

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 22-cv-22144-ALTMAN/Reid

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

CARLOS SORONDO,

Defendant.

FINAL JUDGMENT AGAINST DEFENDANT CARLOS SORONDO

The Plaintiff, the Securities and Exchange Commission (the “Commission”), has filed an Unopposed Motion for Entry of Final Judgment [ECF No. 8] (the “Motion”) against the Defendant, Carlos Sorondo. By the Consent of Defendant Carlos Sorondo to Final Judgment (the “Consent”) [ECF No. 8-2], without admitting or denying the allegations of the Complaint (except that Sorondo admits the jurisdiction of this Court over him and over the subject matter of this action and as otherwise set forth in Section IV below), Sorondo has waived service of a summons and the Complaint, entered a general appearance, consented to entry of this Final Judgment, waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment. The Court finds that good cause exists for entry of the Final Judgment. Accordingly, the Commission’s Motion [ECF No. 8] is **GRANTED**. The Court further orders as follows:

I.

DISGORGEMENT, PREJUDGMENT INTEREST, AND CIVIL PENALTY

IT IS FURTHER ORDERED AND ADJUDGED that Sorondo is liable to the Commission for \$2,017,345 in disgorgement, representing net profits gained as a result of the conduct alleged in the Complaint, prejudgment interest on disgorgement of \$210,919, and a civil penalty of

\$150,000 pursuant to Section 20(d) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78u(d)(3)].

Sorondo shall pay the total of \$2,378,264 to the Commission within 30 days of the entry of this Final Judgment. Sorondo 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>. Sorondo 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
HQ Bldg. Room 265, AMK-326
Oklahoma City, OK 73169

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

Sorondo shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission’s counsel in this action, Robert K. Levenson, Senior Trial Counsel, Securities and Exchange Commission, 801 Brickell Avenue, Suite 1950, Miami, FL 33131. By making this payment, Sorondo relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Sorondo.

The Commission 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 Final Judgment. 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 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. Sorondo shall pay post-judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest and income earned thereon (collectively, the “Fund”), pending further order of the Court.

The Commission 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 an Order of the Court.

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Final 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, Sorondo shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Sorondo’s 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 Sorondo’s payment of a civil penalty in this action (“Penalty Offset”). If the court in any Related Investor Action grants such a Penalty Offset, Sorondo shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission’s counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission 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 Final Judgment. For purposes of this paragraph, a “Related Investor Action” means a private damages action brought against Sorondo by or on behalf of one or more investors based on substantially the same facts as alleged in the

Complaint in this action.

II.

INCORPORATION OF CONSENT

IT IS FURTHER ORDERED AND ADJUDGED that the Consent [ECF No. 8-2] is incorporated herein with the same force and effect as if fully set forth herein, and Sorondo shall comply with all of the undertakings and agreements set forth therein.

III.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED AND ADJUDGED that this Court shall retain jurisdiction of this matter and over Sorondo in order to implement and carry out the terms of this Final Judgment and all Orders and Decrees that may be entered, to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and to order any other relief that this Court deems appropriate under the circumstances

IV.

BANKRUPTCY NONDISCHARGEABILITY

IT IS FURTHER ORDERED AND ADJUDGED that, solely 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 Sorondo, and further, any debt for disgorgement, prejudgment interest, civil penalty, or other amounts due by Sorondo under this Final 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 Sorondo 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)].

DONE AND ORDERED in the Southern District of Florida on December 27, 2022.



ROY K. ALTMAN
UNITED STATES DISTRICT JUDGE

cc: counsel of record