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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

UULALA, INC., OSCAR GARCIA,
AND MATTHEW LOUGHRAN,

Defendants.

Case No. ED CV 21-01307-JGB-KKx

**FINAL JUDGMENT AS TO
DEFENDANT OSCAR GARCIA**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant **Oscar Garcia** having entered a general appearance; consented to the
3 Court's jurisdiction over Defendant and the subject matter of this action; consented to
4 entry of this Final Judgment without admitting or denying the allegations of the
5 Complaint (except as to jurisdiction and except as otherwise provided herein in
6 paragraph VII); waived findings of fact and conclusions of law; and waived any right
7 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 of the
19 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 Final Judgment by personal
25 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
26 attorneys; and (b) other persons in active concert or participation with Defendant or
27 with anyone 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 make the
10 statements made, in light of the circumstances under which they were made,
11 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 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 or
19 with anyone 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
9 Commission as to such security, or while the registration statement is the
10 subject of a refusal order or stop order or (prior to the effective date of
11 the 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 Final Judgment by personal
16 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
17 attorneys; and (b) other persons in active concert or participation with Defendant or
18 with anyone described in (a).

19 **IV.**

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to
21 Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is
22 permanently restrained and enjoined from participating, directly or indirectly, in any
23 unregistered offering of securities, including any digital asset security; provided,
24 however, that such injunction shall not prevent Defendant from purchasing or selling
25 securities for his own personal account.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
27 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
28 binds the following who receive actual notice of this Final Judgment by personal

1 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
2 attorneys; and (b) other persons in active concert or participation with Defendant or
3 with anyone described in (a).

4 V.

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND
6 DECREED that Defendant is liable for a civil penalty in the amount of \$192,768
7 pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act
8 Section 21(d) [15 U.S.C. § 78u(d)]. Defendant shall satisfy this obligation by paying
9 \$192,768 to the Securities and Exchange Commission within 30 days after entry of
10 this Final Judgment.

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

17 Enterprise Services Center
18 Accounts Receivable Branch
19 6500 South MacArthur Boulevard
20 Oklahoma City, OK 73169

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

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

28 The Commission may enforce the Court’s judgment for penalties by the use of
all collection procedures authorized by law, including the Federal Debt Collection

1 Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the
2 violation of any Court orders issued in this action. Defendant shall pay post
3 judgment interest on any amounts due after 30 days of the entry of this Final
4 Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds,
5 together with any interest and income earned thereon (collectively, the “Fund”),
6 pending further order of the Court.

7 The Commission may propose a plan to distribute the Fund subject to the
8 Court’s approval. Such a plan may provide that the Fund shall be distributed
9 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of
10 2002. The Court shall retain jurisdiction over the administration of any distribution
11 of the Fund and the Fund may only be disbursed pursuant to an Order of the Court.

12 Regardless of whether any such Fair Fund distribution is made, amounts
13 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
14 penalties paid to the government for all purposes, including all tax purposes. To
15 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
16 reduction of any award of compensatory damages in any Related Investor Action
17 based on Defendant’s payment of disgorgement in this action, argue that he is entitled
18 to, nor shall he further benefit by, offset or reduction of such compensatory damages
19 award by the amount of any part of Defendant’s payment of a civil penalty in this
20 action (“Penalty Offset”). If the court in any Related Investor Action grants such a
21 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
22 the Penalty Offset, notify the Commission’s counsel in this action and pay the amount
23 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
24 Commission directs. Such a payment shall not be deemed an additional civil penalty
25 and shall not be deemed to change the amount of the civil penalty imposed in this
26 Judgment. For purposes of this paragraph, a “Related Investor Action” means a
27 private damages action brought against Defendant by or on behalf of one or more
28 investors based on substantially the same facts as alleged in the Complaint in this

1 action.

2 **VI.**

3 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
4 Consent is incorporated herein with the same force and effect as if fully set forth
5 herein, and that Defendant shall comply with all of the undertakings and agreements
6 set forth therein, including, but not limited to, the undertakings to:

7 (i) Cooperate with and not object to Uulala, Inc., permanently disabling any
8 UULA or EUULA tokens owned or beneficially owned by him or held
9 in his name; and

10 (ii) Certify, in writing, compliance with the undertakings set forth above.
11 The certification shall identify the undertakings, provide written
12 evidence of compliance in the form of a narrative, and be supported by
13 exhibits sufficient to demonstrate compliance. The Commission staff
14 may make reasonable requests for further evidence of compliance, and
15 Defendant agrees to provide such evidence. Defendant shall submit the
16 certification and supporting material to Victoria A. Levin, Assistant
17 Director, Division of Enforcement, with a copy to the Office of Chief
18 Counsel of the Enforcement Division, no later than sixty (60) days from
19 the date of the completion of the undertakings.

20 **VII.**

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

1 the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

2 **VIII.**

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

6 **IX.**

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

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11 Dated: August 18, 2021

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14 Jesus C. Bernal, U.S. District Judge