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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Securities and Exchange Commission,
Plaintiff,
v.
Jason P Wootten, et al.,
Defendants.

No. CV-21-00482-PHX-GMS

**FINAL JUDGMENT AS TO
DEFENDANTS RONALD FRANK
STEVENSON AND AMERICAN
FINANCIAL SECURITY, LLC**

Before the Court is Plaintiff’s Unopposed Motion for Entry of Final Judgments (Doc. 30). Good cause appearing,

IT IS ORDERED granting Plaintiff’s Unopposed Motion for Entry of Final Judgment as to Defendants Ronald Frank Stevenson and American Financial Security, LLC (Doc. 30) as follows:

The Securities and Exchange Commission having filed a Complaint and Defendants Ronald Frank Stevenson (“Stevenson”) and American Financial Securities, LLC (“AFS”) (collectively “Defendants”) having entered a general appearance; consented to the Court’s jurisdiction over Defendants and the subject matter of this action; consented to entry of this Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph IV); waived findings of fact and conclusions of law; and waived any right to appeal from this Judgment:

1 I.

2 **PERMANENT INJUNCTIVE RELIEF**

3 A.

4 **Section 5 of the Securities Act of 1933 (“Securities Act”)**

5 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Defendants
6 are permanently restrained and enjoined from violating Section 5 of the Securities Act [15
7 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- 8 (a) Unless a registration statement is in effect as to a security, making use of any
9 means or instruments of transportation or communication in interstate
10 commerce or of the mails to sell such security through the use or medium of
11 any prospectus or otherwise;
- 12 (b) Unless a registration statement is in effect as to a security, carrying or causing
13 to be carried through the mails or in interstate commerce, by any means or
14 instruments of transportation, any such security for the purpose of sale or for
15 delivery after sale; or
- 16 (c) Making use of any means or instruments of transportation or communication
17 in interstate commerce or of the mails to offer to sell or offer to buy through
18 the use or medium of any prospectus or otherwise any security, unless a
19 registration statement has been filed with the Commission as to such security,
20 or while the registration statement is the subject of a refusal order or stop
21 order or (prior to the effective date of the registration statement) any public
22 proceeding or examination under Section 8 of the Securities Act [15 U.S.C.
23 § 77h].

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

1 **B.**

2 **Section 15(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)**

3 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Defendants
4 are permanently restrained and enjoined from violating, directly or indirectly, Section
5 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)] by making use of any means or
6 instrumentality of interstate commerce or of the mails and engaging in the business of
7 effecting transactions in securities for the accounts of others, or inducing or effecting the
8 purchase and sale of securities, while not registered with the Commission in accordance
9 with the provisions of Section 15(b) of the Exchange Act, or while not associated with a
10 broker-dealer that was so registered.

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

16 **II.**

17 **DISGORGEMENT, PREJUDGMENT INTEREST AND CIVIL PENALTY**

18 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that
19 Defendants are liable, jointly and severally, for disgorgement of \$520,657, representing net
20 profits gained as a result of the conduct alleged in the Complaint, together with
21 prejudgment interest thereon in the amount of \$59,242 and/or a civil penalty in the amount
22 of \$125,000 pursuant to Section 20(d) of the Securities Act and Section 21(d)(3) of the
23 Exchange Act. Defendants shall satisfy this obligation by paying \$704,899 to the Court-
24 appointed Receiver, Burton Wiand, within 30 days after entry of this Final Judgment.

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

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

5 The Commission may enforce the Court’s judgment for penalties by the use of all
6 collection procedures authorized by law, including the Federal Debt Collection Procedures
7 Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the violation of any Court
8 orders issued in this action. Defendants shall pay post judgment interest on any amounts
9 due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The
10 Receiver shall hold the funds, together with any interest and income earned thereon
11 (collectively, the “Fund”), pending further order of the Court.

12 The Commission or the Receiver may propose a plan to distribute the Fund subject
13 to the Court’s approval. Such a plan may provide that the Fund shall be distributed
14 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002.
15 The Court shall retain jurisdiction over the administration of any distribution of the Fund
16 and the Fund may only be disbursed pursuant to an Order of the Court.

17 Regardless of whether any such Fair Fund distribution is made, amounts ordered to
18 be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the
19 government for all purposes, including all tax purposes. To preserve the deterrent effect
20 of the civil penalty, Defendants shall not, after offset or reduction of any award of
21 compensatory damages in any Related Investor Action based on Defendants’ payment of
22 disgorgement in this action, argue that they are entitled to, nor shall they further benefit by,
23 offset or reduction of such compensatory damages award by the amount of any part of
24 Defendants’ payment of a civil penalty in this action (“Penalty Offset”). If the court in any
25 Related Investor Action grants such a Penalty Offset, Defendants shall, within 30 days after
26 entry of a final order granting the Penalty Offset, notify the Commission’s counsel in this
27 action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair
28 Fund, as the Commission directs. Such a payment shall not be deemed an additional civil

1 penalty and shall not be deemed to change the amount of the civil penalty imposed in this
2 Judgment. For purposes of this paragraph, a “Related Investor Action” means a private
3 damages action brought against Defendants by or on behalf of one or more investors based
4 on substantially the same facts as alleged in the Complaint in this action.

5 **III.**

6 **INCORPORATION OF CONSENT**

7 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Consent
8 is incorporated herein with the same force and effect as if fully set forth herein, and that
9 Defendants shall comply with all of the undertakings and agreements set forth therein.

10 **IV.**

11 **BANKRUPTCY NONDISCHARGEABILITY**

12 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that, solely for
13 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11
14 U.S.C. §523, the allegations in the Complaint are true and admitted by Defendants, and
15 further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts
16 due by Defendants under this Judgment or any other judgment, order, consent order, decree
17 or settlement agreement entered in connection with this proceeding, is a debt for the
18 violation by Defendants of the federal securities laws or any regulation or order issued
19 under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
20 §523(a)(19).

21 **V.**

22 **RETENTION OF JURISDICTION**

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

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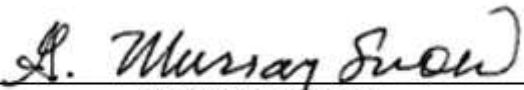
VI.

RULE 54(b) CERTIFICATION

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

IT IS FURTHER ORDERED denying Plaintiff's Motion for Summary Judgment (Doc. 25) as moot.

Dated this 4th day of January, 2023.



G. Murray Snow
Chief United States District Judge