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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

PETER H. POCKLINGTON,
LANTSON E. ELDRED, TERRENCE
J. WALTON, YOLANDA C.
VELAZQUEZ a/k/a LANA
VELAZQUEZ a/k/a LANA PULEO,
VANESSA PULEO, ROBERT A.
VANETTEN, NOVA OCULUS
PARTNERS, LLC, f/k/a THE EYE
MACHINE, LLC, and AMC
HOLDINGS, LLC,

Defendants.

EVA S. POCKLINGTON, DTR
HOLDINGS, LLC, COBRA
CHEMICAL, LLC, and GOLD STAR
RESOURCES, LLC,

Relief Defendants.

Case No. 5:18-cv-00701-FLA (SPx)

**FINAL JUDGMENT AS TO
DEFENDANT PETER H.
POCKLINGTON [DKT. 191]**

1 **FINAL JUDGMENT AS TO PETER H. POCKLINGTON**

2 The Securities and Exchange Commission (the “Commission”) having filed a
3 Complaint and Defendant Peter H. Pocklington (“Defendant”) having entered a
4 general appearance; consented to the court’s jurisdiction over Defendant and the
5 subject matter of this action; consented to entry of this Final Judgment without
6 admitting or denying the allegations of the Complaint (except as to jurisdiction and
7 except as otherwise provided herein in paragraph VII); waived findings of fact and
8 conclusions of law; and waived any right to appeal from this Final Judgment:

9 **I.**

10 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
11 permanently restrained and enjoined from violating, directly or indirectly, Section
12 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C.
13 § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using
14 any means or instrumentality of interstate commerce, or of the mails, or of any
15 facility of any national securities exchange, in connection with the purchase or sale of
16 any security:

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

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

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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 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.

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).

III.

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

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;

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

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

19 **IV.**

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to
21 Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is
22 permanently restrained and enjoined from directly or indirectly, including, but not
23 limited to, through any entity owned or controlled by Defendant, participating in the
24 issuance, purchase, offer, or sale of any security in an unregistered offering by an
25 issuer.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
27 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
28 binds the following who receive actual notice of this Final Judgment by personal

1 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
2 attorneys; and (b) other persons in active concert or participation with Defendant or
3 with anyone described in (a).

4 V.

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
6 Defendant is liable for disgorgement of \$339,449.00, for which Defendant is joint
7 and severally liable with relief defendants Eva Pocklington, Cobra Chemical, LLC,
8 DTR Holdings, LLC, and Gold Star Resources, LLC up to the amount of
9 disgorgement liability of each relief defendant, representing net profits gained as a
10 result of the conduct alleged in the Complaint, together with prejudgment interest
11 thereon in the amount of \$51,033.07, and a civil penalty in the amount of
12 \$1,086,426.00 pursuant to Section 20(d) of the Securities Act 15 U.S.C. § 77t(d)] and
13 Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall
14 satisfy this obligation by paying \$1,476,908.07 to the Securities and Exchange
15 Commission pursuant to the terms of the payment schedule set forth in paragraph VI
16 below after entry of this Final Judgment.

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

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

26 and shall be accompanied by a letter identifying the case title, civil action number,
27 and name of this court; Peter H. Pocklington as a defendant in this action; and
28 specifying that payment is made pursuant to this Final Judgment.

1 Defendant shall simultaneously transmit photocopies of evidence of payment
2 and case identifying information to the Commission’s counsel in this action. By
3 making this payment, Defendant relinquishes all legal and equitable right, title, and
4 interest in such funds and no part of the funds shall be returned to Defendant.

5 The Commission may enforce the court’s judgment for disgorgement and
6 prejudgment interest by using all collection procedures authorized by law, including,
7 but not limited to, moving for civil contempt at any time after 30 days following entry
8 of this Final Judgment.

9 The Commission may enforce the court’s judgment for penalties by the use of
10 all collection procedures authorized by law, including the Federal Debt Collection
11 Procedures Act, 28 U.S.C. § 3001 et seq., and moving for civil contempt for the
12 violation of any court orders issued in this action. Defendant shall pay post judgment
13 interest on any amounts due after 30 days of the entry of this Final Judgment pursuant
14 to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest
15 and income earned thereon (collectively, the “Fund”), pending further order of the
16 court.

17 The Commission may propose a plan to distribute the Fund subject to the
18 court’s approval. Such a plan may provide that the Fund shall be distributed pursuant
19 to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002.
20 The court shall retain jurisdiction over the administration of any distribution of the
21 Fund, and the Fund may only be disbursed pursuant to an Order of the court.

22 Regardless of whether any such Fair Fund distribution is made, amounts
23 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
24 penalties paid to the government for all purposes, including all tax purposes. To
25 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
26 reduction of any award of compensatory damages in any Related Investor Action
27 based on Defendant’s payment of disgorgement in this action, argue that he is entitled
28 to, nor shall he further benefit by, offset or reduction of such compensatory damages

1 award by the amount of any part of Defendant’s payment of a civil penalty in this
2 action (“Penalty Offset”). If the court in any Related Investor Action grants such a
3 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
4 the Penalty Offset, notify the Commission’s counsel in this action and pay the amount
5 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
6 Commission directs. Such a payment shall not be deemed an additional civil penalty
7 and shall not be deemed to change the amount of the civil penalty imposed in this
8 Judgment. For purposes of this paragraph, a “Related Investor Action” means a
9 private damages action brought against Defendant by or on behalf of one or more
10 investors based on substantially the same facts as alleged in the Complaint in this
11 action.

12 **VI.**

13 Peter H. Pocklington shall pay the total of disgorgement, prejudgment interest,
14 and penalty due of \$1,476,908.07 in two installments to the Commission according to
15 the following schedule: (1) \$254,586.75 within 10 days of entry of this Final
16 Judgment; and (2) \$1,222,321.32 within one-year of entry of this Final Judgment.
17 Payments shall be deemed made on the date they are received by the Commission and
18 shall be applied first to post judgment interest, which accrues pursuant to 28 U.S.C.
19 § 1961 on any unpaid amounts due after 30 days of the entry of Final Judgment.
20 Prior to making the final payment set forth herein, Peter H. Pocklington shall contact
21 the staff of the Commission for the amount due for the final payment.

22 If Peter H. Pocklington fails to make any payment by the date agreed and/or in
23 the amount agreed according to the schedule set forth above, all outstanding
24 payments under this Final Judgment, including post-judgment interest, minus any
25 payments made, shall become due and payable immediately at the discretion of the
26 staff of the Commission without further application to the court.

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VII.

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

VIII.

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

Dated: May 9, 2022



FERNANDO L. AENLLE-ROCHA
United States District Judge