

1 AMY J. LONGO, Cal. Bar No. 198304
Email: longoa@sec.gov
2 PETER F. DEL GRECO, Cal. Bar No. 164925
Email: delgreco@sec.gov

3 Attorneys for Plaintiff
4 Securities and Exchange Commission
Michele Wein Layne, Regional Director
5 Kate Zoladz, Associate Regional Director
444 S. Flower Street, Suite 900
6 Los Angeles, California 90071
Telephone: (323) 965-3998
7 Facsimile: (213) 443-1904

JS-6

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

12 **SECURITIES AND EXCHANGE**
13 **COMMISSION,**

14 Plaintiff,

15 vs.

16 **REMINGTON CHASE a/k/a**
17 **WILLIAM WESTWOOD a/k/a**
WILLIAM ELLIOT,

18 Defendant

Case No.: CV 20-8343 FMO (PVCx)

**[PROPOSED] FINAL JUDGMENT AS
TO DEFENDANT REMINGTON
CHASE a/k/a WILLIAM
WESTWOOD a/k/a WILLIAM
ELLIOT**

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1 The Securities and Exchange Commission having filed a Complaint and
2 defendant Remington Chase a/k/a William Westwood a/k/a William Elliot
3 (“Defendant”) having entered a general appearance; consented to the Court’s
4 jurisdiction over Defendant and the subject matter of this action; consented to entry
5 of this Final Judgment without admitting or denying the allegations of the Complaint
6 (except as to jurisdiction and except as otherwise provided herein in paragraph VI);
7 waived findings of fact and conclusions of law; and waived any right to appeal from
8 this Final Judgment:

9 **I.**

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

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

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

2 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
3 permanently restrained and enjoined from violating Section 5 of the Securities Act
4 [[15 U.S.C. § 77e](#)] by, directly or indirectly, in the absence of any applicable
5 exemption:

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

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

2 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendant is
3 permanently restrained and enjoined from violating, directly or indirectly, Section
4 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §
5 78j(b)] and Rule 10b-5 promulgated thereunder, [17 C.F.R. § 240.10b-5], by using
6 any means or instrumentality of interstate commerce, or of the mails, or of any
7 facility of any national securities exchange, in connection with the purchase or sale of
8 any security:

- 9 (a) to employ any device, scheme or artifice to defraud;
10 (b) to make any untrue statement of a material fact or to omit to state a
11 material fact necessary in order to make the statements made, in light of
12 the circumstances under which they were made, not misleading; or
13 (c) to engage in any act, practice, or course of business which operates or
14 would operate as a fraud or deceit upon any person.

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 Final Judgment by personal
18 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
19 attorneys; and (b) other persons in active concert or participation with Defendant or
20 with anyone described in (a).

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22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Defendant is liable for disgorgement of \$8,906,000, representing profits gained as a
24 result of the conduct alleged in the Complaint, together with prejudgment interest
25 thereon in the amount of \$1,022,010, and a civil penalty in the amount of \$192,768
26 pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d) and Section 21(d)
27 of the Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant shall satisfy this obligation by
28 paying \$10,120,778 to the Securities and Exchange Commission within 30 days after

1 entry of this Final Judgment.

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

8
9 Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
10 Oklahoma City, OK 73169

11 and shall be accompanied by a letter identifying the case title, civil action number,
12 and name of this Court; Remington Chase a/k/a William Westwood a/k/a William
13 Elliot as a defendant in this action; and specifying that payment is made pursuant to
14 this Final Judgment.

15 Defendant shall simultaneously transmit photocopies of evidence of payment
16 and case identifying information to the Commission's counsel in this action. By
17 making this payment, Defendant relinquishes all legal and equitable right, title, and
18 interest in such funds and no part of the funds shall be returned to Defendant.

19 The Commission may enforce the Court's judgment for disgorgement and
20 prejudgment interest by moving for civil contempt (and/or through other collection
21 procedures authorized by law) at any time after 30 days following entry of this Final
22 Judgment. Defendant shall pay post-judgment interest on any delinquent amounts
23 pursuant to [28 U.S.C. § 1961](#). The Commission shall hold the funds, together with
24 any interest and income earned thereon (collectively, the "Fund"), pending further
25 order of the Court.

26 The Commission may propose a plan to distribute the Fund subject to the
27 Court's approval. Such a plan may provide that the Fund shall be distributed
28 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of

1 2002. The Court shall retain jurisdiction over the administration of any distribution
2 of the Fund. If the Commission staff determines that the Fund will not be distributed,
3 the Commission shall send the funds paid pursuant to this Final Judgment to the
4 United States Treasury.

5 Regardless of whether any such Fair Fund distribution is made, amounts
6 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
7 penalties paid to the government for all purposes, including all tax purposes. To
8 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
9 reduction of any award of compensatory damages in any Related Investor Action
10 based on Defendant's payment of disgorgement in this action, argue that he is entitled
11 to, nor shall he further benefit by, offset or reduction of such compensatory damages
12 award by the amount of any part of Defendant's payment of a civil penalty in this
13 action ("Penalty Offset"). If the court in any Related Investor Action grants such a
14 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
15 the Penalty Offset, notify the Commission's counsel in this action and pay the amount
16 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
17 Commission directs. Such a payment shall not be deemed an additional civil penalty
18 and shall not be deemed to change the amount of the civil penalty imposed in this
19 Judgment. For purposes of this paragraph, a "Related Investor Action" means a
20 private damages action brought against Defendant by or on behalf of one or more
21 investors based on substantially the same facts as alleged in the Complaint in this
22 action.

23
24 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that within 3
25 days after being served with a copy of this Final Judgment, the law firm Schulte Roth
26 & Zabel LLP ("SR&Z") shall transfer the entire balance of any and all monies
27 received from Defendant Remington Chase a/k/a William Westwood a/k/a William
28 Elliot, or held for the benefit of Remington Chase a/k/a William Westwood a/k/a

1 William Elliot, to the Commission. SR&Z may transmit payment electronically to
2 the Commission, which will provide detailed ACH transfer/Fedwire instructions upon
3 request. Payment may also be made directly from a bank account via Pay.gov
4 through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. SR&Z also
5 may transfer these funds by certified check, bank cashier's check, or United States
6 postal money order payable to the Securities and Exchange Commission, which shall
7 be delivered or mailed to

8
9 Enterprise Services Center
10 Accounts Receivable Branch
11 6500 South MacArthur Boulevard
12 Oklahoma City, OK 73169

11 and shall be accompanied by a letter identifying the case title, civil action number,
12 and name of this Court; and specifying that payment is made pursuant to this Final
13 Judgment.

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

24 **VII.**

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

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

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

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10 Dated: October 5, 2020

/s/ Fernando M. Olguin

11 UNITED STATES DISTRICT JUDGE
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