

IN THE UNITED STATES COURT
FOR THE DISTRICT OF PUERTO RICO

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

ELISEO ACOSTA,

Defendant.

Civ. No. 21-1435 (SCC)

JUDGMENT

The Court enters Paragraphs I and III-VIII of this Judgment based on (a) the Opinion and Order at Docket Number 7 and (b) the Consent signed by Mr. Acosta (Docket No. 6-2), in which he, without admitting or denying the allegations in the Complaint (except as provided herein), agreed to, among others, the matters set forth in these paragraphs. The Court enters Paragraph II of this Judgment based on (a) the Opinion and Order at Docket Number 12, (b) Mr. Acosta's agreement in the Consent that the allegations in the complaint shall be deemed true for purposes of the Court's determination of the issues of disgorgement, prejudgment interest, and civil penalty, and (c) the evidence the SEC submitted with respect to those issues.

I. PERMANENT INJUNCTIVE RELIEF

Section 15(a)(1) of the Exchange Act

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Mr. Acosta is permanently restrained and enjoined from violating, directly or indirectly, Section 15(a)(1) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. § 78o(a)(1), by making use of any means or instrumentality of interstate commerce or of the mails and engaging in the business of effecting transactions in securities for the accounts of others, or inducing or effecting the purchase and sale of securities, while not registered with the SEC in accordance with the provisions of Section 15(b) of the Exchange Act, or while not associated with a broker or dealer that was registered.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) Mr. Acosta’s officers, agents, servants, employees, and attorneys; and (b) other

persons in active concert or participation with Mr. Acosta or with anyone described in (a).

**II. DISGORGEMENT, PREJUDGMENT INTEREST,
AND CIVIL PENALTY**

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Mr. Acosta is liable for disgorgement of \$105,300.00, representing net profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$11,020.53, and a civil penalty in the amount of \$30,000.00 pursuant to Section 21(d)(3) of the Exchange Act, 15 U.S.C. §78u(d)(3). Mr. Acosta shall satisfy this obligation by paying \$146,320.53 to the Securities and Exchange Commission within 30 days after entry of this Judgment.

Mr. Acosta 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>. Mr. Acosta may

also pay by certified check, bank cashier's check, or U.S. 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; Eliseo Acosta as a defendant in this action; and specifying that payment is made pursuant to this Judgment.

Mr. Acosta shall simultaneously transmit photocopies of evidence of payment and case identifying information to the SEC's counsel in this action. By making this payment, Mr. Acosta relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to him. The SEC may enforce the Court's judgment for disgorgement and prejudgment interest by using all collection procedures authorized by law, including, but not limited to, moving for civil contempt at any time after 30 days

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

The SEC may propose a plan to distribute the Fund subject to the Court's approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall retain jurisdiction over the administration of any distribution of the Fund and the Fund may only be disbursed pursuant to a Court order.

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties

pursuant to this Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Mr. Acosta shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on his payment of disgorgement in this action, argue that he is entitled to, nor shall he further benefit by, offset or reduction of such compensatory damages award by the amount of any part of his payment of a civil penalty in this action (“Penalty Offset”). If the Court in any Related Investor Action grants such a Penalty Offset, Mr. Acosta shall, within 30 days after entry of a final order granting the Penalty Offset, notify the SEC’s counsel in this action and pay the amount of the Penalty Offset to the U.S. Treasury or to a Fair Fund, as the SEC directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For purposes of this paragraph, a “Related Investor Action” means a private damages action brought against Mr. Acosta by or on behalf of one or more investors based on

substantially the same facts as alleged in the Complaint in this action.

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Judgment resolves only the claims asserted against Mr. Acosta in this civil proceeding, and that in any disciplinary proceeding before the SEC based on the entry of the injunction in this action, Mr. Acosta shall not be permitted to contest the factual allegations of the complaint in this action.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Mr. Acosta shall comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the SEC's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings," and "a refusal to admit the allegations is equivalent to a denial, unless the defendant or respondent states that he neither admits nor denies the allegations." In particular, Mr.

Acosta: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the complaint or creating the impression that the complaint is without factual basis; and (ii) will not make or permit to be made any public statement to the effect that he does not admit the allegations of the complaint, or that the Consent contains no admission of the allegations, without also stating that he does not deny the allegations. If Mr. Acosta violates the provisions of this Paragraph IV, the SEC may petition the Court to vacate this Judgment and restore this action to its active docket. Nothing in this paragraph affects Mr. Acosta's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the SEC is not a party.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Mr. Acosta may not, under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law, seek from the United States, or any agency, or any official of the United

States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Mr. Acosta to defend against this action. For these purposes, Mr. Acosta is not the prevailing party in this action since the parties have reached a good faith settlement.

VI. BANKRUPTCY NONDISCHARGEABILITY

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

VII. INCORPORATION OF CONSENT

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent, Docket No. 6-2, is incorporated herein with the same force and effect as if fully set forth herein, and that Mr. Acosta shall comply with all the undertakings and agreements set forth therein.

VIII. RETENTION OF JURISDICTION

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

IT IS SO ORDERED.

In San Juan, Puerto Rico, this 13th day of December 2022.

S/ SILVIA CARREÑO-COLL
UNITED STATES DISTRICT COURT JUDGE