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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 **DANIEL R. ADAMS, MICHAEL A.**
18 **FLANDERS, SPIDERWORX MEDIA**
LLC, and AN L.A. MINUTE LLC)

19 Defendants,
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Case No. 2:19-CV-01412-FMO

FINAL JUDGMENT OF DEFAULT
AGAINST DEFENDANT
SPIDERWORX MEDIA LLC

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23 This matter came before the Court on the Securities and Exchange
24 Commission’s (“SEC”) Renewed Motion for Entry of Default Judgment against
25 Defendant Spiderworx Media LLC. The Court having considered the SEC’s
26 Complaint, the Motion, the supporting Memorandum of Points and Authorities, the
27 supporting declaration and exhibits, and the other evidence and argument presented to
28 the Court, finds that:

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I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the SEC’s Renewed Motion for Default Judgment against Defendant Spiderworx Media LLC (“Spiderworx”) is GRANTED.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Spiderworx, and its officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from, directly or indirectly, in connection with the purchase or sale of any security, by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange:

- A. employing any device, scheme or artifice to defraud;
- B. making any untrue statement of a material fact or omitting 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. engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

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

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant Spiderworx and its officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Final Judgment, by personal service or otherwise, and each of them, be and hereby are permanently restrained and enjoined from, directly or

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

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

4 B. obtaining money or property by means of untrue statements of a material
5 fact or by omitting to state a material fact necessary in order to make the
6 statements made, in light of the circumstances under which they were made,
7 not misleading; or

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

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

11 **IV.**

12 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant
13 Spiderworx shall pay a third tier civil penalty in the amount of \$60,000, pursuant to
14 Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the
15 Exchange Act, 15 U.S.C. § 78u(d)(3). Defendant shall make its required payment
16 within 14 days after entry of this Final Judgment by certified check, bank cashier's
17 check, or United States postal money order payable to the SEC. The payment shall
18 be delivered or mailed to the Office of Financial Management, Securities and
19 Exchange Commission, Operations Center, 6432 General Green Way, Mail Stop 0-3,
20 Alexandria, Virginia 22312, and shall be accompanied by a letter identifying the
21 respective defendant making the payment and identifying it as a defendant in this
22 action; setting forth the title and civil action number of this action and the name of
23 this Court; and specifying that payment is made pursuant to this Final Judgment. A
24 copy of the letter and payment shall be simultaneously served on counsel for the SEC
25 in this action. Defendant shall pay post-judgment interest on any delinquent amounts
26 pursuant to 28 U.S.C. § 1961.

27 The SEC shall hold the funds (collectively, the "Fund") and may propose a
28 plan to distribute the Fund subject to the Court's approval. The Court shall retain

1 jurisdiction over the administration of any distribution of the Fund. If the SEC staff
2 determines that the Fund will not be distributed, the SEC shall send the funds paid
3 pursuant to this Final Judgment to the United States Treasury.

4 **V.**

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

8 **VI.**

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

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13 Dated: February 27, 2020

_____/s/_____
14 HONORABLE FERNANDO M.
15 OLGUIN
16 UNITED STATES DISTRICT JUDGE
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