

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO. 16-CV-21301-GAYLES**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

v.

**ARIEL QUIROS, et al.,**

**Defendants, and**

**JAY CONSTRUCTION MANAGEMENT, INC., et al.,**

**Relief Defendants.**

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**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION UNOPPOSED  
MOTION FOR ENTRY OF JUDGMENT OF PERMANENT INJUNCTION  
AND OTHER RELIEF AGAINST DEFENDANT ARIEL QUIROS**

Plaintiff Securities and Exchange Commission moves for entry of Judgment of Permanent Injunction and Other Relief against Defendant Ariel Quiros. By the attached Consent, Quiros has consented – without admitting or denying the allegations of the Amended Complaint except as otherwise noted – to the entry of the attached Judgment of Permanent Injunction and Other Relief against him (“Judgment”).

Upon entry of the Judgment, the only issues remaining for the Court’s determination against Quiros will be the amount of disgorgement and prejudgment interest on disgorgement, and whether to impose a civil penalty and the amount of any penalty. The parties will continue to attempt to resolve those issues through negotiation. The parties propose that the Court remove the case from the trial calendar but do request that the present discovery cutoff of December 15, 2017 for fact discovery and January 26, 2018 for expert discovery remain in place to allow them to complete any discovery, to the extent necessary, on the monetary issues. If the parties cannot

resolve the monetary issues through negotiation and the scheduled mediation, the Court may resolve them through briefing by the Commission and Quiros and, if necessary, a hearing. By the Consent, neither the Commission nor Quiros waives any rights to assert any applicable legal arguments for or against the amount of any disgorgement or a civil penalty in briefing or at a hearing.

Accordingly, the Commission requests that the Court enter the attached Judgment against Quiros, remove this case from the Court's trial calendar, and give the Commission and Quiros until January 26, 2018 to complete any necessary discovery on the monetary issues.

Pursuant to Local Rule 7.1(a)(3), neither Quiros nor the Receiver oppose this motion or entry of the attached Judgment.

Respectfully submitted,

August 22, 2017

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**CERTIFICATE OF SERVICE**

I **HEREBY CERTIFY** that on August 22, 2017, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record or pro se parties identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

s/Robert K. Levenson  
Robert K. Levenson, Esq.

**SERVICE LIST**

*SEC v. Ariel Quiros, et al.*  
Case No. 16-CV-21301-GAYLES

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*Counsel for Defendant Ariel Quiros*

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO. 16-CV-21301-GAYLES**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

v.

**ARIEL QUIROS, et al.,**

**Defendants, and**

**JAY CONSTRUCTION MANAGEMENT, INC., et al.,**

**Relief Defendants.**

---

**CONSENT OF DEFENDANT ARIEL QUIROS TO  
JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF**

1. Defendant Ariel Quiros acknowledges having been served with the Summons and the Amended Complaint in this action, enters a general appearance, and admits the Court's jurisdiction over him and over the subject matter of this action.
2. Without admitting or denying the allegations of the Amended Complaint (except as provided in Paragraphs 3 and 13 herein and except as to personal and subject matter jurisdiction, which Quiros admits), Quiros hereby consents to entry of the Judgment of Permanent Injunction and Other Relief ("Judgment") in the form attached hereto and incorporated by reference herein, which, includes, among other things, a permanent injunction against violations of certain provisions of the securities laws, a conduct-based injunction against participating in EB-5 offerings, and an officer-and-director bar.
3. Quiros agrees the Court shall order disgorgement and prejudgment interest on disgorgement, and may order a civil penalty pursuant to Section 20(d) of the Securities Act of

1933 (“Securities Act”) [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78u(d)(3)]. Quiros further agrees that the amounts of disgorgement, prejudgment interest, and the civil penalty shall be determined by the Court upon motion of the Commission and after Quiros has an opportunity to respond, and that prejudgment interest shall be calculated from April 12, 2016 based on 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). Quiros further agrees that in connection with the Commission’s motion for disgorgement and a civil penalty and at any hearing held on such a motion: (a) Quiros will be precluded from arguing that he did not violate the federal securities laws as alleged in the Amended Complaint; (b) Quiros may not challenge the validity of the Consent or this Judgment; (c) solely for the purposes of such motion, the allegations of the Amended 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 a civil penalty, the parties may take discovery, including discovery from appropriate non-parties.

4. Quiros agrees that he shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source, including but not limited to payment made pursuant to any insurance policy, with regard to any civil penalty amounts he may be required to pay pursuant to the Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Quiros further agrees that he shall not claim, assert, or apply for a tax deduction or tax credit with regard to any

federal, state, or local tax for any penalty amounts that Quiros pays pursuant to the Judgment, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

5. Quiros enters into this Consent voluntarily after consulting with undersigned counsel, and represents that no threats, offers, promises, or inducements of any kind have been made by the Commission or any member, officer, employee, agent, or representative of the Commission to induce Quiros or anyone acting on his behalf to enter into this Consent.

6. Quiros agrees this Consent shall be incorporated into the Judgment with the same force and effect as if fully set forth therein.

7. Quiros waives the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

8. Quiros agrees the Commission may present the attached proposed Judgment to the Court for signature and entry, and further agrees the Court shall retain jurisdiction over him and over the subject matter of this action.

9. Quiros waives any right he may have to appeal from the entry of the Judgment.

10. Quiros waives service of the Judgment once entered, and agrees the entry of the Judgment by the Court and filing with the Clerk in the Southern District of Florida will constitute notice to him of the terms and conditions of the Judgment. Quiros further agrees to provide counsel for the Commission, within 30 days after the Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that he has received and read a copy of the Judgment.

11. Quiros agrees he will not oppose the enforcement of the Judgment on the grounds, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of Civil

Procedure, and hereby waives any objection based thereon.

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

13. Quiros understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provide in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings," and "a refusal to admit the allegations is equivalent to a denial, unless the defendant or respondent states that he neither admits nor denies the allegations." As part of Quiros' agreement to comply with the terms of Section 202.5(e),



Quiros: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the Amended Complaint or creating the impression that the Amended Complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Quiros does not admit the allegations of the Amended Complaint, or that this Consent contains no admission of the allegations, without also stating that Quiros does not deny the allegations; (iii) upon the filing of this Consent, Quiros hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Amended Complaint; and (iv) stipulates solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, that the allegations in the Amended Complaint are true, and further, that any debt for civil penalty or other amounts due by Quiros under the Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Quiros of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a) (19). If Quiros breaches this agreement, the Commission may petition the Court to vacate the Judgment and restore this action to its active docket. Nothing in this paragraph affects Quiros': (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

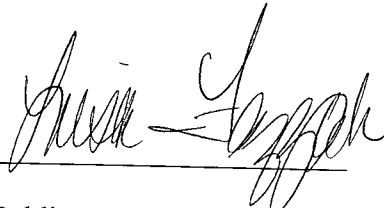
14. Quiros hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Quiros to defend against this action. For these purposes, Quiros agrees he

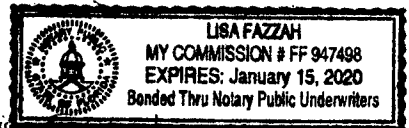
is not the prevailing party in this action since the parties have reached a good faith settlement.

  
\_\_\_\_\_  
Ariel Quiros

STATE OF FLORIDA            )  
  )  
COUNTY OF MIAMI-DADE    )

On this 21st day of August 2017, before me personally appeared Ariel Quiros, who  is personally known to me, or \_\_\_\_\_ who produced \_\_\_\_\_ bearing his name and photograph as identification, and who executed this Consent, and acknowledged to me that he executed the same.


  
\_\_\_\_\_  
Notary Public



Lisa Fazzah

Commission Expires 11/15/20

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Melissa Visconti, Esq.  
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Counsel for Defendant Ariel Quiros

**UNITED STATES DISTRICT COURT  
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**Relief Defendants.**

---

**JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF  
AGAINST DEFENDANT ARIEL QUIROS**

This cause comes before the Court upon the Motion by Plaintiff Securities and Exchange Commission for a Judgment of Permanent Injunction and Other Relief against Defendant Ariel Quiros (“Judgment”). By the Consent attached hereto, and without admitting or denying the allegations of the Amended Complaint (except that Quiros admits the jurisdiction of this Court over him and over the subject matter of this action), Quiros has entered a general appearance, agreed to entry of this Judgment, waived findings of fact and conclusions of law, and waived any right to appeal from this Judgment. The Court finds that good cause exists for entry of the Judgment. Accordingly, the Commission’s Motion is **GRANTED**. The Court further orders as follows:

**I.**

**PERMANENT INJUNCTION**

**A. Section 17(a) of the Securities Act**

**IT IS ORDERED AND ADJUDGED** that Quiros is permanently restrained and

enjoined from violating Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

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

by, directly or indirectly (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor; about: (A) any investment in or offering of securities, (B) the registration status of such offering or of such securities, (C) the prospects for success of any product or company, (D) the use of investor funds, or (E) the misappropriation of investor funds or investment proceeds.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros’ officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Quiros.

**B. Section 10(b) and Rule 10b-5 of the Exchange Act**

**IT IS FURTHER ORDERED AND ADJUDGED** that Quiros is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

by (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about: (A) any investment in or offering of securities, (B) the registration status of such offering or of such securities, (C) the prospects for success of any product or company, (D) the use of investor funds, or (E) the misappropriation of investor funds or investment proceeds.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros’ officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or

participation with Quiros.

**C. Section 20(a) of the Exchange Act**

**IT IS FURTHER ORDERED AND ADJUDGED** that Quiros is permanently restrained and enjoined from directly or indirectly violating Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)] by controlling any person or entity who uses any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

by (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about: (A) any investment in or offering of securities, (B) the registration status of such offering or of such securities, (C) the prospects for success of any product or company, (D) the use of investor funds, or (E) the misappropriation of investor funds or investment proceeds.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros' officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or

participation with Quiros.

**II.**

**CONDUCT BASED INJUNCTION**

**IT IS FURTHER ORDERED AND ADJUDGED** that, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. §78u(d)(5)], Section 305(b)(5) of the Sarbanes-Oxley Act of 2002, and the Court's equitable powers, Quiros is permanently restrained and enjoined from, directly or indirectly, including through any entity he owns or controls: (a) participating in the issuance, offer or sale of any securities issued through the EB-5 Immigrant Investor Program (provided, however, that such injunction would not prevent him from purchasing or selling securities for his own accounts); and (b) is prohibited from participating in the management, administration, or supervision of, or otherwise exercising any control over, any commercial enterprise or project that has issued or is issuing any securities through the EB-5 Immigrant Investor program.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros' officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Quiros.

**III.**

**OFFICER AND DIRECTOR BAR**

**IT IS FURTHER ORDERED AND ADJUDGED** that, pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)], Sections 21(d)(2) and 21(d)(5) of the Exchange Act [15 U.S.C. §§ 78u(d)(2) and 78u(d)(5)], and Section 305(b)(5) of the Sarbanes-Oxley Act, Quiros is barred 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)].

**IV.**

**SWORN ACCOUNTING**

**IT IS FURTHER ORDERED AND ADJUDGED** that Quiros shall provide a sworn accounting of all proceeds received resulting from the acts/or courses of conduct alleged in the Amended Complaint.

**V.**

**ASSET FREEZE**

**IT IS FURTHER ORDERED AND ADJUDGED** that pending further Order of the Court, the Asset Freeze this Court previously entered against Quiros (DE 11, 238) remains in full force and effect.

**VI.**

**DISGORGEMENT AND CIVIL PENALTY**

**IT IS FUTURE ORDERED AND ADJUDGED** that Quiros shall pay disgorgement and prejudgment interest on disgorgement, and the Court may order 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 amount of the disgorgement, prejudgment interest, and civil penalty upon motion of the Commission and after Quiros has had an opportunity to respond. Prejudgment interest shall be calculated from April 12, 2016 based on 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 a civil penalty, and at any hearing held on such a motion: (a) Quiros will



be precluded from arguing that he did not violate the federal securities laws as alleged in the Amended Complaint; (b) Quiros may not challenge the validity of the Consent or this Judgment; (c) solely for the purposes of such motion, the allegations of the Amended 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 a disgorgement, prejudgment interest on disgorgement, and a civil penalty, the parties may take discovery, including discovery from appropriate non-parties.

**VII.**

**BANKRUPTCY NONDISCHARGEABILITY**

**IT IS FURTHER ORDERED AND ADJUDGED** 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 Amended Complaint are true and admitted by Quiros, and further, any debt for disgorgement, prejudgment interest, or civil penalty or other amounts due by Quiros under this Judgment or any other judgment, order, consent order, decree, or settlement agreement entered in connection with this proceeding, is a debt for the violation by Quiros of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

**VIII.**

**INCORPORATION OF CONSENT**

**IT IS FURTHER ORDERED AND ADJUDGED** that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Quiros shall comply

with all of the undertakings and agreements set forth therein.

**IX.**

**RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED AND ADJUDGED** that this Court shall retain jurisdiction over this matter and Quiros in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

**X.**

**RULE 54(b) CERTIFICATION**

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

**DONE AND ORDERED** this \_\_\_\_ day of \_\_\_\_\_ 2017, at Miami, Florida.

\_\_\_\_\_  
THE HON. DARRIN GAYLES  
UNITED STATES DISTRICT JUDGE

Copies to:

Counsel and Parties of Record

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

**CASE NO. 16-CV-21301-GAYLES**

**SECURITIES AND EXCHANGE COMMISSION,**

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**JUDGMENT OF PERMANENT INJUNCTION AND OTHER RELIEF  
AGAINST DEFENDANT ARIEL QUIROS**

This cause comes before the Court upon the Motion by Plaintiff Securities and Exchange Commission for a Judgment of Permanent Injunction and Other Relief against Defendant Ariel Quiros (“Judgment”). By the Consent attached hereto, and without admitting or denying the allegations of the Amended Complaint (except that Quiros admits the jurisdiction of this Court over him and over the subject matter of this action), Quiros has entered a general appearance, agreed to entry of this Judgment, waived findings of fact and conclusions of law, and waived any right to appeal from this Judgment. The Court finds that good cause exists for entry of the Judgment. Accordingly, the Commission’s Motion is **GRANTED**. The Court further orders as follows:

**I.**

**PERMANENT INJUNCTION**

**A. Section 17(a) of the Securities Act**

**IT IS ORDERED AND ADJUDGED** that Quiros is permanently restrained and

enjoined from violating Section 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

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

by, directly or indirectly (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor; about: (A) any investment in or offering of securities, (B) the registration status of such offering or of such securities, (C) the prospects for success of any product or company, (D) the use of investor funds, or (E) the misappropriation of investor funds or investment proceeds.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros’ officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Quiros.

**B. Section 10(b) and Rule 10b-5 of the Exchange Act**

**IT IS FURTHER ORDERED AND ADJUDGED** that Quiros is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

by (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about: (A) any investment in or offering of securities, (B) the registration status of such offering or of such securities, (C) the prospects for success of any product or company, (D) the use of investor funds, or (E) the misappropriation of investor funds or investment proceeds.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros’ officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or

participation with Quiros.

**C. Section 20(a) of the Exchange Act**

**IT IS FURTHER ORDERED AND ADJUDGED** that Quiros is permanently restrained and enjoined from directly or indirectly violating Section 20(a) of the Exchange Act [15 U.S.C. § 78t(a)] by controlling any person or entity who uses any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit 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) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person;

by (i) creating a false appearance or otherwise deceiving any person, or (ii) disseminating false or misleading documents, materials, or information or making, either orally or in writing, any false or misleading statement in any communication with any investor or prospective investor, about: (A) any investment in or offering of securities, (B) the registration status of such offering or of such securities, (C) the prospects for success of any product or company, (D) the use of investor funds, or (E) the misappropriation of investor funds or investment proceeds.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros' officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or

participation with Quiros.

## II.

### **CONDUCT BASED INJUNCTION**

**IT IS FURTHER ORDERED AND ADJUDGED** that, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. §78u(d)(5)], Section 305(b)(5) of the Sarbanes-Oxley Act of 2002, and the Court's equitable powers, Quiros is permanently restrained and enjoined from, directly or indirectly, including through any entity he owns or controls: (a) participating in the issuance, offer or sale of any securities issued through the EB-5 Immigrant Investor Program (provided, however, that such injunction would not prevent him from purchasing or selling securities for his own accounts); and (b) is prohibited from participating in the management, administration, or supervision of, or otherwise exercising any control over, any commercial enterprise or project that has issued or is issuing any securities through the EB-5 Immigrant Investor program.

**IT IS FURTHER ORDERED AND ADJUDGED** 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) any of Quiros' officers, directors, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Quiros.

## III.

### **OFFICER AND DIRECTOR BAR**

**IT IS FURTHER ORDERED AND ADJUDGED** that, pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)], Sections 21(d)(2) and 21(d)(5) of the Exchange Act [15 U.S.C. §§ 78u(d)(2) and 78u(d)(5)], and Section 305(b)(5) of the Sarbanes-Oxley Act, Quiros is barred 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)].

**IV.**

**SWORN ACCOUNTING**

**IT IS FURTHER ORDERED AND ADJUDGED** that Quiros shall provide a sworn accounting of all proceeds received resulting from the acts/or courses of conduct alleged in the Amended Complaint.

**V.**

**ASSET FREEZE**

**IT IS FURTHER ORDERED AND ADJUDGED** that pending further Order of the Court, the Asset Freeze this Court previously entered against Quiros (DE 11, 238) remains in full force and effect.

**VI.**

**DISGORGEMENT AND CIVIL PENALTY**

**IT IS FUTURE ORDERED AND ADJUDGED** that Quiros shall pay disgorgement and prejudgment interest on disgorgement, and the Court may order 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 amount of the disgorgement, prejudgment interest, and civil penalty upon motion of the Commission and after Quiros has had an opportunity to respond. Prejudgment interest shall be calculated from April 12, 2016 based on 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 a civil penalty, and at any hearing held on such a motion: (a) Quiros will



be precluded from arguing that he did not violate the federal securities laws as alleged in the Amended Complaint; (b) Quiros may not challenge the validity of the Consent or this Judgment; (c) solely for the purposes of such motion, the allegations of the Amended 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 a disgorgement, prejudgment interest on disgorgement, and a civil penalty, the parties may take discovery, including discovery from appropriate non-parties.

**VII.**

**BANKRUPTCY NONDISCHARGEABILITY**

**IT IS FURTHER ORDERED AND ADJUDGED** 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 Amended Complaint are true and admitted by Quiros, and further, any debt for disgorgement, prejudgment interest, or civil penalty or other amounts due by Quiros under this Judgment or any other judgment, order, consent order, decree, or settlement agreement entered in connection with this proceeding, is a debt for the violation by Quiros of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

**VIII.**

**INCORPORATION OF CONSENT**

**IT IS FURTHER ORDERED AND ADJUDGED** that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Quiros shall comply

with all of the undertakings and agreements set forth therein.

**IX.**

**RETENTION OF JURISDICTION**

**IT IS FURTHER ORDERED AND ADJUDGED** that this Court shall retain jurisdiction over this matter and Quiros in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

**X.**

**RULE 54(b) CERTIFICATION**

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

**DONE AND ORDERED** this \_\_\_\_ day of \_\_\_\_\_ 2017, at Miami, Florida.

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THE HON. DARRIN GAYLES  
UNITED STATES DISTRICT JUDGE

Copies to:

Counsel and Parties of Record