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

United States Securities and Exchange
Commission,

Plaintiff,

v.

Jeffrey Stebbins and Corbin Jones,

Defendants.

No. CV-13-00755-PHX-SRB

**FINAL JUDGMENT AS TO
DEFENDANT JEFFREY STEBBINS**

The Securities and Exchange Commission having filed a Complaint and Defendant Jeffrey Stebbins (“Defendant” or “Stebbins”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; 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:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Stebbins is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;

- 1 (b) to make any untrue statement of a material fact or to omit to state a material
2 fact necessary in order to make the statements made, in the light of the
3 circumstances under which they were made, not misleading; or
4 (c) to engage in any act, practice, or course of business which operates or would
5 operate as a fraud or deceit upon any person.

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

11 **II.**

12 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
13 Defendant Stebbins is permanently restrained and enjoined from violating Section 17(a) of
14 the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale
15 of any security by the use of any means or instruments of transportation or communication
16 in interstate commerce or by use of the mails, directly or indirectly:

- 17 (a) to employ any device, scheme, or artifice to defraud;
18 (b) to obtain money or property by means of any untrue statement of a material
19 fact or any omission of a material fact necessary in order to make the
20 statements made, in light of the circumstances under which they were made,
21 not misleading; or
22 (c) to engage in any transaction, practice, or course of business which operates
23 or would operate as a fraud or deceit upon the purchaser.
24

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

1 active concert or participation with Defendant or with anyone described in (a).

2 **III.**

3 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
4 Stebbins and his agents, servants, employees, attorneys, and all persons in active concert
5 or participation with them who receive actual notice of this Final Judgment by personal
6 service or otherwise are permanently restrained and enjoined from violating Section 15(a)
7 of the Exchange Act [15 U.S.C. § 78o(a)] by making use of the mails or any means or
8 instrumentality of interstate commerce to effect any transactions in, or to induce or attempt
9 to induce the purchase or sale of, any security (other than an exempted security or
10 commercial paper, bankers' acceptances, or commercial bills) without being registered as
11 a broker or dealer in accordance with Section 15(b) of the Exchange Act [15 U.S.C. §
12 78o(b)].

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14 ///

15 **IV.**

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
17 Stebbins and his agents, servants, employees, attorneys, and all persons in active concert
18 or participation with them who receive actual notice of this Final Judgment by personal
19 service or otherwise are permanently restrained and enjoined from violating Section 13(d)
20 of the Exchange Act and Rules 13d-1 and 13d-2 thereunder [15 U.S.C. § 78m(d); 17 C.F.R.
21 §240.13d-1; 17 C.F.R. §240.13d-2] by failing to file with the SEC a statement of beneficial
22 ownership required by Section 13(d) of the Exchange Act.
23

24 **V.**

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
26 Stebbins and his agents, servants, employees, attorneys, and all persons in active concert
27 or participation with them who receive actual notice of this Final Judgment by personal
28 service or otherwise are permanently restrained and enjoined from violating Section 16(a)

1 of the Exchange Act and Rule 16a-3 thereunder [15 U.S.C. § 78p(a); 17 C.F.R. §
2 240.16a-3] by failing to file with the SEC a statement of beneficial ownership required by
3 Section 16(a) of the Exchange Act.

4 **VI.**

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
6 Defendant Stebbins is permanently barred from participating in an offering of penny stock,
7 including engaging in activities with a broker, dealer, or issuer for purposes of issuing,
8 trading, or inducing or attempting to induce the purchase or sale of any penny stock. A
9 penny stock is any equity security that has a price of less than five dollars, except as
10 provided in Rule 3a51-1 under the Exchange Act [17 C.F.R. 240.3a51-1].

11 **VII.**

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
13 Stebbins is liable for disgorgement of \$1,692,323.50, representing profits gained as a result
14 of the conduct alleged in the Complaint, together with prejudgment interest thereon in the
15 amount of \$323,567.81, jointly and severally with defendant Corbin Jones. Defendant
16 shall satisfy this obligation by paying \$2,015,891.31 to the Securities and Exchange
17 Commission within 14 days after entry of this Final Judgment.

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

24
25 Enterprise Services Center
26 Accounts Receivable Branch
27 6500 South MacArthur Boulevard
28 Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and

1 name of this Court; Jeffrey Stebbins' name as a defendant in this action; and specifying
2 that payment is made pursuant to this Final Judgment.

3 Defendant shall simultaneously transmit photocopies of evidence of payment and
4 case identifying information to the SEC's counsel in this action. By making this payment,
5 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no
6 part of the funds shall be returned to Defendant. The SEC shall send the funds paid
7 pursuant to this Final Judgment to the United States Treasury.

8 The SEC may enforce the Court's judgment for disgorgement, prejudgment interest,
9 and penalties by moving for civil contempt (and/or through other collection procedures
10 authorized by law) at any time after 14 days following entry of this Final Judgment.
11 Defendant shall pay post judgment interest on any delinquent amounts pursuant to 28
12 U.S.C. § 1961.

13 Amounts that Defendant pays as disgorgement shall be credited against the
14 restitution ordered against Defendant in *State of Arizona v. Stebbins*, Case No. CR2015-
15 001719-001 (Superior Court of Arizona, Maricopa County). Additionally, during any
16 period in which Defendant is required to make monthly restitution payments as a condition
17 of his probation in *State of Arizona v. Stebbins*, amounts that Defendant pays as restitution
18 to the State of Arizona shall be credited against the disgorgement ordered herein.

19
20 **VIII.**

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the SEC
22 has determined to forgo seeking a civil penalty against Defendant, and the claim for a civil
23 penalty against Defendant is hereby DISMISSED with prejudice.

24 **IX.**

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
26 incorporated herein with the same force and effect as if fully set forth herein, and that
27 Defendant shall comply with all of the undertakings and agreements set forth therein. The
28 SEC staff may make reasonable requests for further evidence of compliance, and

1 Defendant agrees to provide such evidence.

2 **X.**

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


11 **XI.**

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

15 **XII.**

16 There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of
17 Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without
18 further notice.
19

20
21 Dated this 24th day of September, 2020.

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25 _____
26 Susan R. Bolton
27 United States District Judge
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