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

SECURITIES AND EXCHANGE  
COMMISSION,  
  
Plaintiff,  
  
vs.  
  
JUSTIN ROBERT KING; AND  
ELEVATE INVESTMENTS LLC,  
  
Defendants,  
  
SHANNON LEIGH KING,  
  
Relief Defendant.

Case No. SACV 20-02398 JVS (DFMx)

**PRELIMINARY INJUNCTION AND  
APPOINTMENT OF A PERMANENT  
RECEIVER**

1 This matter came before the Court upon the Motion of Plaintiff Securities and  
2 Exchange Commission (“SEC”) for a Preliminary Injunction Orders Freezing Assets;  
3 Appointing a Permanent Receiver.

4 On December 28, 2020, this Court granted the SEC’s application for a  
5 temporary restraining order (“TRO”) and set the matter for a hearing on the request  
6 for preliminary injunctive relief. The Court held that hearing today, and based on the  
7 arguments of counsel and the papers filed in support of the Motion the Court makes  
8 the following findings:

- 9 A. This Court has jurisdiction over the parties to, and the subject matter of,  
10 this action.
- 11 B. The SEC has made a sufficient and proper showing in support of the  
12 relief granted herein, as required by Section 20(b) of the Securities Act  
13 of 1933 (“Securities Act”) (15 U.S.C. s 77t(b)), Section 21(d) of the  
14 Securities Exchange Act of 1934 (“Exchange Act”) (15 U.S.C. §  
15 78u(b)), and Section 209(d) of the Investment Advisers Act of 1940  
16 (“Advisers Act”) (15 U.S.C. §§ 80b-9(d)), by evidence establishing a  
17 *prima facie* case and reasonable likelihood that Justin Robert King  
18 (“King”) and Elevate Investments LLC (“Elevate”) engaged in, are  
19 engaging in, are about to engage in, and will continue to engage in  
20 unless restrained transactions, acts, practices and courses of business that  
21 constitute violations of Section 17(a) of the Securities Act, 15 U.S.C.  
22 § 77q(a); Section 10(b) of the Securities Exchange Act, 15 U.S.C. §  
23 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5; and Section  
24 206(4) of the Advisers Act, 15 U.S.C. §§ 80b-6(4) and Rule 206(4)-8, 17  
25 C.F.R. § 275.206(4)-8(a).
- 26 C. Good cause exists to warrant the appointment of a permanent receiver  
27 over Elevate and its subsidiaries and affiliates.
- 28 D. Good cause exists to believe that, unless restrained and enjoined by

1 order of this Court, Defendants King and Elevate and Relief Defendant  
2 Shannon Leigh King (“S. King”) will dissipate, conceal, or transfer  
3 assets which could be the subject to an order directing disgorgement or  
4 the payment of civil money penalties in this action. It is appropriate for  
5 the Court to issue this Preliminary Injunction so that prompt service on  
6 appropriate financial institutions can be made, thus preventing the  
7 dissipation of assets.

8 **I.**

9 IT IS HEREBY ORDERED that the SEC’s Motion is GRANTED.

10 **II.**

11 IT IS FURTHER ORDERED that Defendants King and Elevate and their  
12 officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those  
13 persons in active concert or participation with any of them, who receive actual notice  
14 of this Order, by personal service or otherwise, and each of them, be and hereby are  
15 preliminarily restrained and enjoined from, directly or indirectly, in the offer or sale  
16 of any securities, by the use of any means or instruments of transportation or  
17 communication in interstate commerce or by the use of the mails:

- 18 A. employing any device, scheme or artifice to defraud;  
19 B. obtaining money or property by means of any untrue statement of a  
20 material fact or any omission to state a material fact necessary in order to  
21 make the statements made, in light of the circumstances under which  
22 they were made, not misleading; or  
23 C. engaging in any transaction, practice, or course of business which  
24 operates or would operate as a fraud or deceit upon the purchaser;

25 in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

26 IT IS FURTHER ORDERED that, as provided in Federal Rule of Civil  
27 Procedure 65(d)(2), the foregoing paragraph also binds the following who receive  
28 actual notice of this Order by personal service or otherwise: (a) Defendants’ officers,

1 agents, servants, employees, and attorneys; and (b) other persons in active concert or  
2 participation with any of the Defendants or with anyone described in (a).

3 **III.**

4 IT IS FURTHER ORDERED that Defendants King and Elevate, and their  
5 officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those  
6 persons in active concert or participation with any of them, who receive actual notice  
7 of this Order, by personal service or otherwise, and each of them, be and hereby are  
8 preliminarily restrained and enjoined from, directly or indirectly, in connection with  
9 the purchase or sale of any security, by the use of any means or instrumentality of  
10 interstate commerce, or of the mails, or of any facility of any national securities  
11 exchange:

12 A. employing any device, scheme or artifice to defraud;

13 B. making any untrue statement of a material fact or omitting to state a  
14 material fact necessary in order to make the statements made, in the light  
15 of the circumstances under which they were made, not misleading; or

16 C. engaging in any act, practice, or course of business which operates or  
17 would operate as a fraud or deceit upon any person;

18 in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5  
19 thereunder, 17 C.F.R. § 240.10b-5.

20 IT IS FURTHER ORDERED that, as provided in Federal Rule of Civil  
21 Procedure 65(d)(2), the foregoing paragraph also binds the following who receive  
22 actual notice of this Order by personal service or otherwise: (a) Defendants' officers,  
23 agents, servants, employees, and attorneys; and (b) other persons in active concert or  
24 participation with any of the Defendants or with anyone described in (a).

25 **IV.**

26 IT IS FURTHER ORDERED that Defendants King and Elevate, and their  
27 officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those  
28 persons in active concert or participation with any of them, who receive actual notice

1 of this Order, by personal service or otherwise, and each of them, be and hereby are  
2 preliminarily restrained and enjoined from directly or indirectly, by the use of the  
3 mails or any means or instrumentality of interstate commerce, while acting as an  
4 investment adviser to a pooled investment vehicle:

5 A. making any untrue statement of a material fact or omitting to state a  
6 material fact necessary to make the statements made, in the light of the  
7 circumstances under which they were made, not misleading, to any  
8 investor or prospective investor in a pooled investment vehicle;

9 B. engaging in any act, practice, or course of business that is fraudulent,  
10 deceptive, or manipulative with respect to any investor or prospective  
11 investor in a pooled investment vehicle;

12 in violation of Section 206(4) of the Advisers Act, 15 U.S.C. § 80b-6(4), and  
13 Rule 206(4)-8 thereunder, 17 C.F.R. § 275.206(4)-8.

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) Defendants' officers, agents, servants, employees, and  
18 attorneys; and (b) other persons in active concert or participation with Defendants or  
19 with anyone described in (a).

20 **V.**

21 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court,  
22 Defendants King and Elevate and Relief Defendant S. King, and their officers,  
23 agents, servants, employees, attorneys, subsidiaries and affiliate, and those persons in  
24 active concert with them, who receive actual notice of this Order, by personal service  
25 or otherwise, and each of them, be and hereby are preliminarily restrained and  
26 enjoined from, directly or indirectly, transferring, assigning, selling, hypothecating,  
27 changing, wasting, dissipating, converting, concealing, encumbering, or otherwise  
28 disposing of, in any manner, any funds, assets, securities, claims or other real or

1 personal property, including any notes or deeds of trust or other interest in real  
 2 property, wherever located, of any one of the Defendants or Relief Defendant, or their  
 3 subsidiaries or affiliates, owned by, controlled by, managed by or in the possession or  
 4 custody of any of them and from transferring, encumbering dissipating, incurring  
 5 charges or cash advances on any debit or credit card of the credit arrangement of any  
 6 one of the Defendants or Relief Defendant, or their subsidiaries and affiliates.

7 **VI.**

8 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, a  
 9 freeze shall continue on all monies and assets (with an allowance for necessary and  
 10 reasonable living expenses to be granted only upon good cause shown by application  
 11 to the Court with notice to and an opportunity for the SEC to be heard) in all accounts  
 12 at any bank, financial institution or brokerage firm, or third-party payment processor,  
 13 all certificates of deposit, and other funds or assets, held in the name of, for the  
 14 benefit of, or over which account authority is held by Defendants and Relief  
 15 Defendant, including but not limited to the accounts listed below:

<b>BROKERAGE/ BANK NAME</b>	<b>ACCOUNT NAME</b>	<b>ACCOUNT NO.</b>
Charles Schwab & Co.	Elevate Investments	xxxx-6211
Charles Schwab & Co.	Justin Robert King	xxxx-5708
Charles Schwab & Co.	Shannon King	xxxx-4019
JPMorgan Chase Bank	Elevate Investments LLC	xxxx8157
JPMorgan Chase Bank	Area Auto Glass LLC	xxxx8687
JPMorgan Chase Bank	Shannon King and/or Justin King	xxxx8635
JP Morgan Chase Bank	Arizona Investment Kings	xxxx3592
Comerica Bank	Justin and Shannon King	xxxx1361

27 Any bank, financial institution or brokerage firm, or third-party payment  
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1 processor holding such monies and assets described above shall hold and retain  
2 within their control and prohibit the withdrawal, removal, transfer or other disposal of  
3 any such funds or other assets except as otherwise ordered by this Court.

4 **VII.**

5 IT IS FURTHER ORDERED that any person who receives actual notice of this  
6 Order by personal service or otherwise, and who holds, possesses or controls assets  
7 exceeding \$5,000 for the account or benefit of any one of the Defendants or Relief  
8 Defendant, shall within 5 days of receiving actual notice of this Order provide  
9 counsel for the SEC with a written statement identifying all such assets, the value of  
10 such assets, or best approximation thereof, and any account numbers or account  
11 names in which the assets are held.

12 **VIII.**

13 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court,  
14 each of the Defendants King and Elevate and Relief Defendant S. King, and their  
15 officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those  
16 persons in active concert or participation with any of them, who receive actual notice  
17 of this Order, by personal service or otherwise, and each of them, be and hereby are  
18 preliminarily restrained and enjoined from, directly or indirectly: destroying,  
19 mutilating, concealing, transferring, altering, or otherwise disposing of, in any  
20 manner, any documents, which includes all books, records, computer programs,  
21 computer files, computer printouts, contracts, emails, correspondence, memoranda,  
22 brochures, or any other documents of any kind in their possession, custody or control,  
23 however created, produced, or stored (manually, mechanically, electronically, or  
24 otherwise), pertaining in any manner to Defendants King or Elevate or Relief  
25 Defendant S. King.

26 **IX.**

27 IT IS FURTHER ORDERED that Jeff Brandlin is appointed as permanent  
28 receiver of Defendant Elevate and its subsidiaries and affiliates, with full powers of

1 an equity receiver, including, but not limited to, full power over all funds, assets,  
2 collateral, premises (whether owned, leased, occupied, or otherwise controlled),  
3 choses in action, books, records, papers and other property belonging to, being  
4 managed by or in the possession of or control of Defendant Elevate, and that such  
5 receiver is immediately authorized, empowered and directed:

- 6       A.    to have access to and to collect and take custody, control, possession,  
7            and charge of all funds, assets, collateral, premises (whether owned,  
8            leased, pledged as collateral, occupied, or otherwise controlled), choses  
9            in action, books, records, papers and other real or personal property,  
10           wherever located, of or managed by Defendant Elevate and its  
11           subsidiaries and affiliates (collectively, the “Assets”), with full power to  
12           sue, foreclose, marshal, collect, receive, and take into possession all such  
13           Assets (including access to and taking custody, control, and possession  
14           of all such Assets);
- 15       B.    to assume full control of Defendant Elevate and its subsidiaries and  
16            affiliates by removing, as the receiver deems necessary or advisable, any  
17            director, officer, attorney, independent contractor, employee, or agent of  
18            Defendant Elevate and its subsidiaries and affiliates, and any named  
19            Defendant or Relief Defendant, from control of, management of, or  
20            participation in, the affairs of Defendant Elevate and its subsidiaries and  
21            affiliates;
- 22       C.    to have control of, and to be added as the sole authorized signatory for,  
23            all accounts of the entities in receivership, including all accounts at any  
24            bank, title company, escrow agent, financial institution or brokerage firm  
25            (including any futures commission merchant) which has possession,  
26            custody or control of any Assets, or which maintains accounts over  
27            which Defendant Elevate and its subsidiaries and affiliates, and/or any of  
28            its employees or agents have signatory authority;



- 1 D. to conduct such investigation and discovery as may be necessary to  
2 locate and account for all of the assets of or managed by Defendant  
3 Elevate and its subsidiaries and affiliates, and to engage and employ  
4 attorneys, accountants and other persons to assist in such investigation  
5 and discovery;
- 6 E. to take such action as is necessary and appropriate to preserve and take  
7 control of and to prevent the dissipation, concealment, or disposition of  
8 any Assets;
- 9 F. to choose, engage, and employ attorneys, accountants, appraisers, and  
10 other independent contractors and technical specialists, as the receiver  
11 deems advisable or necessary in the performance of duties and  
12 responsibilities under the authority granted by this Order;
- 13 G. to make an accounting, as soon as practicable, to this Court and the SEC  
14 of the assets and financial condition of Defendant Elevate and its  
15 subsidiaries and affiliates, and to file the accounting with the Court and  
16 deliver copies thereof to all parties;
- 17 H. to make such payments and disbursements from the Assets taken into  
18 custody, control, and possession or thereafter received by him or her,  
19 and to incur, or authorize the making of, such agreements as may be  
20 necessary and advisable in discharging his or her duties as permanent  
21 receiver;
- 22 I. to investigate and, where appropriate, to institute, pursue, and prosecute  
23 all claims and causes of action of whatever kind and nature that may  
24 now or hereafter exist as a result of the activities of present or past  
25 employees or agents of Defendant Elevate and its subsidiaries and  
26 affiliates;
- 27 J. to institute, compromise, adjust, appear in, intervene in, or become party  
28 to such actions or proceedings in state, federal, or foreign courts, which

1 (i) the receiver deems necessary and advisable to preserve or recover any  
2 Assets, or (ii) the receiver deems necessary and advisable to carry out  
3 the receiver's mandate under this Order; and

4 K. to have access to and monitor all mail, electronic mail, and video phone  
5 of the entities in receivership in order to review such mail, electronic  
6 mail, and video phone which he or she deems relates to their business  
7 and the discharging of his or her duties as permanent receiver.

8 **X.**

9 IT IS FURTHER ORDERED that Defendants King and Elevate, and their  
10 subsidiaries and affiliates, including all of the other entities in receivership, and their  
11 officers, agents, servants, employees and attorneys, and any other persons who are in  
12 custody, possession or control of any assets, collateral, books, records, papers or  
13 other property of or managed by any of the entities in receivership, shall forthwith  
14 give access to and control of such property to the permanent receiver.

15 **XI.**

16 IT IS FURTHER ORDERED that no officer, agent, servant, employee or  
17 attorney of Defendants King and Elevate shall take any action or purport to take any  
18 action, in the name of or on behalf of Defendant Elevate or its subsidiaries or  
19 affiliates without the written consent of the permanent receiver or order of this Court.

20 **XII.**

21 IT IS FURTHER ORDERED that, except by leave of this Court, during the  
22 pendency of this receivership, all clients, investors, trust beneficiaries, note holders,  
23 creditors, claimants, lessors and all other persons or entities seeking relief of any  
24 kind, in law or in equity, from Defendant Elevate, or its subsidiaries or affiliates, and  
25 all persons acting on behalf of any such investor, trust beneficiary, note holder,  
26 creditor, claimant, lessor, consultant group or other person, including sheriffs,  
27 marshals, servants, agents, employees and attorneys, are hereby restrained and  
28 enjoined from, directly or indirectly, with respect to these persons and entities:



1 receiver incurred in connection with the performance of his or her duties described in  
2 this Order, including the costs and expenses of those persons who may be engaged or  
3 employed by the permanent receiver to assist him or her in carrying out his or her  
4 duties and obligations. All applications for costs, fees, and expenses for services  
5 rendered in connection with the receivership other than routine and necessary  
6 business expenses in conducting the receivership, such as salaries, rent, and any and  
7 all other reasonable operating expenses, shall be made by application setting forth in  
8 reasonable detail the nature of the services and shall be heard by the Court.

9 **XV.**

10 IT IS FURTHER ORDERED that no bond shall be required in connection with  
11 the appointment of the permanent receiver. Except for an act of gross negligence, the  
12 permanent receiver shall not be liable for any loss or damage incurred by any of the  
13 defendants, their officers, agents, servants, employees and attorneys or any other  
14 person, by reason of any act performed or omitted to be performed by the permanent  
15 receiver in connection with the discharge of his or her duties and responsibilities.

16 **XVI.**

17 IT IS FURTHER ORDERED that representatives of the SEC and any other  
18 government agency are authorized to have continuing access to inspect or copy any  
19 or all of the corporate books and records and other documents of Defendant Elevate  
20 and its subsidiaries and affiliates, and the other entities in receivership, and  
21 continuing access to inspect their funds, property, assets and collateral, wherever  
22 located.


23 **XVII.**

24 IT IS FURTHER ORDERED that this Court shall retain jurisdiction over this  
25 action for the purpose of implementing and carrying out the terms of all orders and  
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1 decrees which may be entered herein and to entertain any suitable application or  
2 motion for additional relief within the jurisdiction of this Court.

3  
4 IT IS SO ORDERED.

5  
6 Dated: January 19, 2021

  
UNITED STATES DISTRICT JUDGE  
HONORABLE JAMES V. SELNA

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8 Presented by:  
9 Lynn M. Dean  
10 Kathryn Wanner  
11 Attorneys for Plaintiff  
12 Securities and Exchange Commission  
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