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

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

vs.

**CLINTON MAURICE TUCKER
II, an individual,**

Defendant.

Case No.
8:20-cv-00875-DOC-DFM

**FINAL JUDGMENT AGAINST
DEFENDANT CLINTON
MAURICE TUCKER II [20]**

1 This matter came before the Court on the Securities and Exchange
2 Commission's ("Commission") Motion for Default Judgment against Defendant
3 Clinton Maurice Tucker II. The Court having considered the Commission's
4 Complaint, the Motion, the supporting Memorandum of Points and Authorities,
5 and the other evidence and argument presented to it, and good cause appearing
6 therefore, grants the Motion and enters this Final Judgment as to Clinton Maurice
7 Tucker II ("Defendant").

8 **I.**

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

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

17 (b) to make any untrue statement of a material fact or to omit to state a
18 material fact necessary in order to make the statements made, in the light of the
19 circumstances under which they were made, not misleading; or

20 (c) to engage in any act, practice, or course of business which operates or
21 would operate as a fraud or deceit upon any person.

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
27 or with anyone described in (a).

28 **II.**

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

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

8 (b) to obtain money or property by means of any untrue statement of a
9 material fact or any omission of a material fact necessary in order to make the
10 statements made, in light of the circumstances under which they were made, not
11 misleading; or

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

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

20 III.

21 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that
22 Defendant is permanently restrained and enjoined from violating, directly or
23 indirectly, Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)] by using
24 any means or instrumentality of interstate commerce, or of the mails, or of any
25 facility of any national securities exchange, to effect transactions in, or induce or
26 attempt to induce the purchase or sale of, securities while not registered with the
27 Commission as a broker or dealer or while not associated with an entity registered
28 with the Commission as a broker or dealer.

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

7 **IV.**

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that pursuant
9 to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)] Defendant is
10 permanently restrained and enjoined from, directly or indirectly, including, but not
11 limited to, through any entity owned or controlled by Defendant, soliciting any
12 person or entity to purchase or sell any security.

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

19 **V.**

20 It Is HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
21 Defendant is liable for disgorgement of \$758,169.32, representing profits gained as
22 a result of the conduct alleged in the Complaint, together with prejudgment interest
23 thereon in the amount of \$36,017.83, for a total of \$794,187.15, and a civil penalty
24 in the amount of \$758,169.32 pursuant to 15 U.S.C. §§77t(D)(2)(c) and
25 87u(d)(3)(b)(iii). Defendant shall satisfy this obligation by paying \$1,552,356.47 to
26 the Securities and Exchange Commission within 30 days after entry of this Final
27 Judgment.

28 Defendant may transmit payment electronically to the Commission, which
will provide detailed ACH transfer/Fedwire instructions upon request. Payment

1 may also be made directly from a bank account via Pay.gov through the SEC
2 website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by
3 certified check, bank cashier's check, or United States postal money order payable
4 to the Securities and Exchange Commission, which shall be delivered or mailed to

5 Enterprise Services Center

6 Accounts Receivable Branch

7 6500 South MacArthur Boulevard

8 Oklahoma City, OK 73169

9 and shall be accompanied by a letter identifying the case title, civil action
10 number, and name of this Court; Clinton Maurice Tucker II as a defendant in this
11 action; and specifying that payment is made pursuant to this Final Judgment.

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

17 The Commission may enforce the Court's judgment for disgorgement and
18 prejudgment interest by moving for civil contempt (and/or through other collection
19 procedures authorized by law) at any time after 30 days following entry of this
20 Final Judgment. Defendant shall pay post judgment interest on any delinquent
21 amounts 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
27 of 2002. The Court shall retain jurisdiction over the administration of any
28 distribution of the Fund. If the Commission staff determines that the Fund will not
be distributed, the Commission shall send the funds paid pursuant to this Final


1 Judgment to the United States Treasury.

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

20 **VI.**

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

24
25 Dated: November 16, 2020

26 
27 HONORABLE DAVID O. CARTER
28 UNITED STATES DISTRICT JUDGE

CC: FISCAL