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

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**vs.**

**GREGORY LAMONT DRAKE, an  
individual; STEPHEN KENNETH  
GROSSMAN, an individual;  
STEPHEN SCOTT MOLESKI, an  
individual; JASON DAVID ST.  
AMOUR, an individual; and  
DAVID ALAN WOLFSON, an  
individual,**

**Defendants.**

**Case No.  
2:20-cv-00405- ODW (PLAx)**

**FINAL JUDGMENT AS TO  
DEFENDANT GREGORY  
LAMONT DRAKE**

**FINAL JUDGMENT AS TO DEFENDANT GREGORY LAMONT DRAKE**

The Securities and Exchange Commission having filed a Complaint and Defendant Gregory Lamont Drake 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

1 allegations of the Complaint (except as to jurisdiction and except as otherwise  
2 provided herein in paragraph VI); waived findings of fact and conclusions of law;  
3 and waived any right to appeal from this Final Judgment:

4 I.

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

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

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

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

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

24 II.

25 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED  
26 that Defendant is permanently restrained and enjoined from violating Section 17(a)  
27 of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the

1 offer or sale of any security by the use of any means or instruments of  
2 transportation or communication in interstate commerce or by use of the mails,  
3 directly or indirectly:

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

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

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

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

17 III.

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

26 IT IS FURTHER ORDERED, Adjudged, And Decreed that, as provided in  
27 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the

1 following who receive actual notice of this Judgment by personal service or  
2 otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and  
3 (b) other persons in active concert or participation with Defendant or with anyone  
4 described in (a).

5 IV.

6 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant  
7 is permanently restrained and enjoined from, directly or indirectly, including, but  
8 not limited to, through any entity owned or controlled by Defendant, soliciting any  
9 person or entity to purchase or sell any security.

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

16 V.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
18 Defendant is liable for disgorgement of \$269,012.31, representing profits gained as  
19 a result of the conduct alleged in the Complaint, together with prejudgment interest  
20 thereon in the amount of \$15,356.33 and a civil penalty in the amount of  
21 \$150,000.00 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)]  
22 and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant  
23 shall satisfy this obligation by paying the amounts set forth above to the Securities  
24 and Exchange Commission within 30 days after entry of this Final Judgment.

25 Defendant may transmit payment electronically to the Commission, which  
26 will provide detailed ACH transfer/Fedwire instructions upon request. Payment  
27 may also be made directly from a bank account via Pay.gov through the SEC

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

4 Enterprise Services Center  
5 Accounts Receivable Branch  
6 6500 South MacArthur Boulevard  
7 Oklahoma City, OK 73169

8 and shall be accompanied by a letter identifying the case title, civil action number,  
9 and name of this Court; Gregory Lamont Drake as a defendant in this action; and  
10 specifying that payment is made pursuant to this Final Judgment.

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

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.

22 VI.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely  
24 for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy  
25 Code [11 U.S.C. § 523], the allegations in the complaint are true and admitted by  
26 Defendant, and further, any debt for disgorgement, prejudgment interest, civil  
27 penalty or other amounts due by Defendant under this Final Judgment or any other

1 judgment, order, consent order, decree or settlement agreement entered in  
2 connection with this proceeding, is a debt for the violation by Defendant of the  
3 federal securities laws or any regulation or order issued under such laws, as set  
4 forth in Section 523(a)(19) of the Bankruptcy Code [11 U.S.C. § 523(a)(19)].

5 VII.

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

9 VIII.

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

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14 Dated: January 31, 2020.

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18 OTIS D. WRIGHT, II  
19 UNITED STATES DISTRICT JUDGE  
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