

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

CASE NO. 0:18-cv-61991-BB

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**1 GLOBAL CAPITAL LLC, and
CARL RUDERMAN,**

Defendants, and

**1 WEST CAPITAL LLC,
BRIGHT SMILE FINANCING, LLC,
BRR BLOCK INC.,
DIGI SOUTH, LLC,
GANADOR ENTERPRISES, LLC,
MEDIA PAY LLC,
PAY NOW DIRECT LLC, and
RUDERMAN FAMILY TRUST,**

Relief Defendants.

**SEALED ORDER GRANTING PLAINTIFF'S EMERGENCY *EX PARTE* MOTION AND
MEMORANDUM OF LAW FOR ASSET FREEZE AND OTHER RELIEF**

THIS CAUSE is before the Court upon Plaintiff Securities and Exchange Commission's Emergency *Ex Parte* Motion and Memorandum of Law for Asset Freeze and Other Relief ("Asset Freeze Motion), ECF No. [7], which seeks the following orders:

(1) An Order Freezing the Assets of Defendant Carl Ruderman and Relief Defendants Bright Smile Financing, LLC, BRR Block Inc., Digi South, LLC, Ganador Enterprises, LLC, Media Pay LLC, Pay Now Direct LLC, and the Ruderman Family Trust;

(2) An Order Prohibiting Destruction of Documents against Defendant Ruderman and

Relief Defendants Bright Smile Financing, BRR Block, Digi South, Ganador Enterprises, Media Pay, Pay Now Direct, and the Ruderman Family Trust;

(3) An Order Allowing the Deposition of Carl Ruderman to Occur on Two Days' Notice prior to the Show Cause Hearing;

(4) An Order Requiring A Sworn Accounting; and

(5) An Order to Show Cause why the asset freeze Order described in Paragraph (1) should not continue against Ruderman and the Relief Defendants set forth in Paragraph (1) and why the Order against destruction of records described in Paragraph (2) should not continue against Ruderman and the Relief Defendants set forth in Paragraph (2).

The Court has considered the Commission's Complaint, its Emergency Motion, and the exhibits filed in support thereof. The Court finds the Commission has made a sufficient and proper showing in support of the relief requested and granted herein by: (i) presenting a *prima facie* case of securities laws violations by the Defendants; and (ii) showing a reasonable likelihood that Ruderman and the Relief Defendants will continue to dissipate, conceal or transfer from the jurisdiction of this Court assets which could be subject to an Order of Disgorgement.

Accordingly, the Motion, **ECF No. [7]**, is **GRANTED**, and it is **ORDERED AND ADJUDGED** as follows:

I.

SHOW CAUSE HEARING

Defendant Ruderman and Relief Defendants Bright Smile Financing, BRR Block, Digi South, Ganador Enterprises, Media Pay, Pay Now Direct, and the Ruderman Family Trust; show cause, if any, before the Honorable Beth Bloom, at **10:00 a.m., on Friday, September 7, 2018**,

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in Courtroom 10-2, Wilkie D. Ferguson, Jr. United States Courthouse, 400 North Miami Avenue, Miami, Florida 33128 why the asset freeze Order described in Section II and the Order prohibiting destruction of records described in Section III should not continue for the pendency of this litigation or until other Order of the Court.

II.

ASSET FREEZE

IT IS FURTHER ORDERED AND ADJUDGED that, pending determination of the outcome of the Show Cause Hearing:

- A. Defendant Ruderman and Relief Defendants Bright Smile Financing, BRR Block, Digi South, Ganador Enterprises, Media Pay, Pay Now Direct, and the Ruderman Family Trust and their respective directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with any one or more of them, and each of them, who receive notice of this Order by personal service, mail, email, facsimile transmission or otherwise, be and hereby are, restrained from, directly or indirectly, transferring, setting off, receiving, changing, selling, pledging, assigning, liquidating or otherwise disposing of, or withdrawing any assets or property, including but not limited to cash, free credit balances, fully paid for securities, personal property, real property, and/or property pledged or hypothecated as collateral for loans, or charging upon or drawing from any lines of credit, owned by, controlled by, or in the possession of, whether jointly or singly, and wherever located; and
- B. Any financial or brokerage institution or other person or entity holding any such funds or other assets, in the name, for the benefit or under the control of

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Defendant Ruderman and Relief Defendants Bright Smile Financing, BRR Block, Digi South, Ganador Enterprises, Media Pay, Pay Now Direct, and the Ruderman Family Trust, directly or indirectly, held jointly or singly, and wherever located, and which receives actual notice of this Order by personal service, mail, email, facsimile, or otherwise, shall hold and retain within its control and prohibit the withdrawal, removal, transfer, disposition, pledge, encumbrance, assignment, set off, sale, liquidation, dissipation, concealment, or other disposal of any such funds or other assets, including, but not limited to, the following accounts:

Bank Of America:

- Ganador Enterprises, LLC, account ending in 57046;
- Digi South, LLC, account ending in 94659;
- Digi South, LLC, account ending in 94662;
- Digi South, LLC, account ending in 94675;
- Digi South, LLC, account ending in 21505;
- Pay Now Direct LLC, account ending in 42771;
- Bright Smile Financing, LLC, account ending in 89714;
- Ruderman Family Trust, account ending in 67733;
- Media Pay LLC, account ending in 59154;
- Carl Ruderman, account ending in 26994;

City National Bank:

- Bright Smile Financing, LLC, account ending in 81867;

Bridge Bank:

- Bright Smile Financing, LLC, account ending in 1343;
- Bright Smile Financing, LLC, account ending in 98835;
- Bright Smile Financing, LLC, account ending in 85484; and

JP Morgan Chase:

- BRR Block Inc., account ending in 02673;

IV.

RECORDS PRESERVATION

IT IS FURTHER ORDERED AND ADJUDGED that, pending determination of the Show Cause Hearing, Defendant Ruderman and Relief Defendants Bright Smile Financing, BRR Block, Digi South, Ganador Enterprises, Media Pay, Pay Now Direct, and the Ruderman Family Trust, any of their directors, officers, agents, servants, employees, attorneys, depositories, banks, and those persons in active concert or participation with any one or more of them, and each of them, be and they hereby are restrained and enjoined from, directly or indirectly, destroying, mutilating, concealing, altering, disposing of, or otherwise rendering illegible in any manner, any of the books, records, documents, correspondence, brochures, manuals, papers, ledgers, accounts, statements, obligations, files and other property of or pertaining to any of the Defendants or Relief Defendants, wherever located and in whatever form, electronic or otherwise, until further Order of this Court.

V.

EXPEDITED DEPOSITION

IT IS FURTHER ORDERED AND ADJUDGED that immediately upon entry of this Order, and while the Commission's request for a Show Cause Order is pending, the Commission may take the deposition upon oral examination of Defendant Ruderman on three (3) days' notice. Should Ruderman fail to appear for a properly noticed deposition, he shall be prohibited from testifying at the hearing on the Commission's request for a Show Cause Order.

VI.

SWORN ACCOUNTING

IT IS FURTHER ORDERED AND ADJUDGED that within seven (7) days of the

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issuance of this Order, Defendant Ruderman and Relief Defendants Bright Smile Financing, BRR Block, Digi South, Ganador Enterprises, Media Pay, Pay Now Direct, and the Ruderman Family Trust shall:

- (a) make a sworn accounting to this Court and the Commission of all assets, funds, or other properties, real or personal, held jointly or individually, for each person or entity's direct, indirect, beneficial or other interest, or over which each maintains control, wherever situated, stating the location, value, and disposition of each such asset, fund, and other property;
- (b) make a sworn accounting to this Court and the Commission a sworn identification of all accounts (including, but not limited to, bank accounts, savings accounts, securities accounts and deposits of any kind wherever situated) in which each (whether jointly or solely) directly or indirectly either has an interest or over which each has have the power or right to exercise control; and
- (c) make a sworn accounting to this Court and the Commission of all funds, whether in the form of compensation, commissions, income (including payments for assets, shares or property of any kind), and other benefits (including the provision of services of a personal or mixed business and personal nature) received by each person or entity, directly or indirectly, from 1 Global Capital LLC or 1 West Capital LLC.

VII.

RETENTION OF JURISDICTION

IT IS FURTHER ORDERED AND ADJUDGED that this Court shall retain jurisdiction over this matter and all the Defendants and Relief Defendants in this matter in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to

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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.

DONE AND ORDERED in Chambers in Miami, Florida this 23rd day of August, 2018.



BETH BLOOM
UNITED STATES DISTRICT JUDGE

Copies to:

Robert Levenson, Esq.
Senior Trial Counsel
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Phone: (305) 982-6341
Fax: (305) 536-4154
Levensonr@sec.gov
Counsel for Securities and Exchange Commission

Christopher E. Martin, Esq.
Senior Trial Counsel
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Phone: (305) 982-6386
Fax: (305) 536-4154
martinc@sec.gov
Counsel for Securities and Exchange Commission