

DOUGLAS M. MILLER (California. Bar No. 240398)

Email: millerdou@sec.gov

JASON BUSSEY (California Bar No. 227185)

Email: busseyja@sec.gov

PAT HUDDLESTON II (Georgia Bar No. 373984)

Huddlestonp@sec.gov

Securities and Exchange Commission

44 Montgomery Street, Suite 700

San Francisco, CA 94104-4802

Ph: (415) 254-5504 Fax: (415) 705-2501

LANCE A. MANINGO (Nevada Bar. No. 6405)

Maningo Law

400 South 4th Street, Suite 650

Las Vegas, Nevada 89101

702.626.4646

lance@maningolaw.com

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,
v.

MATTHEW WADE BEASLEY; BEASLEY
LAW GROUP PC; JEFFREY J. JUDD;
CHRISTOPHER R. HUMPHRIES; J&J
CONSULTING SERVICES, INC., an Alaska
Corporation; J&J CONSULTING
SERVICES, INC., a Nevada Corporation; J
AND J PURCHASING LLC; SHANE M.
JAGER; JASON M. JONGEWARD; DENNY
SEYBERT; ROLAND TANNER; LARRY
JEFFERY; JASON A. JENNE; SETH
JOHNSON; CHRISTOPHER M. MADSEN;
RICHARD R. MADSEN; MARK A.
MURPHY; CAMERON ROHNER; and
WARREN ROSEGREEN;

Defendants,

THE JUDD IRREVOCABLE TRUST; PAJ
CONSULTING INC; BJ HOLDINGS LLC;
STIRLING CONSULTING, L.L.C.; CJ
INVESTMENTS, LLC; JL2
INVESTMENTS, LLC; ROCKING HORSE

Case No.: 2:22-cv-00612-CDS-EJY

**JOINT MOTION FOR ENTRY OF
JUDGMENT AS TO DEFENDANT
DENNY SEYBERT**

1 PROPERTIES, LLC; TRIPLE THREAT
2 BASKETBALL, LLC; ACAC LLC;
3 ANTHONY MICHAEL ALBERTO, JR.; and
4 MONTY CREW LLC;

5 Relief Defendants.

6 Plaintiff Securities and Exchange Commission (the “SEC” or “Commission”) and
7 Defendant Denny Seybert (“Seybert”) having reached a settlement as to liability, respectfully
8 submit this joint motion for entry of a judgment, by consent, reserving the amount of monetary
9 remedies for later determination. As set forth below, the parties submit that their settlement is
10 fair, adequate, and reasonable, and thus request that the Court enter the proposed judgment
11 submitted herewith.

12 **I. Background**

13 On April 12, 2022, the SEC filed its Complaint against Defendants Matthew Wade
14 Beasley, Esq., his law firm Beasley Law Group PC, Jeffrey Judd (“Judd”), Christopher
15 Humphries, and three entities that Judd controlled, alleging that these Defendants operated a
16 long-running fraudulent offering in the form of a Ponzi scheme. The SEC alleged that the
17 Defendants thereby violated provisions of the federal securities laws, namely Sections 15(a)(1)
18 and 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78o(a)(1)
19 and 15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and Sections 5(a),
20 5(c) and 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77 e(a) and e(c)
21 and 15 U.S.C. § 77q(a)]. See Complaint [Dkt. No. 1]. The SEC also charged Defendants Denny
22 Seybert, Jason M. Jongeward, Shane M. Jager, and Roland Tanner with violations of Sections
23 5(a) and 5(c) of the Securities Act and Section 15(a)(1) of the Exchange Act, as promoters of the
24 fraud. On June 29, 2022, the SEC filed its Amended Complaint [Dkt. No. 118] adding nine
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1 additional defendants as promoters of the fraud. The SEC also named eleven relief defendants
2 who received ill-gotten gains from the fraud.

3 On June 3, 2022, the Court appointed a Receiver [Dkt. No. 88] to marshal and preserve
4 assets of the Defendants. The SEC and Seybert have been able to reach a settlement regarding
5 liability, reserving for later determination the amounts of disgorgement, prejudgment interest,
6 and a civil penalty. Pursuant to the proposed settlement agreement, Seybert consents to entry of a
7 judgment by which the Court enjoins him from:

- 8 • violating Sections 5(a) and 5(c) of the Securities Act;
- 9 • violating Section 15(a)(1) of the Exchange Act; and
- 10 • soliciting any person or entity to purchase or sell any security.

11 The proposed judgment also provides that Seybert will pay disgorgement, prejudgment interest,
12 and a civil penalty in amounts to be determined by the Court, upon motion by the SEC. Seybert's
13 signed consent is attached hereto as Exhibit 1. The proposed judgment is attached hereto as
14 Exhibit 2.

15 **II. The Proposed Settlement is Fair, Adequate and Reasonable**

16 The Commission and Seybert jointly submit that the Court should approve their
17 settlement and enter the proposed judgment, because it is fair, adequate, and reasonable. Courts
18 in the Ninth Circuit routinely enter bifurcated consent judgments in SEC cases. *See SEC v.*
19 *Marshall*, Case No. 2:17-CV-2189-JAD-GWF, 2018 WL 5816629 (D. Nev. Nov. 5, 2018); *SEC*
20 *v. Sripetch*, Case No. 20-CV-01864-H-BGS, 2024 WL 1546917 (S.D. Cal. Apr. 8, 2024); *SEC v.*
21 *Griffithe*, Case No. SA-CV-20-00124-DOC (JDE), 2021 WL 6551385 (C.D. Cal. Nov. 18,
22 2021); *SEC v. Morano*, Case No. 3:18-CV-00386-HZ, 2019 WL 10856560 (D. Or. May 3,
23 2019). Fairness requires arm's length settlement negotiations, and "[o]nce the court is satisfied
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1 that the decree was the product of good faith, arm's length negotiations, a negotiated decree is
2 presumptively valid” *In re Volkswagen “Clean Diesel” Mktg., Sales Practices, and Prods.*
3 *Liab. Litig.*, MDL No. 2672 CRB (JSC), 2017 WL 2214655, at *4 (N.D. Cal. May 17, 2017)
4 (citation omitted).

5 Here, the parties represent that the settlement is fair and the product of good faith, arm's
6 length negotiations. Courts addressing Commission settlements involving injunctive relief,
7 disgorgement, and/or a penalty have found those terms to be fair and reasonable. *See, e.g., SEC*
8 *v. CR Intrinsic Investors, LLC*, 26 F. Supp. 3d 260, 264 (S.D.N.Y. 2014) (holding that consent
9 judgments providing for injunctions, disgorgement, and civil penalties were “fair and
10 reasonable”); *SEC v. Randolph*, 736 F.2d 525, 529 (9th Cir. 1984) (directing district court to
11 enter consent judgment that provided injunctive relief and disgorgement).
12

13 Here, the terms of the settlement are likewise fair and reasonable. Seybert consents to a
14 judgment of liability and injunctive relief. The parties are discussing settlement of monetary
15 relief. If negotiations are unproductive, each party will have an opportunity to make its case to
16 the Court through motion practice. Overall, the terms of the settlement reflect a careful
17 assessment by both parties of the risks likely to be presented in the litigation of this matter and
18 the benefits of avoiding those risks. The settlement also narrows the issues to be tried in this case
19 involving nineteen defendants and eleven relief defendants. For the foregoing reasons, the parties
20 jointly submit that the proposed settlement is fair and reasonable and will serve the public
21 interest.
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III. Conclusion

The parties respectfully request that the Court grant the parties' motion: (1) approving the settlement on the terms and conditions set forth above; and (2) entering the judgment as to Jeffery attached as Exhibit 2.

Respectfully submitted, this 8th day of July, 2025.

Securities and Exchange Commission

Lance Maningo

/s/ Pat Huddleston II

/s/ Lance Maningo

Jason Bussey

Lance Maningo, Esq.

Pat Huddleston II

Attorney for Denny Seybert

Attorneys for Plaintiff Securities
and Exchange Commission

IT IS SO ORDERED

DATED

UNITED STATES DISTRICT JUDGE

EXHIBIT 1

Consent

DOUGLAS M. MILLER (California. Bar No. 240398)

Email: millerdou@sec.gov

JASON BUSSEY (California Bar No. 227185)

Email: busseyja@sec.gov

PAT HUDDLESTON II (Georgia Bar No. 373984)

Huddlestonp@sec.gov

Securities and Exchange Commission

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UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

MATTHEW WADE BEASLEY; BEASLEY
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CONSULTING SERVICES, INC., an Alaska
Corporation; J&J CONSULTING
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AND J PURCHASING LLC; SHANE M.
JAGER; JASON M. JONGEWARD; DENNY
SEYBERT; ROLAND TANNER; LARRY
JEFFERY; JASON A. JENNE; SETH
JOHNSON; CHRISTOPHER M. MADSEN;
RICHARD R. MADSEN; MARK A.
MURPHY; CAMERON ROHNER; and
WARREN ROSEGREEN;

Defendants,

THE JUDD IRREVOCABLE TRUST; PAJ
CONSULTING INC; BJ HOLDINGS LLC;
STIRLING CONSULTING, L.L.C.; CJ
INVESTMENTS, LLC; JL2
INVESTMENTS, LLC; ROCKING HORSE
PROPERTIES, LLC; TRIPLE THREAT
BASKETBALL, LLC; ACAC LLC;
ANTHONY MICHAEL ALBERTO, JR.; and
MONTY CREW LLC;

Relief Defendants.

Case No.: 2:22-cv-00612-CDS-EJY

**CONSENT OF DEFENDANT
DENNY SEYBERT**

1 1. Defendant Denny Seybert (“Defendant”) acknowledges having been served with
2 the Complaint (“Complaint”) in this action, enters a general appearance, and admits the Court’s
3 jurisdiction over him and over the subject matter of this action.

4 2. Without admitting or denying the allegations of the Complaint (except as
5 provided herein in paragraph 13 and except as to personal and subject matter jurisdiction, which
6 Defendant admits), Defendant hereby consents to the entry of the Judgment in the form attached
7 hereto (the “Judgment”) and incorporated by reference herein, which, among other things:

- 8 a. permanently restrains and enjoins Defendant from violating Sections 5(a)
9 and 5(c) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §
10 77e];
- 11 b. permanently restrains and enjoins Defendant from violating Section
12 15(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) [15
13 U.S.C. § 78o(a)(1)];
- 14 c. permanently restrains and enjoins Defendant from, directly or indirectly,
15 soliciting any person or entity to purchase or sell any security;
- 16 d. orders that the Defendant shall pay disgorgement of ill-gotten gains,
17 prejudgment interest thereon, and a civil penalty pursuant to Section 20(d)
18 of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the
19 Exchange Act [15 U.S.C. § 78u(d)(3)] in an amount to be determined by
20 the Court upon motion by the Commission.

21 3. Defendant acknowledges that the civil penalty paid pursuant to the Final
22 Judgment may be distributed pursuant to the Fair Fund provisions of Section 308(a) of the
23 Sarbanes-Oxley Act of 2002. Regardless of whether any such Fair Fund distribution is made, the
24 civil penalty shall be treated as a penalty paid to the government for all purposes, including all
25 tax purposes. To preserve the deterrent effect of the civil penalty, Defendant agrees that he shall
26 not, after offset or reduction of any award of compensatory damages in any Related Investor
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1 Action based on Defendant's payment of disgorgement in this action, argue that he is entitled to,
2 nor shall he further benefit by, offset or reduction of such compensatory damages award by the
3 amount of any part of Defendant's payment of a civil penalty in this action ("Penalty Offset"). If
4 the court in any Related Investor Action grants such a Penalty Offset, Defendant agrees that he
5 shall, within 30 days after entry of a final order granting the Penalty Offset, notify the
6 Commission's counsel in this action and pay the amount of the Penalty Offset to the United
7 States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be
8 deemed an additional civil penalty and shall not be deemed to change the amount of the civil
9 penalty imposed in this action. For purposes of this paragraph, a "Related Investor Action"
10 means a private damages action brought against Defendant by or on behalf of one or more
11 investors based on substantially the same facts as alleged in the Complaint in this action.
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13 4. Defendant agrees that he shall not seek or accept, directly or indirectly,
14 reimbursement or indemnification from any source, including but not limited to payment made
15 pursuant to any insurance policy, with regard to any civil penalty amounts that Defendant pays
16 pursuant to the Final Judgment, regardless of whether such penalty amounts or any part thereof
17 are added to a distribution fund or otherwise used for the benefit of investors. Defendant further
18 agrees that he shall not claim, assert, or apply for a tax deduction or tax credit with regard to any
19 federal, state, or local tax for any penalty amounts that Defendant pays pursuant to the Judgment,
20 regardless of whether such penalty amounts or any part thereof are added to a distribution fund
21 or otherwise used for the benefit of investors.
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23 5. Defendant agrees that the Court shall order disgorgement of ill-gotten gains,
24 prejudgment interest thereon, and a civil penalty pursuant to Section 20(d) of the Securities Act
25 [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].
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1 Defendant further agrees that the amounts of the disgorgement and civil penalty shall be
2 determined by the Court upon motion of the Commission, and that prejudgment interest shall be
3 calculated from December 10, 2020. Prejudgment interest shall be calculated using the rate of
4 interest used by the Internal Revenue Service for the underpayment of federal income tax as set
5 forth in 26 U.S.C. § 6621(a)(2). Defendant further agrees that in connection with the
6 Commission's motion for disgorgement and/or civil penalties, and at any hearing held on such a
7 motion: (a) Defendant will be precluded from arguing that he did not violate the federal
8 securities laws as alleged in the Complaint; (b) Defendant may not challenge the validity of this
9 Consent or the Judgment; (c) solely for the purposes of such motion, the allegations of the
10 Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine
11 the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn
12 deposition or investigative testimony, and documentary evidence, without regard to the standards
13 for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In
14 connection with the Commission's motion for disgorgement and/or civil penalties, the parties
15 may take discovery, including discovery from appropriate non-parties.

18 6. Defendant waives the entry of findings of fact and conclusions of law pursuant to
19 Rule 52 of the Federal Rules of Civil Procedure.

20 7. Defendant waives the right, if any, to a jury trial and to appeal from the entry of
21 the Judgment.

22 8. Defendant enters into this Consent voluntarily and represents that no threats,
23 offers, promises, or inducements of any kind have been made by the Commission or any
24 member, officer, employee, agent, or representative of the Commission to induce Defendant to
25 enter into this Consent.
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1 9. Defendant agrees that this Consent shall be incorporated into the Judgment with
2 the same force and effect as if fully set forth therein.

3 10. Defendant will not oppose the enforcement of the Judgment on the ground, if any
4 exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil Procedure, and hereby
5 waives any objection based thereon.

6 11. Defendant waives service of the Judgment and agrees that entry of the Judgment
7 by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms
8 and conditions. Defendant further agrees to provide counsel for the Commission, within thirty
9 days after the Judgment is filed with the Clerk of the Court, with an affidavit or declaration
10 stating that Defendant has received and read a copy of the Judgment.

11 12. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the claims asserted
12 against Defendant in this civil proceeding. **Defendant acknowledges that no**
13 **promise or representation has been made by the Commission** or any
14 member, officer, employee, agent, or representative of the Commission **with regard to**
15 **any criminal liability that may have arisen or may arise from**
16 **the facts underlying this action or immunity from any such**
17 **criminal liability.** Defendant waives any claim of Double Jeopardy based upon the
18 settlement of this proceeding, including the imposition of any remedy or civil penalty herein.
19 Defendant further acknowledges that the Court's entry of a permanent injunction may have
20 collateral consequences under federal or state law and the rules and regulations of self-regulatory
21 organizations, licensing boards, and other regulatory organizations. Such collateral consequences
22 include, but are not limited to, a statutory disqualification with respect to membership or
23 participation in, or association with a member of, a self-regulatory organization. This statutory
24 disqualification has consequences that are separate from any sanction imposed in an
25 administrative proceeding. In addition, in any disciplinary proceeding before the Commission
26 based on the entry of the injunction in this action, Defendant understands that he shall not be
27 permitted to contest the factual allegations of the Complaint in this action.

1 13. Defendant understands and agrees to comply with the terms of 17 C.F.R.
2 § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant
3 or respondent to consent to a judgment or order that imposes a sanction while denying the
4 allegations in the Complaint or order for proceedings," and "a refusal to admit the allegations is
5 equivalent to a denial, unless the defendant or respondent states that he neither admits nor denies
6 the allegations." As part of Defendant's agreement to comply with the terms of Section 202.5(e),
7 Defendant: (i) will not take any action or make or permit to be made any public statement
8 denying, directly or indirectly, any allegation in the Complaint or creating the impression that the
9 Complaint is without factual basis; (ii) will not make or permit to be made any public statement
10 to the effect that Defendant does not admit the allegations of the Complaint, or that this Consent
11 contains no admission of the allegations, without also stating that Defendant does not deny the
12 allegations; (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in
13 this action to the extent that they deny any allegation in the Complaint; and (iv) stipulates solely
14 for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11
15 U.S.C. § 523, that the allegations in the Complaint are true, and further, that any debt for
16 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under the
17 Judgment or any other judgment, order, consent order, decree or settlement agreement entered in
18 connection with this proceeding, is a debt for the violation by Denny Seybert of the federal
19 securities laws or any regulation or order issued under such laws, as set forth in Section
20 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a). If Defendant breaches this agreement,
21 the Commission may petition the Court to vacate the Judgment and restore this action to its
22 active docket. Nothing in this paragraph affects Defendant's: (i) testimonial obligations; or (ii)
23 right to take legal or factual positions in litigation or other legal proceedings in which the
24 Commission is not a party.

25 14. Defendant hereby waives any rights under the Equal Access to Justice Act, the
26 Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to
27 seek from the United States, or any agency, or any official of the United States acting in his or

1 her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees,
2 expenses, or costs expended by Defendant to defend against this action. For these purposes,
3 Defendant agrees that Defendant is not the prevailing party in this action since the parties have
4 reached a good faith settlement.

5 15. In connection with this action and any related judicial or administrative
6 proceeding or investigation commenced by the Commission or to which the Commission is a
7 party, Defendant (i) agrees to appear and be interviewed by Commission staff at such times and
8 places as the staff requests upon reasonable notice; (ii) will accept service by mail or facsimile
9 transmission of notices or subpoenas issued by the Commission for documents or testimony at
10 depositions, hearings, or trials, or in connection with any related investigation by Commission
11 staff; (iii) appoints Defendant's undersigned attorney as agent to receive service of such notices
12 and subpoenas; (iv) with respect to such notices and subpoenas, waives the territorial limits on
13 service contained in Rule 45 of the Federal Rules of Civil Procedure and any applicable local
14 rules, provided that the party requesting the testimony reimburses Defendant's travel, lodging, and
15 subsistence expenses at the then-prevailing U.S. Government per diem rates; and (v) consents to
16 personal jurisdiction over Defendant in any United States District Court for purposes of
17 enforcing any such subpoena.


18 16. Defendant agrees that the Commission may present the Judgment to the Court for
19 signature and entry without further notice.
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17. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Judgment.

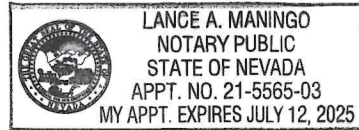
Dated: 7/3/25


Denny Seybert

On July 3, 2025, Denny Seybert, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.


Notary Public
Commission expires:

Approved as to form:




Lance Maningo, Esq.
MANINGO LAW
400 South 4th Street, Suite 650
Las Vegas, Nevada 89101
702.626.4646
lance@maningolaw.com

Attorney for Defendant

EXHIBIT 2

Judgment

DOUGLAS M. MILLER (California. Bar No. 240398)

Email: millerdou@sec.gov

JASON BUSSEY (California Bar No. 227185)

Email: busseyja@sec.gov

PAT HUDDLESTON II (Georgia Bar No. 373984)

Huddlestonp@sec.gov

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BASKETBALL, LLC; ACAC LLC;
ANTHONY MICHAEL ALBERTO, JR.; and
MONTY CREW LLC;

Relief Defendants.

1 The Securities and Exchange Commission having filed a Complaint (“Complaint”) and
2 Defendant Denny Seybert (“Defendant”) having entered a general appearance; consented to the
3 Court’s jurisdiction over him and the subject matter of this action; consented to entry of this
4 Judgment without admitting or denying the allegations of the Complaint (except as to
5 jurisdiction and except as otherwise provided herein in paragraph VI); waived findings of fact
6 and conclusions of law; and waived any right to appeal from this Judgment:

7 I.

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
9 permanently restrained and enjoined from violating Sections 5(a) and 5(c) of the Securities Act
10 of 1933 (“Securities Act”) [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any
11 applicable exemption:

- 12 a. unless a registration statement is in effect as to a security, making use of any
13 means or instruments of transportation or communication in interstate commerce
14 or of the mails to sell such security through the use or medium of any prospectus
15 or otherwise; or
16 b. making use of any means or instruments of transportation or communication in
17 interstate commerce or of the mails to offer to sell or offer to buy through the use
18 or medium of any prospectus or otherwise any security, unless a registration
19 statement has been filed with the Commission as to such security, or while the
20 registration statement is the subject of a refusal order or stop order or (prior to the
21 effective date of the registration statement) any public proceeding or examination
22 under Section 8 of the Securities Act [15 U.S.C. § 77h].

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

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 15(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78o(a)(1)] by making use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of, any security, without being registered as a broker and/or dealer pursuant to Section 15(b) of the Exchange Act [15 U.S.C. § 78o(b)] or while Defendant is not associated with an entity registered with the Commission as a broker or dealer.

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

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Sections 21(d)(1) and 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(1) and (5)], and Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], Defendant is permanently restrained and enjoined from, directly or indirectly, soliciting any person or entity to purchase or sell any security.

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

IV.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. The Court shall determine the amounts of the disgorgement and civil penalty upon motion of the Commission. Prejudgment interest shall be calculated from December 10, 2020. Prejudgment interest shall be calculated using the rate of interest used by the Internal Revenue Service for the underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the Commission's motion for disgorgement and/or civil penalties, and at any hearing held on such a motion: (a) Defendant will be precluded from arguing that he did not violate the federal securities laws as alleged in the Complaint; (b) Defendant may not challenge the validity of the concurrently filed Consent of Defendant Denny Seybert ("Consent") or this Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint shall be accepted as and deemed true by the Court; and (d) the Court may determine the issues raised in the motion on the basis of affidavits, declarations, excerpts of sworn deposition or investigative testimony, and documentary evidence, without regard to the standards for summary judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with the Commission's motion for disgorgement and/or civil penalties, the parties may take discovery, including discovery from appropriate non-parties.

V.

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 undertakings and agreements set forth therein.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the Complaint are true and admitted by Defendant, and further, any debt for

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

6 VII.

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

9 VIII.

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

12
13 IT IS SO ORDERED

14
15 _____
DATED

UNITED STATES DISTRICT JUDGE