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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

ANDREW WYLES WATERS,

Defendant, and

HELEN Q. WATERS,

Relief Defendant.

Case No. CV 23-6799-GW-JCx

FINAL JUDGMENT BY DEFAULT

1 The Court having granted Plaintiff Securities and Exchange Commission's
2 motion for default judgment against Defendant Andrew Waters and Relief Defendant
3 Helen Waters,

4 I.

5 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
6 Andrew Waters is permanently restrained and enjoined from violating, directly or
7 indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the Exchange Act),
8 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, by using any means or
9 instrumentality of interstate commerce, or of the mails, or of any facility of any
10 national securities exchange, in connection with the purchase or sale of any security:

- 11 (a) to employ any device, scheme, or artifice to defraud;
12 (b) to make any untrue statement of a material fact or to omit to state a
13 material fact necessary in order to make the statements made, in the light
14 of the circumstances under which they were made, not misleading; or
15 (c) to engage in any act, practice, or course of business that operates or
16 would operate as a fraud or deceit upon any person.

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

23 II.

24 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
25 Andrew Waters is permanently restrained and enjoined from violating Section 17(a)
26 of the Securities Act of 1933 (the Securities Act), 15 U.S.C. § 77q(a), in the offer or
27 sale of any security by the use of any means or instruments of transportation or
28 communication in interstate commerce or by use of the mails, directly or indirectly:

- 1 (a) to employ any device, scheme, or artifice to defraud;
- 2 (b) to obtain money or property by means of any untrue statement of a
- 3 material fact or any omission of a material fact necessary in order to
- 4 make the statements made, in light of the circumstances under which
- 5 they were made, not misleading; or
- 6 (c) to engage in any transaction, practice, or course of business that operates
- 7 or would operate as a fraud or deceit upon the purchaser.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as

9 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also

10 binds the following who receive actual notice of this Default Judgment by personal

11 service or otherwise: (a) Defendant's officers, agents, servants, employees, and

12 attorneys; and (b) other persons in active concert or participation with Defendant or

13 with anyone described in (a).

14 III.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant

16 Andrew Waters is permanently restrained and enjoined from directly or indirectly,

17 including, but not limited to, through any entity owned or controlled by him,

18 participating in the issuance, purchase, offer, or sale of any security in an unregistered

19 transaction, provided, however, that such injunction shall not prevent Waters from

20 purchasing or selling securities listed on a national securities exchange for his own

21 personal account.

22 IV.

23 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant

24 to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d)(6) of the

25 Exchange Act, 15 U.S.C. § 78u(d)(6), Defendant Andrew Waters is permanently and

26 unconditionally prohibited from participating in an offering of penny stock, including

27 engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading,

28 or inducing or attempting to induce the purchase or sale of any penny stock.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), Defendant Andrew Waters is permanently and unconditionally prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that

- (a) Defendant Andrew Waters is liable, on an individual basis, for disgorgement of \$1,939,426.48, plus prejudgment interest in the amount of \$600,149.94;
- (b) Defendant Andrew Waters and Relief Defendant Helen Waters are liable, jointly and severally, for disgorgement of \$446,565.27, plus prejudgment interest in the amount of \$93,754.88;
- (c) Relief Defendant Helen Waters is liable, on an individual basis, for disgorgement of \$6,300.00, plus prejudgment interest in the amount of \$1,322.67; and
- (d) Defendant Andrew Waters is liable, on an individual basis, for a civil penalty in the amount of \$236,451.00.

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

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

6 and shall be accompanied by a letter identifying the case title, civil action number,
7 and name of this Court; Defendant's/Relief Defendant's name in this action; and
8 specifying that payment is made pursuant to this Default Judgment.

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

13 The Commission may enforce the Court's judgment for a civil penalty by the
14 use of all collection procedures authorized by law, including the Federal Debt
15 Collection Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt
16 for the violation of any Court orders issued in this action.

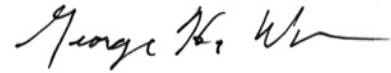
17 Defendant and Relief Defendant shall pay post judgment interest on any
18 amounts due after 30 days of the entry of this Default Judgment pursuant to 28 U.S.C.
19 § 1961. The Commission shall hold the funds, together with any interest and income
20 earned thereon pending further order of the Court.

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

VII.

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

DATED: October 16, 2025



HON. GEORGE H. WU,
United States District Judge

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