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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

SECURITIES AND EXCHANGE COMMISSION,
Plaintiff,
v.
DOW ROCKWELL, LLC and RICHARD DOW
ROCKWELL,
Defendants.

Case No. 22-cv-02069-MMC

**FINAL JUDGMENT AS TO DEFENDANT
DOW ROCKWELL, LLC**

FINAL JUDGMENT AS TO DEFENDANT DOW ROCKWELL, LLC

The Securities and Exchange Commission having filed a Complaint and Defendant Dow Rockwell, LLC (“Defendant”) 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 allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (“Advisers Act”) [15 U.S.C. §§ 80b-6(1) and (2)], by directly or indirectly, by the use of any means or instrumentality of interstate commerce:

- (a) Employing any device, scheme, or artifice to defraud any client or prospective client; or
- (b) Engaging in any transaction, practice or course of business which operates as a fraud or deceit upon any client or prospective client.

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 Final 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).

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 207 of the Advisers Act [15 U.S.C. § 80b-7] by, directly or indirectly, willfully making any untrue statement of material fact in any registration application or report filed with the Commission under Section 203 or 204 of the

1 Advisers Act, or willfully omitting to state in any such application or report any material fact
2 which is required to be stated therein.

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

8 III.

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

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

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in
25 Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who
26 receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s
27

1 officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or
2 participation with Defendant or with anyone described in (a).

3 IV.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is
5 permanently enjoined and restrained from, directly or indirectly, violating Section 15(a)(1) of the
6 Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78o(a)(1)] by acting as a broker
7 or dealer unless registered as provided by law.

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

13 V.

14 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
15 is liable, jointly and severally with Defendant Richard Dow Rockwell, for disgorgement of
16 \$402,075, representing net profits gained as a result of the conduct alleged in the Complaint,
17 together with prejudgment interest thereon in the amount of \$121,843.85, and a civil penalty in
18 the amount of \$80,000 pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)],
19 Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], and Section 209 of the Advisers
20 Act [15 U.S.C. § 80b-9]. Defendant shall satisfy this obligation by paying \$603,918.85 to the
21 Securities and Exchange Commission within 30 days after entry of this Final Judgment.

22 Defendant may transmit payment electronically to the Commission, which will provide
23 detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly
24 from a bank account via Pay.gov through the SEC website at
25 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank
26 cashier’s check, or United States postal money order payable to the Securities and Exchange
27 Commission, which shall be delivered or mailed to

1 Enterprise Services Center
2 Accounts Receivable Branch
3 6500 South MacArthur Boulevard
4 Oklahoma City, OK 73169

5 and shall be accompanied by a letter identifying the case title, civil action number, and name of
6 this Court; Dow Rockwell, LLC as a defendant in this action; and specifying that payment is
7 made pursuant to this Final Judgment.

8 Defendant shall simultaneously transmit photocopies of evidence of payment and case
9 identifying information to the Commission’s counsel in this action. By making this payment,
10 Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part
11 of the funds shall be returned to Defendant.

12 The Commission may enforce the Court’s judgment for disgorgement and prejudgment
13 interest by using all collection procedures authorized by law, including, but not limited to,
14 moving for civil contempt at any time after 30 days following entry of this Final Judgment.

15 The Commission may enforce the Court’s judgment for penalties by the use of all
16 collection procedures authorized by law, including the Federal Debt Collection Procedures Act,
17 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the violation of any Court orders
18 issued in this action. Defendant shall pay post judgment interest on any amounts due after 30
19 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall
20 hold the funds, together with any interest and income earned thereon (collectively, the “Fund”),
21 pending further order of the Court.

22 The Commission may propose a plan to distribute the Fund subject to the Court’s
23 approval. Such a plan may provide that the Fund shall be distributed pursuant to the Fair Fund
24 provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002. The Court shall retain
25 jurisdiction over the administration of any distribution of the Fund and the Fund may only be
26 disbursed pursuant to an Order of the Court.

27 Regardless of whether any such Fair Fund distribution is made, amounts ordered to be
28 paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the
government for all purposes, including all tax purposes. To preserve the deterrent effect of the

1 civil penalty, Defendant shall not, after offset or reduction of any award of compensatory
2 damages in any Related Investor Action based on Defendant’s payment of disgorgement in this
3 action, argue that it is entitled to, nor shall it further benefit by, offset or reduction of such
4 compensatory damages award by the amount of any part of Defendant’s payment of a civil
5 penalty in this action (“Penalty Offset”). If the court in any Related Investor Action grants such a
6 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting the Penalty
7 Offset, notify the Commission’s counsel in this action and pay the amount of the Penalty Offset
8 to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall
9 not be deemed an additional civil penalty and shall not be deemed to change the amount of the
10 civil penalty imposed in this Judgment. For purposes of this paragraph, a “Related Investor
11 Action” means a private damages action brought against Defendant by or on behalf of one or
12 more investors based on substantially the same facts as alleged in the Complaint in this action.

13 VI.


14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent of
15 Defendant Dow Rockwell, LLC is incorporated herein with the same force and effect as if fully
16 set forth herein, and that Defendant shall comply with all of the undertakings and agreements set
17 forth therein.

18 VII.

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

21
22 IT IS SO ORDERED.

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25 Dated: November 25 , 2024

26 
27 The Honorable Maxine M. Chesney
28 United States District Judge