

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE  
COMMISSION,  
  
Plaintiff,  
  
v.  
  
CHARLES WINN LLC, AARON  
DAVID SCOTT-BRITTEN, aka  
AARON DAVID, AARON SCOTT,  
and AARON DAVID K. BRITTEN,  
OHRAN EMMANUEL STEWART,  
aka ELLIOTT STEWART, CASEY  
ALEXANDER, and CHARLIE JAKE  
SMITH,  
  
Defendants.

**Case No. 2:23-cv-02988 FMO (Ex)**

**JUDGMENT OF DEFENDANT  
CHARLIE JAKE SMITH**

The Securities and Exchange Commission having filed a Complaint and Defendant Charlie Jake Smith 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 Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph V);

1 waived findings of fact and conclusions of law; and waived any right to appeal from  
2 this Judgment:

3 I.

4 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is  
5 permanently restrained and enjoined from violating Sections 17(a)(2) and 17(a)(3) of  
6 the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. §§ 77q(a)(2), 77q(a)(3)]  
7 in the offer or sale of any security by the use of any means or instruments of  
8 transportation or communication in interstate commerce or by use of the mails,  
9 directly or indirectly:

- 10 (a) to obtain money or property by means of any untrue statement of a  
11 material fact or any omission of a material fact necessary in order to  
12 make the statements made, in light of the circumstances under which  
13 they were made, not misleading; or  
14 (b) to engage in any transaction, practice, or course of business which  
15 operates or would operate as a fraud or deceit upon the purchaser.

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

22 II.

23 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
24 Defendant is permanently restrained and enjoined from violating Section 5 of the  
25 Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any  
26 applicable exemption:

- 27 (a) Unless a registration statement is in effect as to a security, making use of  
28 any means or instruments of transportation or communication in

1 interstate commerce or of the mails to sell such security through the use  
2 or medium of any prospectus or otherwise;

3 (b) Unless a registration statement is in effect as to a security, carrying or  
4 causing to be carried through the mails or in interstate commerce, by any  
5 means or instruments of transportation, any such security for the purpose  
6 of sale or for delivery after sale; or

7 (c) Making use of any means or instruments of transportation or  
8 communication in interstate commerce or of the mails to offer to sell or  
9 offer to buy through the use or medium of any prospectus or otherwise  
10 any security, unless a registration statement has been filed with the  
11 Commission as to such security, or while the registration statement is the  
12 subject of a refusal order or stop order or (prior to the effective date of  
13 the registration statement) any public proceeding or examination under  
14 Section 8 of the Securities Act [15 U.S.C. § 77h].

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

21 III.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
23 Defendant shall pay disgorgement of ill-gotten gains and prejudgment interest  
24 thereon; that the amounts of the disgorgement and civil penalty shall be determined  
25 by the Court upon motion of the Commission; and that prejudgment interest shall be  
26 calculated from July 12, 2021, based on the rate of interest used by the Internal  
27 Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C.  
28 § 6621(a)(2). Upon motion of the Commission, the Court shall determine whether a

1 civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] is  
2 appropriate and, if so, the amount of the penalty. In connection with the  
3 Commission's motion for disgorgement and/or civil penalties, and at any hearing held  
4 on such a motion: (a) Defendant will be precluded from arguing that he did not  
5 violate the federal securities laws as alleged in the Complaint; (b) Defendant may not  
6 challenge the validity of the Consent or this Judgment; (c) solely for the purposes of  
7 such motion, the allegations of the Complaint shall be accepted as and deemed true  
8 by the Court; and (d) the Court may determine the issues raised in the motion on the  
9 basis of affidavits, declarations, excerpts of sworn deposition or investigative  
10 testimony, and documentary evidence, without regard to the standards for summary  
11 judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In  
12 connection with the Commission's motion for disgorgement and/or civil penalties,  
13 the parties may take discovery, including discovery from appropriate non-parties.

14 IV.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the  
16 Consent is incorporated herein with the same force and effect as if fully set forth  
17 herein, and that Defendant shall comply with all of the undertakings and agreements  
18 set forth therein.

19 V.

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for  
21 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,  
22 11 U.S.C. § 523, the allegations in the complaint are true and admitted by Defendant,  
23 and further, any debt for disgorgement, prejudgment interest, civil penalty or other  
24 amounts due by Defendant under this Judgment or any other judgment, order, consent  
25 order, decree or settlement agreement entered in connection with this proceeding, is a  
26 debt for the violation by Defendant of the federal securities laws or any regulation or  
27 order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy  
28 Code, 11 U.S.C. § 523(a)(19).

