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10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**
12 **Western Division**

13 **SECURITIES AND EXCHANGE**
14 **COMMISSION,**

15 Plaintiff,

16 vs.

17 **DAVID SIMS, MARIO PROCOPIO,**
18 **RALPH C. GREAVES, ALC**
19 **HOLDINGS, LLC, EL CETHER-**
ELYOWN, and SIMS EQUITIES,
20 **INC.,**

21 Defendants.

Case No. 8:19-cv-00995-RGK-SS

[PROPOSED] FINAL JUDGMENT AS
TO DAVID SIMS AND SIMS
EQUITIES, INC.

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant David Sims (“Sims”) and SIMS Equities, Inc. (“SEI”), collectively
3 “Defendants”, having entered a general appearance; consented to the Court’s
4 jurisdiction over them and the subject matter of this action; consented to entry of this
5 Final Judgment, without admitting or denying the allegations of the Complaint
6 (except as to jurisdiction); waived findings of fact and conclusions of law; and
7 waived any right to appeal from this Final Judgment:

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED, that Defendants
10 are permanently restrained and enjoined from, directly or indirectly, in the offer or
11 sale of any securities, by the use of any means or instruments of transportation or
12 communication in interstate commerce or by the use of the mails:

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

14 B. obtaining money or property by means of any untrue statement of a
15 material fact or any omission to state a material fact necessary in order to
16 make the statements made, in light of the circumstances under which
17 they were made, not misleading; and

18 C. engaging in any transaction, practice, or course of business which
19 operates or would operate as a fraud or deceit upon the purchaser;

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

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

27 **II.**

28 IT IS FURTHER ORDERED that Defendants are permanently restrained and

1 enjoined from, directly or indirectly, in connection with the purchase or sale of any
2 security, by the use of any means or instrumentality of interstate commerce, or of the
3 mails, or of any facility of any national securities exchange:

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

5 B. making any untrue statement of a material fact or to omit to state a
6 material fact necessary in order to make the statements made, in the
7 light of the circumstances under which they were made; and

8 B. engaging in any act, practice, or course of business which operates or
9 would operate as a fraud or deceit upon any person;

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

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

18 **III.**

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to
20 Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant Sims is
21 permanently restrained and enjoined, directly or indirectly, including, but not limited
22 to, through any entity owned or controlled by him, from participating in the issuance,
23 purchase, offer, or sale of any security in an unregistered offering by an issuer,
24 provided, however, that such injunction shall not prevent him from purchasing or
25 selling securities for his own personal account.

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 **IV.**

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
6 Defendants are liable, jointly and severally, for disgorgement of \$813,000.00,
7 representing profits gained as a result of the conduct alleged in the Complaint,
8 together with prejudgment interest thereon in the amount of \$123,028.00, for a total
9 of \$936,028.00. Defendants shall satisfy this obligation by paying \$936,028.00 to
10 the Securities and Exchange Commission within 30 days after entry of this Final
11 Judgment.

12 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant
13 Sims shall pay a civil penalty in the amount of \$813,000.00 to the Securities and
14 Exchange Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. §
15 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant
16 Sims shall satisfy this obligation by paying \$813,000.00 to the Securities and
17 Exchange Commission within 30 days after entry of this Final Judgment.

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

24 Enterprise Services Center
25 Accounts Receivable Branch
26 6500 South MacArthur Boulevard
27 Oklahoma City, OK 73169
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1 and shall be accompanied by a letter identifying the case title, civil action number,
2 and name of this Court; [Defendant's name] as a defendant in this action; and
3 specifying that payment is made pursuant to this Final Judgment.

4 Defendants shall simultaneously transmit photocopies of evidence of payment
5 and case identifying information to the Commission's counsel in this action. By
6 making this payment, Defendants relinquish all legal and equitable right, title, and
7 interest in such funds and no part of the funds shall be returned to Defendants.

8 The Commission shall hold the funds (collectively, the "Fund") and may
9 propose a plan to distribute the Fund subject to the Court's approval. The Court shall
10 retain jurisdiction over the administration of any distribution of the Fund. If the
11 Commission staff determines that the Fund will not be distributed, the Commission
12 shall send the funds paid pursuant to this Final Judgment to the United States
13 Treasury.

14 The Commission may enforce the Court's judgment for disgorgement and
15 prejudgment interest, and civil penalty, by moving for civil contempt (and/or through
16 other collection procedures authorized by law) at any time after 30 days following
17 entry of this Final Judgment. Defendants shall pay post judgment interest on any
18 delinquent amounts pursuant to 28 U.S.C. § 1961.

19 **V.**

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

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VI.

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

VII.

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

VIII.

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 Judgment forthwith and without further notice.

IT IS SO ORDERED.

Dated: July 2, 2020



UNITED STATES DISTRICT JUDGE

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