

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

Securities and Exchange Commission

Plaintiff,

v.

Case No. 8:09-cv-01093-RAL-EAJ

John S. Morgan, Marian I. Morgan, and  
Morgan European Holdings ApS  
a/k/a/ Money Talks, Inc., ApS,

Defendant

FINAL JUDGMENT AS TO  
JOHN MORGAN AND MARIAN MORGAN

On June 29, 2010, Plaintiff U.S. Securities and Exchange Commission filed a motion for default judgment against defendants John Morgan and Marian Morgan. Upon consideration of that motion and the exhibit attached thereto and the record in this matter:

**THE COURT FINDS THAT:**

1. Default was entered against John Morgan on September 2, 2009 [Docket #45]. Default was entered against Marian Morgan on September 2, 2009 [Docket # 46]. Neither of these defendants has either answered or moved to have their default set aside.

2. This Court has jurisdiction over the subject matter of this action and over defendants John Morgan and Marian Morgan.

3. Defendants John Morgan and Marian Morgan directly and indirectly, with scienter, in the offer or sale of securities, by use of the means or instruments of

transportation or communication in interstate commerce or by use of the mails, employed a device, scheme, or artifice to defraud.

4. Defendants John Morgan and Marian Morgan violated and unless restrained and enjoined will in the future violate Section 17(a)(1) of the Securities Act.

5. Defendants John Morgan and Marian Morgan, directly and indirectly, in the offer or sale of securities, by use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, obtained money or property by means of untrue statements of material fact or omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or engaged in transactions, practices, or courses of business which have been or are operating as a fraud or deceit upon the purchasers of the securities.

6. Defendants John Morgan and Marian Morgan violated and unless restrained and enjoined will in the future violate Securities Act Sections 17(a)(2) and (3).

7. Defendants John Morgan and Marian Morgan, directly or indirectly, with scienter, in connection with the purchase or sale of securities, by the use of means or instrumentalities of interstate commerce, the mails, or any facility of a national securities exchange, employed devices, schemes, or artifices to defraud; made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon any person.

8. Defendants John Morgan and Marian Morgan violated and unless restrained and enjoined will in the future violate Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

9. Defendants John Morgan and Marian Morgan, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, when no registration statement was in effect with the Commission as to such securities, and made use of the means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell such securities when no registration statement had been filed with the Commission as to such securities.

10. Defendants John Morgan and Marian Morgan violated and unless restrained and enjoined will in the future violate Sections 5(a) and 5(c) of the Securities Act.

11. Defendants John Morgan and Marian Morgan, while engaged in the business of effecting transactions in securities for the account of others, made use of the mails or the means or instrumentalities of interstate commerce to effect transactions in, or to induce or attempt to induce the purchase or sale of, a security without being registered in accordance with Section 15(a) of the Exchange Act.

12. Defendants John Morgan and Marian Morgan violated and unless restrained and enjoined will in the future violate Section 15(a) of the Exchange Act.

13. Defendant Morgan European Holdings ApS received ill-gotten gains of \$24,180,652.63 as a result of this fraud. Prejudgment interest on that amount is \$1,339,244.61.

**NOW, THEREFORE**

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendants John Morgan and Marian Morgan and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], 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.

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants John Morgan and Marian Morgan and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a) of 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.

### III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants John Morgan and Marian Morgan and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are 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;

(c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy

through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants John Morgan and Marian Morgan and their agents, servants, employees, attorneys, and all persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)] by, making use of any means or instruments of transportation or communication in interstate commerce or the mails to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any non-exempt security unless they are, or are associated with one who is, registered in accordance with Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)].

V.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants John Morgan and Marian Morgan are jointly and severally liable, together with Defendant Morgan European Holdings, for disgorgement of \$24,180,652.63 as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$1,339,244.61, for a total of \$25,519,897.24. The Commission

may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection procedures authorized by law) at any time after 14 days following entry of this Final Judgment. In response to any such civil contempt motion by the Commission, the defendant may assert any legally permissible defense. Payments under this paragraph shall be made to the Clerk of this Court, together with a cover letter identifying the remitter as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall simultaneously transmit photocopies of each such payment and letter to the Commission's counsel in this action. Defendant relinquishes all legal and equitable right, title, and interest in such payments, and no part of the funds shall be returned to Defendant. The Clerk shall deposit the funds into an interest bearing account with the Court Registry Investment System ("CRIS") or any other type of interest bearing account that is utilized by the Court. These funds, together with any interest and income earned thereon (collectively, the "Fund"), shall be held in the interest bearing account until further order of the Court. In accordance with 28 U.S.C. § 1914 and the guidelines set by the Director of the Administrative Office of the United States Courts, the Clerk is directed, without further order of this Court, to deduct from the income earned on the money in the Fund a fee equal to ten percent of the income earned on the Fund. Such fee shall not exceed that authorized by the Judicial Conference of the United States. The Commission may propose a plan to distribute the Fund subject to the Court's approval. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961.

VI.

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.

VII.

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

**DONE AND ORDERED** at Tampa, Florida on July 5, 2012.



**RICHARD A. LAZZARA**  
**UNITED STATES DISTRICT JUDGE**