

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION

Case No. 09-81524-CIV-RYSKAMP/VITUNAC

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
)
v.)
)
HOMEPALS, LLC; HOMEPALS INVESTMENT CLUB, LLC; RONNIE EUGENE BASS, et al.,)
)
Defendants.)

ORDER GRANTING PLAINTIFF'S MOTION FOR ENTRY OF DEFAULT JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF AGAINST DEFENDANTS RONNIE EUGENE BASS, HOMEPALS, LLC, AND HOMEPALS INVESTMENT CLUB, LLC AND ENTERING PERMANENT INJUNCTION

THIS MATTER is before the Court on Plaintiff Securities and Exchange Commission's Motion for Entry of Default Judgment of Permanent Injunction And Other Relief Against Defendants Ronnie Eugene Bass, HomePals, LLC, and HomePals Investment Club, LLC. ^[DE 22]₁

Having considered the motion and the entire record, the Court enters the following order granting the Plaintiff's motion, and imposing Default Judgment of Permanent Injunction and Other Relief against all three Defendants.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. This Court has personal jurisdiction over the Defendants and the subject matter of this action. Venue is proper in the Southern District of Florida.
2. Bass and the two HomePals entities were properly served with a summons and a copy of the complaint pursuant to Rule 4 of the Federal Rules of Civil Procedure. Thus, Bass and the HomePals entities have proper notice of this action.

3. As of the date of this Order, Bass, HomePals, LLC, and HomePals Investment Club, LLC, each has failed to answer or otherwise file a responsive pleading to the complaint as required by the Federal Rules of Civil Procedure.

4. The Clerk of the Court entered defaults against Bass, HomePals, LLC, and HomePals Investment Club, LLC, on November 19, 2009. By virtue of the defaults and the respective failures of each defendant to respond to the complaint, the Defendants are deemed to have admitted the allegations of the complaint and liability is established against them. *Buchanan v. Bowman*, 820 F.2d 359, 361 (11th Cir. 1987). Accordingly, the Court finds the Defendants committed the violations alleged in the complaint.

5. Bass is not an infant or an incompetent person and has no guardian, committee, conservator or other such persons appearing on his behalf. Accordingly, it is:

ORDERED AND ADJUDGED that Plaintiff's Motion for Entry of a Default Judgment of Permanent Injunction and Other Relief Against Defendants Ronnie Eugene Bass, HomePals, LLC, and HomePals Investment Club, LLC is **GRANTED**. Default Judgment is entered against the Defendants as follows:

PERMANENT INJUNCTION

A. Section 17(a) of the Securities Act of 1933

IT IS ORDERED AND ADJUDGED that Bass, HomePals, LLC, and HomePals Investment Club, LLC, their agents, servants, representatives, employees, and attorneys, and all persons in active concert or participation with them who receive actual notice of this Default Judgment by personal service or otherwise, are permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 ("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.

B. Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5

IT IS FURTHER ORDERED AND ADJUDGED that Bass, HomePals, LLC, and HomePals Investment Club, LLC, their agents, servants, representatives, employees, and attorneys, and all persons in active concert or participation with them who receive actual notice of this Default Judgment by personal service or otherwise, are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5, 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.

C. Sections 5(a) and 5(c) of the Securities Act

IT IS FURTHER ORDERED AND ADJUDGED that Bass, HomePals, LLC, and HomePals Investment Club, LLC, their agents, servants, representatives, employees, and attorneys, and all persons in active concert or participation with them who receive actual notice of this Default Judgment by personal service or otherwise, are permanently restrained and enjoined from violating, directly or indirectly, Sections 5(a) and (c) of the Securities Act, 15 U.S.C. § 77e(a) and (c), 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;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (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.


D. Sections 206(1), (2), and (4) of the Advisers Act and Rule 206(4)-8

IT IS FURTHER ORDERED AND ADJUDGED that Bass, his agents, servants, representatives, employees, and attorneys, and all persons in active concert or participation with them who receive actual notice of this Default Judgment by personal service or otherwise, are permanently restrained and enjoined from, directly or indirectly, through use of the mails or any means or instrumentalities of interstate commerce: (i) employing devices, schemes or artifices to defraud clients or prospective clients; or (ii) engaging in transactions, practices and courses of business which are now operating or will operate as a fraud or deceit upon clients or prospective clients, in violation of Sections 206(1) and 206(2) and 206(4) and Rule 206(4)-8 of the Investment Advisers Act of 1940, 15 U.S.C. §§ 80b-6(1) and 80b-6(2), and 80b-6(2).

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED AND ADJUDGED that this Court will retain jurisdiction over this matter and the Defendants in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

DONE AND ORDERED in Chambers at West Palm Beach, Florida, this 18 day of December, 2009.


KENNETH L. RYSKAMP
UNITED STATES DISTRICT JUDGE

Copies to counsel and parties of record