

**IN THE UNITED STATES DISTRICT
COURT FOR THE DISTRICT OF COLORADO
Judge Daniel D. Domenico**

Case No. 19-cv-02789-DDD-NYW

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MARK RAY,
REVA STANCHIW,
RONALD THROGMARTIN,
CUSTOM CONSULTING & PRODUCT SERVICES, LLC,
RM FARM AND LIVESTOCK, LLC,
MR CATTLE PRODUCTION SERVICES, LLC,
SUNSHINE ENTERPRISES,
UNIVERSAL HERBS, LLC,
DBC LIMITED, LLC,

Defendants.

CONSENT BIFURCATED JUDGMENT

The Securities and Exchange Commission having filed a Complaint and Defendant Ron Throgmartin having entered a general appearance; consented to the Court's jurisdiction over Defendant Throgmartin and the subject matter of this action; consented to entry of this Bifurcated Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Bifurcated Judgment:

I

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Throgmartin, and his agents, servants, employees, attorneys, and all persons in active concert or participation with them are permanently enjoined from violating, directly or indirectly:

A. Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5(a), (b), and (c) promulgated thereunder, 17 C.F.R. § 240.10b-5(a), (b), and (c), 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:

(1) to employ any device, scheme, or artifice to defraud, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, by providing false or misleading information or omitting to provide material information to actual or prospective investors concerning the performance, return, existence, use or disposition of investor funds.

B. Section 17(a)(1), (2) and (3) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

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

(b) to obtain money or property by means of any untrue statement of material fact or any omission of a material fact necessary in order to make

the statements made, in light of the circumstances under which they were made, not misleading; or

- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser; by providing false or misleading information or omitting to provide material information to actual or prospective investors concerning the performance, return existence, use or disposition of investor funds.

II

IT IS FURTHER ORDERED that the action between the Commission and Defendant Throgmartin shall be administratively stayed until 30 days after the latest of the following: (1) any court-appointed receiver in this action has obtained approval of a final plan for distributing the assets of the receivership to investors; (2) no receiver has been appointed and liability has been determined as to all of the Defendants; or (3) the final resolution of any criminal proceedings arising from the facts alleged in the Complaint to the extent that Defendant Throgmartin is charged in those proceedings. The administrative stay shall not apply to any court-appointed receiver, who shall be empowered to take all of the actions set forth in the order appointing him or her, notwithstanding the administrative stay.

III

IT IS FURTHER ORDERED that after the stay is lifted, upon motion of the Commission, the Court, or a magistrate judge should the parties consent to having such issue determined by a magistrate judge, shall determine whether it is appropriate to order disgorgement of ill-gotten gains and/or a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3), against Defendant Throgmartin, and, if so, the amount(s) of the disgorgement and/or civil penalty. If disgorgement is ordered, Defendant Throgmartin shall pay prejudgment interest thereon, calculated from June 1, 2014,

based on the rate of interest used by the Internal Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the Commission's motion for disgorgement and/or civil penalties, and at any hearing held on such a motion: (a) Defendant Throgmartin will be precluded from arguing that he did not violate the federal securities laws as alleged in the Complaint; (b) he may not challenge the validity of the Consent or this Bifurcated Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn depositions or investigative testimony, and documentary evidence, without regard to the standards for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure or Federal Rule of Evidence 802.

IV

IT IS FURTHER ORDERED that the Consent is incorporated herein with the same force and effect as if fully set forth herein and that Defendant Throgmartin shall comply with all of the undertakings and agreements set forth therein.

V

IT IS FURTHER ORDERED that nothing in this order or the Consent shall be construed as a waiver of any Fifth Amendment right against self-incrimination by Mr. Throgmartin or as compelling him to waive such rights in his dealings with the Receiver; provided however, that: (1) as described in Paragraph III above, Mr. Throgmartin shall not be permitted to contest the allegations of the Complaint in connection with any motion by the Commission for disgorgement or a civil penalty; (2) as described in Paragraph 11 of the Consent, Mr. Throgmartin shall not be permitted to contest that any debt for disgorgement, prejudgment interest or a civil penalty entered in this action is a debt for violation of the securities laws as set forth in 11 U.S.C. §523(a)(19); and (3) Mr. Throgmartin shall comply with the terms of 17 C.F.R. § 202.5(e) in the manner described in Paragraph 11 of the Consent. Further, nothing

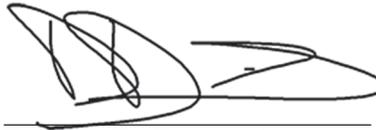
in this order shall prohibit Mr. Throgmartin from objecting to the court regarding any action proposed or taken by the Receiver.

VI

IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Order.

Dated: October 10, 2019.

BY THE COURT:

A handwritten signature in black ink, appearing to read 'Daniel D. Domenico', written over a horizontal line.

Daniel D. Domenico
United States District Judge