identifying the case title, civil action number,  
11 and name of this Court; [Defendant's name] as a defendant in this action; and  
12 specifying that payment is made pursuant to this Final Judgment.

13 Defendant shall simultaneously transmit photocopies of evidence of payment  
14 and case identifying information to the Commission's counsel in this action. By  
15 making this payment, Defendant relinquishes all legal and equitable right, title, and  
16 interest in such funds and no part of the funds shall be returned to Defendant. The  
17 Commission shall send the funds paid pursuant to this Final Judgment to the United  
18 States Treasury.

19 The Commission may enforce the Court's judgment for penalties by the use of  
20 all collection procedures authorized by law, including the Federal Debt Collection  
21 Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the  
22 violation of any Court orders issued in this action. Defendant shall pay post-  
23 judgment interest on any amounts due after 30 days of the entry of this Final  
24 Judgment pursuant to 28 USC § 1961.

1 III.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for  
3 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,  
4 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,  
5 and further, any debt for disgorgement, prejudgment interest, civil penalty or other  
6 amounts due by Defendant under this Final Judgment or any other judgment, order,  
7 consent order, decree or settlement agreement entered in connection with this  
8 proceeding, is a debt for the violation by Defendant of the federal securities laws or  
9 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of  
10 the Bankruptcy Code, 11 U.S.C. §523(a)(19).

11 IV.

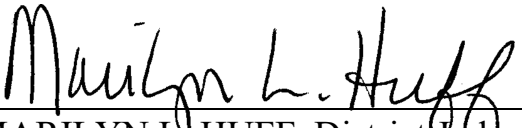
12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court  
13 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this  
14 Final Judgment.

15 V.

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

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20 **IT IS SO ORDERED.**

21 DATED: October 5, 2022

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24 MARILYN L. HUFF, District Judge  
25 UNITED STATES DISTRICT COURT  
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