

1 CHRISTINE NESTOR, Fla. Bar No. 597211  
 Email: nestorc@sec.gov  
 2 STEPHANIE N. MOOT, Fla. Bar No. 30377  
 Email: moots@sec.gov  
 3 Attorneys for Plaintiff  
 Securities and Exchange Commission  
 4 801 Brickell Avenue, Suite 1800  
 Miami, FL 33131  
 5 Telephone: (305) 982-6300  
 Facsimile: (305) 516-4154  
 6

7 LOCAL COUNSEL  
 DONALD W. SEARLES, Cal. Bar No. 135705  
 Email: searlesd@sec.gov  
 8 U.S. Securities and Exchange Commission  
 444 S. Flower St., Suite 900  
 9 Los Angeles, CA 90071  
 Telephone: (323) 965-3398  
 10 Facsimile: (213) 443-1904

11  
 12 **UNITED STATES DISTRICT COURT**  
 13 **CENTRAL DISTRICT OF CALIFORNIA**

14 SECURITIES AND EXCHANGE  
 COMMISSION,

15 Plaintiff,

16 vs.  
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18 BRETT PITTSBARGAR and MGM  
 HOME REMODELING LLC f/k/a BP  
 19 FINANCIALS, LLC d/b/a BP  
 FINANCIALS & TAX DESIGN  
 20 GROUP,

21 Defendants.

Case No.:

**COMPLAINT**

**JURY TRIAL DEMANDED**

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1 Plaintiff Securities and Exchange Commission (“Commission”) alleges as  
2 follows:

3 **JURISDICTION AND VENUE**

4 1. The Commission brings this action pursuant to Sections 5(a) and 5(c)  
5 of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a) and 77e(c)],  
6 and Section 15(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)  
7 [15 U.S.C. § 78o(a)(1)].

8 2. This Court has jurisdiction over this action pursuant to Sections 20(b),  
9 20(d) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d) and 77v(a)];  
10 and Sections 21(d), 21(e) and 27(a) of the Exchange Act [15 U.S.C. §§ 78u(d),  
11 78u(e) and 78aa(a)].

12 3. Venue is proper in this Court pursuant to Section 22(a) of the  
13 Securities Act [15 U.S.C. § 77v] and Section 27 of the Exchange Act [15 U.S.C. §  
14 78aa], and 28 U.S.C. § 1391(b)(2).

15 4. The Woodbridge Group of Companies LLC and its affiliates  
16 (“Woodbridge”) was headquartered and ran its operations in the Central District  
17 of California, specifically Sherman Oaks, California. The Defendants transacted  
18 business in the Central District of California while participating in the offer and  
19 sale of Woodbridge’s securities over the course of more than 4 years. Among  
20 other things, the Defendants regularly communicated via telephone, email, text  
21 message, and mail with Woodbridge employees who were located in Sherman  
22 Oaks, California. Additionally, Pittsenbargar met with Woodbridge executives in  
23 this District and from September until December 2017, Pittsenbargar was an  
24 employee of Woodbridge.

25 5. In connection with the conduct alleged in this Complaint, Defendants,  
26 directly and indirectly, singly or in concert with others, made use of the means or  
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1 instrumentalities of interstate commerce, the means or instruments of  
2 transportation or communication in interstate commerce, and of the mails.

3 6. The Defendants will, unless enjoined, continue to engage in the acts,  
4 practices, transactions and courses of business set forth in this Complaint, or in  
5 acts, practices, transactions, and courses of business of similar purport and object.

6 **SUMMARY**

7 7. From at least November 2012 through December 2016, the  
8 Defendants raised approximately \$18 million from the offer and sale of  
9 Woodbridge's securities from at least 45 investors located in at least four states.  
10 In return, the Defendants earned approximately \$1 million in transaction-based  
11 sales commissions.

12 8. The Defendants pitched Woodbridge's securities to the general public  
13 via email, telephone, the internet, at in-person meetings, and using other  
14 instruments of interstate commerce. The Defendants provided investors with  
15 Woodbridge's sales materials touting Woodbridge's securities as "safe and  
16 secure."

17 9. The Defendants also offered and sold securities in unregistered  
18 transactions through two funds Pittsenbargar controlled, Ironbridge Asset Fund,  
19 LLC ("Ironbridge Fund 1") and Ironbridge Asset Fund 2, LLC ("Ironbridge Fund  
20 2," and, collectively with Ironbridge Fund 1, the "Ironbridge Funds"), which then  
21 invested in Woodbridge securities.

22 10. Unbeknownst to the Defendants' clients, many of whom were elderly  
23 and had invested their retirement savings as a result of the Defendants' marketing  
24 techniques, Woodbridge was actually operating a massive Ponzi scheme, raising  
25 more than \$1.2 billion before collapsing in December 2017 and filing a petition  
26 for bankruptcy. Once Woodbridge filed for bankruptcy, investors stopped  
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1 receiving their monthly interest payments, and have not received a return of their  
2 investment principal.

3 11. At all relevant times, the Defendants held no securities licenses, were  
4 not registered with the Commission, and were not associated with a registered  
5 broker-dealer. Further, neither Woodbridge’s securities nor Ironbridge Funds’  
6 securities were registered with the Commission nor did they qualify for an  
7 exemption from registration. Defendants were thus not permitted to sell  
8 Woodbridge’s securities or Ironbridge Funds’ securities.

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10 **FACTS**

11 **The Defendants**

12 12. **Brett Pittsenbargar** (“Pittsenbargar”) is a resident of Austin, Texas,  
13 and is the owner of MGM Home Remodeling LLC f/k/a BP Financials, LLC  
14 d/b/a BP Financial & Tax Design Group (“BP Financials”). From at least  
15 November 2012 to December 2016, Pittsenbargar personally solicited and sold  
16 securities to investors located in at least four states. On July 17, 2015, the Texas  
17 Securities Commissioner entered an Emergency Cease and Desist Order against  
18 Woodbridge and the Defendants (the “2015 TSSB Order”). Among other things,  
19 the 2015 TSSB Order found that Pittsenbargar and BP Financials violated Texas  
20 law by offering Woodbridge’s securities in unregistered transactions and ordered  
21 that they cease and desist from offering for sale any security in unregistered  
22 transactions in Texas. On January 5, 2017, Pittsenbargar and BP Financials  
23 consented to the entry of an Order by the TSSB finding that they had violated the  
24 Texas broker-dealer and securities registration provisions by selling  
25 Woodbridge’s securities. Pittsenbargar and BP Financials further agreed to cease  
26 and desist from the offer or sale of any security in Texas. From September 2017  
27 until December 2017, Pittsenbargar was employed by Woodbridge, purportedly in

1 a compliance function. Pittsenbargar is not and has never been registered as or  
2 associated with a registered broker-dealer.

3 13. **BP Financials** is a Texas limited liability company, wholly owned by  
4 Pittsenbargar, engaged in the business of selling investment products to retail  
5 investors. BP Financials is not and has never been registered as or associated  
6 with a registered broker-dealer.

### 7 Other Relevant Entities and Individuals

8 14. **Woodbridge** is a Sherman Oaks, California-based financial company  
9 not registered with the Commission in any capacity with no publicly traded stock.  
10 Formed in 2012, Woodbridge had approximately 130 employees in offices in six  
11 states. On December 4, 2017, Woodbridge filed a petition for Chapter 11  
12 bankruptcy in the United States Bankruptcy Court for the District of Delaware.  
13 *In re Woodbridge Group of Companies LLC, et al.*, Case No. 17-12560 (jointly  
14 administered) (Bankr. D. Del. Dec. 4, 2017).

15 15. **Robert H. Shapiro** (“Shapiro”) was a resident of Sherman Oaks,  
16 California at all material times. He was Woodbridge’s owner, President and CEO  
17 and, until the company’s bankruptcy filing, maintained sole operational control  
18 over the company. In August 2019 Shapiro pled guilty to conspiracy to commit  
19 mail and wire fraud in connection with the Woodbridge Ponzi scheme, as well as  
20 tax evasion, and was subsequently sentenced to 25 years imprisonment. *United*  
21 *States v. Shapiro*, No. 1:19-cr-20178 (S.D. Fla.). He is currently in federal  
22 custody. Shapiro is not, and has never been, registered with the Commission,  
23 FINRA, or any state securities regulator.

24 16. **Ironbridge Fund 1** is a Texas limited liability company formed on  
25 January 20, 2015. Pittsenbargar is the Managing Member of Ironbridge Fund 1.  
26 On February 19, 2015, Ironbridge Fund 1 filed with the Commission a Form D  
27 notice of exempt offering of securities pursuant to Rule 506(b) of Regulation D of  
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1 the Securities Act seeking to raise \$5 million from investors. Ironbridge Fund 1  
2 invested in the securities of Woodbridge and another, now-defunct entity.

3 17. **Ironbridge Fund 2** is a Texas limited liability company formed on  
4 July 14, 2015. Pittsenbargar is the Managing Member of Ironbridge Fund 2. On  
5 July 20, 2015, Ironbridge Fund 2 filed with the Commission a Form D notice of  
6 exempt offering of securities pursuant to Rule 506(b) of Regulation D of the  
7 Securities Act seeking to raise \$20 million from investors. Ironbridge Fund 2  
8 invested in the securities of Woodbridge and another, now-defunct, entity.  
9 Pittsenbargar caused the Ironbridge Funds to purchase more than \$6 million in  
10 Woodbridge securities on behalf of investors.

### 11 **Woodbridge Background**

12 18. Beginning in July 2012 through at least December 4, 2017, Shapiro  
13 and Woodbridge orchestrated a massive Ponzi scheme raising in excess of \$1.22  
14 billion from the sale of securities to over 8,400 investors nationwide. At least  
15 2,600 of these investors used their Individual Retirement Account funds to invest  
16 nearly \$400 million. Shapiro promised investors they would be repaid from the  
17 high rates of interest Woodbridge was earning on loans it was purportedly making  
18 to third-party borrowers. However, nearly all the purported third-party borrowers  
19 were actually limited liability companies owned and controlled by Shapiro, which  
20 had no revenue, no bank accounts, and never paid any interest under the loans.  
21 The Defendants are responsible for raising approximately \$18 million from  
22 approximately 45 investors.

#### 23 **A. Woodbridge's Securities and Representations to Investors**

24 19. Woodbridge sold investors two primary types of securities: (1)  
25 twelve-to-eighteen month term promissory notes bearing 5%-8% annual interest  
26 that Woodbridge described as First Position Commercial Mortgages ("FPCM  
27 Notes" and "FPCM Investors"), which were issued by one of Woodbridge's  
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1 several affiliated Fund Entities, and (2) seven different private placement fund  
2 offerings with five-year terms: (a) Woodbridge Mortgage Investment Fund 1,  
3 LLC; (b) Woodbridge Mortgage Investment Fund 2, LLC; (c) Woodbridge  
4 Mortgage Investment Fund 3, LLC; (d) Woodbridge Mortgage Investment Fund  
5 3A, LLC; (e) Woodbridge Mortgage Investment Fund 4, LLC; (f) Woodbridge  
6 Commercial Bridge Loan Fund 1, LLC; and (g) Woodbridge Commercial Bridge  
7 Loan Fund 2, LLC (collectively “Fund Offerings” and “Fund Investors”).

8 **i. FPCM Notes**

9 20. Woodbridge represented that the FPCM Notes were a “simple, safer  
10 and more secured opportunity for individuals to achieve their financial  
11 objectives.” The purported revenue source enabling Woodbridge to make the  
12 payments to FPCM Investors was the interest Woodbridge would be receiving  
13 from mainly one-year loans to supposed third-party commercial property owners  
14 (“Third-Party Borrowers”). Woodbridge told investors that these Third-Party  
15 Borrowers were paying Woodbridge 11-15% annual interest for “hard money,”  
16 short-term financing. Woodbridge would secure the debt through a mortgage on  
17 the Third-Party Borrowers’ real estate. For example, Woodbridge wrote in  
18 marketing materials “Woodbridge receives the mortgage payments directly from  
19 the borrower, and Woodbridge in turn delivers the loan payments to you under  
20 your [FPCM] documents.”

21 21. In truth and in fact however, Woodbridge created false promissory  
22 notes evidencing these payments from Third Party Borrowers and incorporated  
23 these documents by reference in the promissory notes provided to each investor.

24 22. The FPCM Investors invested their funds in a common enterprise with  
25 the expectation of earning the promised returns based on the efforts of others,  
26 while maintaining a secured interest in a parcel of real estate.

1           23. The profitability of the FPCM investments was derived solely from  
2 the efforts of Shapiro and Woodbridge and the investments were in a common  
3 enterprise. Once investors provided their funds to Woodbridge, their funds were  
4 commingled with other investors' funds and used by Woodbridge for general  
5 business purposes. Investors had no control over how Shapiro and Woodbridge  
6 used their money. Because Woodbridge was a Ponzi scheme, its ability to pay  
7 returns depended upon its continued ability to raise funds from new investors and  
8 convince existing investors to rollover their investments. Woodbridge informed  
9 investors that it conducted all due diligence including title search and appraisal on  
10 the commercial property and supposed Third-Party Borrower. The investors  
11 played little or no role in selecting which properties would purportedly secure  
12 their investments. The Defendants also provided investors with marketing  
13 materials prepared by Woodbridge that reassured investors, telling them not to  
14 worry about borrowers failing to make their loan payments because Woodbridge  
15 would continue to pay investors their interest payments.

16           **ii. Fund Offerings**

17           24. Woodbridge offered the Fund Offerings to investors through one of its  
18 affiliated Fund Entities, pursuant to purported exemptions from registration under  
19 Rules 506(b) and (c) of Regulation D of the Securities Act, collectively seeking to  
20 raise at least \$435 million from investors. In the Regulation D filings,  
21 Woodbridge described the Fund Offerings as "equity" securities.

22           25. Woodbridge, in avoiding registration of its securities with the  
23 Commission, purportedly limited each of the Fund Offerings to accredited  
24 investors with a \$50,000 minimum subscription and provided for a five-year term  
25 with a 6% to 10% aggregate annual return paid monthly to Fund Investors and a  
26 2% "accrued preferred dividend" to be paid at the end of the five-year term and a  
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1 share of “profits.” Neither Woodbridge nor the Defendants ensured that only  
2 accredited investors purchased the Fund Offerings (or the FPCMs).

3 26. In the offering memoranda for the Fund Offerings, Woodbridge  
4 represented to Fund Investors that their funds would be used for real estate  
5 acquisitions and investments, notably including Woodbridge’s FPCMs. The  
6 Fund Offerings, in effect, were investments into pooled FPCMs. Many of these  
7 pools contained 40 or more investors.

8 27. Investors in the Fund Offerings invested in a common enterprise with  
9 the expectation of profit based on the efforts of others. The allegations of  
10 paragraphs 22 and 23 of this Complaint are applicable to the Fund Offerings as  
11 well.

12 28. The FPCM Notes and the Fund Offerings are securities within the  
13 meaning of Securities Act § 2(a)(1), 15 U.S.C. § 77b(a)(1), and Exchange Act §  
14 3(a)(10), 15 U.S.C. § 78c(a)(10). Investors were unquestionably motivated by the  
15 high rate of returns that Woodbridge offered and investors viewed these as  
16 passive investments generating safe returns. Woodbridge sold the FPCM Notes  
17 to a broad segment of the public (at least 8,400 investors) through general  
18 solicitations and there were no risk-reducing factors indicating the FPCM Notes  
19 were not securities. Neither the FPCM Notes nor the Fund Offerings were  
20 registered with the Commission, and there was no applicable exemption from  
21 registration.

## 22 **B. Woodbridge’s Misrepresentations**

23 29. Woodbridge’s claim that it was using investors’ funds to make high  
24 interest rate loans to Third-Party Borrowers was a lie. In reality, Woodbridge’s  
25 business model was a sham. Investors’ funds were used to purchase, in the name  
26 of a Shapiro controlled Limited Liability Company (LLC), almost 200 residential  
27 and commercial properties, primarily in Los Angeles, California and Aspen,  
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1 Colorado. Thus, nearly all the “third-party” borrowers were Shapiro owned and  
2 controlled shell company LLCs, which had no source of income, no bank  
3 accounts, and never made any loan payments to Woodbridge, all facts  
4 Woodbridge and Shapiro concealed from investors.

5 30. Because Shapiro’s LLCs were not making any of the promised  
6 interest payments and Woodbridge’s other revenue was minimal, Woodbridge  
7 sought to convince FPCM Investors to rollover their investment into a new note at  
8 the end of the term, so as to avoid having to come up with the cash to repay the  
9 principal. For the payment of returns to FPCM and Fund Investors and  
10 redemptions to FPCM Investors who did not rollover their notes, Woodbridge  
11 raised and used new investor funds, in classic Ponzi scheme fashion.

12 31. Finally, on December 1, 2017, after amassing more than \$1.22 billion  
13 of investor money, with more than \$961 million in principal still due to investors,  
14 Woodbridge and Shapiro missed their first interest payments to investors after  
15 purportedly ceasing their fundraising activities. Without the infusion of new  
16 investor funds, just days later, on December 4, 2017, Shapiro caused most of his  
17 companies to be placed in Chapter 11 Bankruptcy.

18 32. In the Chapter 11 Bankruptcy, Woodbridge, now under the control of  
19 independent management, took the position that the FPCM Investors do not have  
20 a secured interest in the property underlying their investment because they were  
21 required to perfect their interest pursuant to the requirements of the Uniform  
22 Commercial Code, which virtually none of the investors did.

23 **C. The Defendants Offered and Sold Securities in Unregistered**  
24 **Transactions**

25 33. From at least November 2012 to December 2016, the Defendants  
26 offered and sold Woodbridge’s securities and Ironbridge Funds’ securities in  
27 unregistered transactions to at least 45 investors located in at least four states.

1           34. The Defendants raised approximately \$18 million from the offer and  
2 sale of Woodbridge securities, either directly to investors or indirectly through the  
3 Ironbridge Funds. In return, the Defendants received approximately \$1 million in  
4 transaction-based sales commissions from Woodbridge.

5           **i. Offer and Sale of Woodbridge's Securities Directly to Retail**  
6 **Investors**

7           35. From at least November 2012 to February 2015, the Defendants  
8 offered and sold Woodbridge securities in unregistered transactions to investors.  
9 The investors, personally solicited by Pittsenbargar, were mostly elderly retirees  
10 who invested through their IRA accounts, and were not accredited or  
11 sophisticated.

12           36. Woodbridge provided the Defendants with the information and  
13 marketing materials that the Defendants gave to FPCM and Fund Investors.

14           37. Using the Woodbridge-provided materials, information and talking  
15 points, the Defendants advertised the Woodbridge securities via the internet, via  
16 promotions sent via U.S. mail, by email, telephone, and through in-person  
17 meetings with investors.

18           38. Once in contact with a potential investor, Pittsenbargar discussed the  
19 merits of the Woodbridge investment, assured the safety and profitability of the  
20 Woodbridge investment, and reviewed Woodbridge's sales material with  
21 investors. Pittsenbargar touted the purported safety and security of the  
22 investments because, among other things, real estate assets purportedly secured  
23 them.

24           39. If a customer decided to invest in the FPCM Note program,  
25 Pittsenbargar completed a Woodbridge online form identifying the customer and  
26 selecting the property the customer wanted as collateral with the minimum  
27 investment of \$25,000 (or Pittsenbargar called Woodbridge directly to get this  
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1 done by telephone, usually relying on a Woodbridge executive to select the  
2 property). Woodbridge's processing department then generated a loan agreement  
3 and promissory note and sent the documents to Pittsenbargar. The investor  
4 signed these documents, provided a check for his or her principal investment, and  
5 Pittsenbargar returned the package to Woodbridge. The investor then received  
6 monthly interest payments directly from Woodbridge.

7 40. Woodbridge offered its FPCM Notes to the Defendants at a 9%  
8 wholesale annual interest rate, who then would offer these notes to their investor  
9 clients at 5% to 8% annual interest rate—the difference representing the  
10 Defendants' transaction-based commissions.

11 41. For the Fund Offerings, the Defendants received a 5% sales  
12 commission that Woodbridge purposefully mischaracterized as a "marketing  
13 bonus" to avoid the appearance of paying transaction-based commissions to  
14 unregistered sales agents.

15 **ii. Offer and Sale of Woodbridge's Securities Through Ironbridge**  
16 **Funds**

17 42. From approximately February 2015 until December 2016, the  
18 Defendants continued to offer and sell Woodbridge's securities, but through the  
19 Ironbridge Funds. Pittsenbargar formed Ironbridge Fund 1 in January 2015 and  
20 Ironbridge Fund 2 in July 2015. A few days after forming Ironbridge Fund 2, the  
21 state of Texas issued the 2015 TSSB Order requiring Pittsenbargar and BP  
22 Financials to cease and desist from selling securities in unregistered transactions  
23 in Texas.

24 43. Pittsenbargar failed to disclose to investors that the state of Texas had  
25 issued a cease-and-desist order against him and BP Financials.

26 44. Beginning in early 2015, Pittsenbargar purchased Woodbridge  
27 securities for all ensuing clients in the name of the Ironbridge Funds instead of in  
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1 the name of the actual investor. By purchasing the securities in the name of the  
2 Ironbridge Funds, Pittsenbargar was able to continue selling investments in  
3 Woodbridge and receiving commissions despite the 2015 TSSB Order.

4 45. For example, investors sent checks to Ironbridge Funds to invest in  
5 Woodbridge's FPCM and Fund Offerings and Pittsenbargar, on behalf of  
6 Ironbridge Funds, used the investors' funds to purchase Woodbridge securities in  
7 the name of Ironbridge Funds.

8 46. Thus, instead of receiving an interest in Woodbridge's securities, the  
9 investors in Ironbridge Funds, received Units or partial Units in Ironbridge Funds.

10 47. For each investment in Woodbridge through Ironbridge Funds  
11 Woodbridge paid Pittsenbargar transaction-based commissions of typically 5% of  
12 the amounts invested.

13 48. The Ironbridge Funds purchased more than \$6 million in Woodbridge  
14 securities on behalf of investors.

15 **iii. Offer and Sale of Ironbridge's Securities**

16 49. The Defendants also sold securities in unregistered transactions  
17 through two funds Pittsenbargar controlled, Ironbridge Fund 1 and Ironbridge  
18 Fund 2.

19 50. The Defendants raised approximately \$5 million from investors for  
20 Ironbridge Fund 1 and approximately \$4 million from investors for Ironbridge  
21 Fund 2. Of the approximately \$9 million raised by the Defendants from investors  
22 for the Ironbridge Funds, the Defendants invested more than \$6 million with  
23 Woodbridge and invested the remaining funds with a now-defunct company.

24 51. The investors in the Ironbridge Funds invested in a common  
25 enterprise with the expectation of earning profits based on the efforts of others.  
26 Once investors provided their funds to the Defendants, their funds were  
27 commingled with other investors' funds and used by the Defendants to among  
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1 other things, purchase Woodbridge securities. The investors played little or no  
2 role in how the Defendants invested their funds.

3 52. Although the Defendants purportedly offered Ironbridge Funds'  
4 securities under a Rule 506(b) exemption to registration, the offerings did not  
5 qualify as such because many of the investors were neither accredited nor  
6 sophisticated, a fact known to the Defendants. In fact, the Defendants sold  
7 Ironbridge Funds' securities to unsophisticated and elderly investors without  
8 regard to their level of financial sophistication, risk tolerance, or financial  
9 stability. Further, the Defendants, on behalf of Ironbridge Funds, did not provide  
10 an audited balance sheet or financial statements to unaccredited investors.

11 53. During the time the Defendants sold Woodbridge's securities and  
12 Ironbridge Funds' securities, the Defendants held no securities licenses, were not  
13 registered with the Commission, and were not associated with a registered broker-  
14 dealer. Further, neither Woodbridge's securities nor Ironbridge's securities were  
15 registered with the Commission and did not qualify for an exemption from  
16 registration. The Defendants were thus not permitted to sell Woodbridge's  
17 securities or Ironbridge Funds' securities.

## 18 **COUNT I**

### 19 **Violations of Sections 5(a) and 5(c) of the Securities Act**

#### 20 **[15 U.S.C. §§ 77e(a) and 77e(c)]**

21 54. The Commission repeats and realleges paragraphs 1 through 53 of this  
22 Complaint as if fully set forth herein.

23 55. No registration statement was filed or in effect with the Commission  
24 pursuant to the Securities Act with respect to the securities offered and sold by  
25 the Defendants as described in this Complaint and no exemption from registration  
26 existed with respect to these securities.



1 registered with the Commission as a broker-dealer.

2 60. By reason of the foregoing, the Defendants violated and, unless  
3 enjoined, are reasonably likely to continue to violate Section 15(a)(1) of the  
4 Exchange Act [15 U.S.C. § 78o(a)(1)].

5 **RELIEF REQUESTED**

6 WHEREFORE, the Commission respectfully requests the Court:

7 **I.**

8 Issue findings of fact and conclusions of law that the Defendants committed  
9 the violations alleged herein.

10 **II.**

11 Issue a Permanent Injunction, in a form consistent with Rule 65(d) of the  
12 Federal Rules of Civil Procedure, restraining and enjoining all Defendants, their  
13 agents, servants employees, and attorneys, and those persons in active concert or  
14 participation with them who receive actual notice of the injunction by personal  
15 service or otherwise, and each of them, from, directly or indirectly, violating  
16 Sections 5(a) and 5(c) of the Securities Act and Section 15(a)(1) of the Exchange  
17 Act.

18 **III.**

19 Issue an Order directing the Defendants to disgorge all ill-gotten gains or  
20 proceeds received within the applicable statute of limitations, as a result of the  
21 acts and/or courses of conduct complained of herein, with prejudgment interest  
22 thereon.

23 **IV.**

24 Issue an Order directing the Defendants to pay civil money penalties  
25 pursuant to Section 20(d) of the Securities Act and Section 21(d) of the Exchange  
26 Act.

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**V.**

Retain jurisdiction over this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

**VI.**

Grant such other relief as this Court may deem just and appropriate.

**JURY DEMAND**

The Commission requests a trial by jury.

Dated: November 25, 2019

/s/ Donald W. Searles

Donald W. Searles  
Attorney for Plaintiff  
Securities and Exchange Commission