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

14 SECURITIES AND EXCHANGE
15 COMMISSION,

16 Plaintiff,

17 vs.

18 SHLOMO NIR AND TZACHI
19 RAHAMIM,

20 Defendants.

Case No. 2:22-cv-04438-CAS-PVCx

**FINAL JUDGMENT AS TO
DEFENDANT TZACHI RAHAMIM**

21 **FINAL JUDGMENT AS TO DEFENDANT TZACHI RAHAMIM**

22 The Securities and Exchange Commission having filed a Complaint and
23 Defendant Tzachi Rahamim having entered a general appearance; consented to the
24 Court’s jurisdiction over Defendant and the subject matter of this action; consented to
25 entry of this Final Judgment without admitting or denying the allegations of the
26 Complaint (except as to jurisdiction and except as otherwise provided herein in
27 paragraph V.); waived findings of fact and conclusions of law; and waived any right
28 to appeal from this Final Judgment:

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I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder, 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;
- (b) 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
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

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

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) 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 a material fact or any omission of a material fact necessary in order to

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

3 (c) to engage in any transaction, practice, or course of business which
4 operates or would operate as a fraud or deceit upon the purchaser.

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

11 III.

12 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
13 Defendant is liable for disgorgement of \$126,000, representing Defendant's ill-gotten
14 gain as a result of the conduct alleged in the Complaint, together with prejudgment
15 interest thereon in the amount of \$3,930.77, and a civil penalty in the amount of
16 \$103,591 pursuant to Securities Act Section 20(d) and Exchange Act Section
17 21(d)(3). Defendant shall satisfy this obligation by paying \$233,521.77 to the
18 Securities and Exchange Commission pursuant to the terms of the payment schedule
19 set forth in paragraph IV below after entry of this Final Judgment.

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

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1 Enterprise Services Center
2 Accounts Receivable Branch
3 6500 South MacArthur Boulevard
4 Oklahoma City, OK 73169

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

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

12 The Commission may enforce the Court's judgment for disgorgement and
13 prejudgment interest by using all collection procedures authorized by law, including,
14 but not limited to, moving for civil contempt at any time after 30 days following entry
15 of this Final Judgment.

16 The Commission may enforce the Court's judgment for penalties by the use of
17 all collection procedures authorized by law, including the Federal Debt Collection
18 Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the
19 violation of any Court orders issued in this action. Defendant shall pay post
20 judgment interest on any amounts due after 30 days of the entry of this Final
21 Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds,
22 together with any interest and income earned thereon (collectively, the "Fund"),
23 pending further order of the Court.

24 The Commission may propose a plan to distribute the Fund subject to the
25 Court's approval. Such a plan may provide that the Fund shall be distributed
26 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of
27 2002. The Court shall retain jurisdiction over the administration of any distribution
28 of the Fund and the Fund may only be disbursed pursuant to an Order of the Court.

1 due. Prior to making the final payment set forth herein, Tzachi Rahamim shall
2 contact the staff of the Commission for the amount due for the final payment.

3 If Tzachi Rahamim fails to make any payment by the date agreed and/or in
4 the amount agreed according to the schedule set forth above, all outstanding
5 payments under this Final Judgment, including post-judgment interest, minus any
6 payments made, shall become due and payable immediately at the discretion of the
7 staff of the Commission without further application to the Court.

8 V.

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

18 VI.

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

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23 Dated: July 11, 2022



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25 UNITED STATES DISTRICT JUDGE