

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 21-61644-CIV-SINGHAL

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

MJ CAPITAL FUNDING, LLC,
MJ TAXES AND MORE, INC., and
JOHANNA M. GARCIA,

Defendants.

**ORDER OF PRELIMINARY INJUNCTION AND OTHER RELIEF
BY CONSENT AS TO DEFENDANT JOHANNA M. GARCIA**

THIS CAUSE is before the Court on the Court's Order extending the temporary restraining order and asset freeze over Defendants MJ Capital Funding, LLC, MJ Taxes and More, Inc., and Johanna M. Garcia ("Garcia") (collectively, "Defendants") through September 9, 2021, or such later date that the Court enters a ruling on Plaintiff Securities and Exchange Commission's (the "SEC") request for a preliminary injunction against Defendants; and (2) continuing the August 25, 2021¹ hearing wherein Defendants must show cause why a preliminary injunction should not be entered against them (DE [27]), and based on the consent of Garcia and good cause appearing on the record, the SEC's request for a Preliminary Injunction is **GRANTED** with respect to Garcia as follows:

¹ Continued by Joint Motion for hearing Wednesday, September 8, 2021.

I. PRELIMINARY INJUNCTION

IT IS ORDERED that until further Order of the Court, Garcia is restrained and enjoined from violating:

A. Section 5 of the Securities Act

Section 5 of the Securities Act, 15 U.S.C. § 77e, by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act, 15 U.S.C. § 77h.

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 Preliminary Injunction by personal service or otherwise: (a) Garcia's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Garcia or with anyone described in (a).

B. Section 17(a) of the Securities Act

Section 17(a)(1) of the Securities Act of 1933 (the "Securities Act"), 15 U.S.C. § 77q(a)(1), by, 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:

(a) employing any device, scheme, or artifice to defraud,

(b) obtaining 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

(c) engaging 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 strategy or investment in securities; (B) the prospects for success of any product or company; (C) the use of investor funds; (D) compensation to any person; (E) Defendants' qualifications to advise investors; or (F) the misappropriation of investor funds or investment proceeds.

IT IS FURTHER ORDERED 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 Preliminary Injunction: (a) Garcia's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Garcia or with anyone described in (a).

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

Section 10(b) and Rule 10b-5(a) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5(a), 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) employing any device, scheme, or artifice to defraud,
- (b) by making 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) engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person,
 - 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 strategy or investment in securities; (B) the prospects for success of any product or company; (C) the use of investor funds; (D) compensation to any person; (E) Defendants' qualifications to advise investors; or (F) the misappropriation of investor funds or investment proceeds.

IT IS FURTHER ORDERED 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 Preliminary Injunction by personal service or otherwise: (a) Garcia's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Garcia or with anyone described in (a).

II. **EXTENSION OF TEMPORARY ORDER FREEZING ASSETS**

IT IS FURTHER ORDERED that, for the period from the date of this Order until sixty (60) days thereafter,

A. Defendant Garcia, and her respective 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:

1. Johanna M. Garcia

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 Johanna M. Garcia, 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 presently known bank accounts:

Financial Institution	Name of Account	Account Number
Wells Fargo Bank, N.A.	MJ Capital Funding, LLC	xxxxxx1239
JPMorgan Chase Bank, N.A.	MJ Capital Funding, LLC	xxxxx3960
Wells Fargo Bank, N.A.	MJ Tax Services & More Inc	xxxxxx9911
JPMorgan Chase Bank, N.A.	MJ Tax Services & More Inc	xxxxx8072
Wells Fargo Bank, N.A.	Johanna M Garcia Javier Garcia	xxxxxx3719
Wells Fargo Bank, N.A.	Johanna M Garcia	xxxxxx3159
JPMorgan Chase Bank NA	Johanna M Garcia	xxxx8141
JPMorgan Chase Bank NA	Johanna M Garcia	xxxxxx8681
JPMorgan Chase Bank NA	Johanna M Garcia	xxxxxx1397
American Express	MJ Capital Funding, LLC	xxxxxxxxxxx2004
American Express	MJ Capital Funding, LLC	xxxxxxxxxxx1097
American Express	Johanna M Garcia	xxxxxxxxxxx3005
American Express	Johanna M Garcia	xxxxxxxxxxx2035
American Express	Johanna M Garcia	xxxxxxxxxxx1023
American Express	Johanna M Maldonado	xxxxxxxxxxx1025
Macy's	Johanna Garcia Natalia Burgos	xxxxxxxxxxx2922
1 st Premiere Credit Card	Johanna M Redondo	xxxxxxxxxxx6903
Home Depot	Johanna Garcia	xxxxxxxxxxx2779
Capital One Master Card	Johanna M. Garcia	xxxxxxxxxxx9642
Empire X Crypto Currency	Unknown	Unknown

Notwithstanding the foregoing:

1. The \$100,000 deposited in the IOTA account of attorney Carl Schoeppel from a third party shall not be frozen and may be applied to attorney's fees incurred or to be incurred on behalf of Garcia.

2. Garcia may deposit compensation in the approximate weekly amount of \$700 from her work at MJ Remodeling, LLC ("MJ Remodeling"), and \$700 from her work at MJ Realty Group, Inc. ("MJ Realty"), for a total approximate weekly amount of \$1,400, into a newly opened account (the "New Account"), which shall not be subject to this Order. Notwithstanding this provision, the SEC's investigation is ongoing and it reserves the right to seek appropriate relief against MJ Remodeling and MJ Realty, and against Garcia for any compensation or monies received from them, including but not limited to an asset freeze.

3. To pay living expenses only, Garcia may open up a new credit card up to a \$5,000 monthly limit or debit card from the New Account, which shall not be subject to this Order.

4. Upon request of the SEC, Garcia shall within seven (7) days produce to the SEC, bank records relating to the New Account, and records relating to Garcia's employment and compensation from MJ Remodeling and MJ Realty.

III. RETENTION OF JURISDICTION

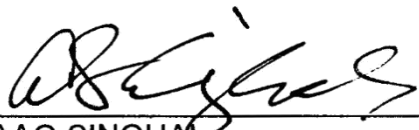
IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction over this matter and Garcia in order to implement and carry out the terms of all Orders and Decrees that may be entered and/or to entertain any suitable application or motion for

additional relief within the jurisdiction of this Court, and will order other relief that this Court deems appropriate under the circumstances.

Accordingly, it is hereby

ORDERED AND ADJUDGED that Plaintiff's Motion For Entry Of Proposed Consent Order (DE [40]) is **GRANTED**.

DONE AND ORDERED in Chambers, Fort Lauderdale, Florida, this 8th day of September 2021.



RAAG SINGHAL
UNITED STATES DISTRICT JUDGE

Copies furnished to counsel of record via CM/ECF