

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

CASH CAPITAL, LLC,
AMERICA’S STRATEGIC ORE
PROPERTIES, LLC, and
ROBERT W. WILSON,

Defendants.

Case No.: 17-cv-1536-L-AGS

**FINAL JUDGMENT OF
DEFENDANT ROBERT W. WILSON**

The Securities and Exchange Commission having filed a Complaint and Defendant Robert W. Wilson having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph VII); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

1
2 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
3
4 permanently restrained and enjoined from violating, directly or indirectly, Section 10(b)
5 of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and
6 Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or
7
8 instrumentality of interstate commerce, or of the mails, or of any facility of any national
9 securities exchange, in connection with the purchase or sale of any security:

- 10 (a) to employ any device, scheme, or artifice to defraud;
11
12 (b) to make any untrue statement of a material fact or to omit to state a material
13 fact necessary in order to make the statements made, in the light of the
14 circumstances under which they were made, not misleading; or
15
16 (c) to engage in any act, practice, or course of business which operates or would
17 operate as a fraud or deceit upon any person.

18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
19
20 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the
21 following who receive actual notice of this Final Judgment by personal service or
22 otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b)
23 other persons in active concert or participation with Defendant or with anyone described
24 in (a).
25

26 II.
27
28

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

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 material
9 fact or any omission of a material fact necessary in order to make the statements
10 made, in light of the circumstances under which they were made, not misleading;
11

12 or
13

14 (c) to engage in any transaction, practice, or course of business which operates
15

16 or would operate as a fraud or deceit upon the purchaser.

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

25 III.

26 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
27 Defendant is permanently restrained and enjoined from violating Section 5 of the
28

1 Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any
2 applicable exemption:

- 3
- 4 (a) Unless a registration statement is in effect as to a security, making use of any
5 means or instruments of transportation or communication in interstate
6 commerce or of the mails to sell such security through the use or medium of
7 any prospectus or otherwise;
8
- 9 (b) Unless a registration statement is in effect as to a security, carrying or
10 causing to be carried through the mails or in interstate commerce, by any
11 means or instruments of transportation, any such security for the purpose of
12 sale or for delivery after sale; or
13
- 14 (c) Making use of any means or instruments of transportation or communication
15 in interstate commerce or of the mails to offer to sell or offer to buy through
16 the use or medium of any prospectus or otherwise any security, unless a
17 registration statement has been filed with the Commission as to such
18 security, or while the registration statement is the subject of a refusal order
19 or stop order or (prior to the effective date of the registration statement) any
20 public proceeding or examination under Section 8 of the Securities Act [15
21 U.S.C. § 77h].
22
23
24

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

1 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b)
2 other persons in active concert or participation with Defendant or with anyone described
3 in (a).
4

5 IV.

6 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
7 Defendant is permanently restrained and enjoined from directly or indirectly, including,
8 but not limited to, through any entity owned or controlled by Defendant, participating in
9 the issuance, purchase, offer, or sale of any security, provided, however, that such
10 injunction shall not prevent Defendant from purchasing or selling securities listed on a
11 national securities exchange for his/her own personal account.
12

13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
14 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the
15 following who receive actual notice of this Final Judgment by personal service or
16 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b)
17 other persons in active concert or participation with Defendant or with anyone described
18 in (a).
19
20
21

22 V.

23 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
24 Defendant is liable jointly and severally with Defendants Cash Capital, LLC and
25 America's Strategic Ore Properties, LLC for disgorgement of \$1,540,000, representing
26 profits gained as a result of the conduct alleged in the Complaint, together with
27
28

1 prejudgment interest thereon in the amount of \$205,376.25, and a civil penalty in the
2 amount of \$184,767 pursuant to Section 20(d) of the Securities Act and Section 21(d) of
3 the Exchange Act. Defendant shall satisfy this obligation by paying \$1,930,143.25 to the
4 Securities and Exchange Commission within 180 days.

5
6 Defendant may transmit payment electronically to the Commission, which will
7 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be
8 made directly from a bank account via Pay.gov through the SEC website at
9 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check,
10 bank cashier's check, or United States postal money order payable to the Securities and
11 Exchange Commission, which shall be delivered or mailed to
12

13
14 Enterprise Services Center
15 Accounts Receivable Branch
16 6500 South MacArthur Boulevard
17 Oklahoma City, OK 73169

18 and shall be accompanied by a letter identifying the case title, civil action number, and
19 name of this Court; Robert W. Wilson as a defendant in this action; and specifying that
20 payment is made pursuant to this Final Judgment.

21
22 Defendant shall simultaneously transmit photocopies of evidence of payment and
23 case identifying information to the Commission's counsel in this action. By making this
24 payment, Defendant relinquishes all legal and equitable right, title, and interest in such
25 funds and no part of the funds shall be returned to Defendant.
26
27
28

1 The Commission may enforce the Court’s judgment for disgorgement and
2 prejudgment interest by moving for civil contempt (and/or through other collection
3 procedures authorized by law) at any time after 14 days following entry of this Final
4 Judgment. Defendant shall pay post judgment interest on any delinquent amounts
5 pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any
6 interest and income earned thereon (collectively, the “Fund”), pending further order of
7 the Court.
8

9
10 The Commission may propose a plan to distribute the Fund subject to the Court’s
11 approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair
12 Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall
13 retain jurisdiction over the administration of any distribution of the Fund. If the
14 Commission staff determines that the Fund will not be distributed, the Commission shall
15 send the funds paid pursuant to this Final Judgment to the United States Treasury.
16
17

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

1 any Related Investor Action grants such a Penalty Offset, Defendant shall, within 30 days
2 after entry of a final order granting the Penalty Offset, notify the Commission's counsel
3 in this action and pay the amount of the Penalty Offset to the United States Treasury or to
4 a Fair Fund, as the Commission directs. Such a payment shall not be deemed an
5 additional civil penalty and shall not be deemed to change the amount of the civil penalty
6 imposed in this Judgment. For purposes of this paragraph, a "Related Investor Action"
7 means a private damages action brought against Defendant by or on behalf of one or
8 more investors based on substantially the same facts as alleged in the Complaint in this
9 action.
10
11
12

13 VI.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
15 incorporated herein with the same force and effect as if fully set forth herein, and that
16 Defendant shall comply with all of the undertakings and agreements set forth therein.
17

18 VII.


19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
20 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11
21 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and
22 further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts
23 due by Defendant under this Final Judgment or any other judgment, order, consent order,
24 decree or settlement agreement entered in connection with this proceeding, is a debt for
25 the violation by Defendant of the federal securities laws or any regulation or order issued
26
27
28

1 under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
2 §523(a)(19).
3

4 VIII.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall
6 retain jurisdiction of this matter for the purposes of enforcing the terms of this Final
7 Judgment.
8

9
10 Dated: April 25, 2019

11
12 
13 HON. M. JAMES LORENZ
14 UNITED STATES DISTRICT JUDGE
15
16
17
18
19
20
21
22
23
24
25
26
27
28