

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

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U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

UN SEALED

v.

**Case No. 6:21-cv-694-CEM-DCI
UNDER SEAL**

**HARBOR CITY CAPITAL
CORP., HARBOR CITY
VENTURES, LLC, HCCF-1 LLC,
HCCF-2 LLC, HCCF-3 LLC,
HCCF-4 LLC, HCCF-5 LLC,
HARBOR CITY DIGITAL
VENTURES, INC., HCC MEDIA
FUNDING, LLC, AND
JONATHAN P. MARONEY,**

Defendants.

_____ /

TEMPORARY RESTRAINING ORDER

THIS CAUSE is before the Court on Plaintiff’s Motion for Leave to File Under Seal (“Motion to Seal,” Doc. S-2); Plaintiff’s Motion for Leave to File Excess Pages (“Motion for Excess Pages,” Doc. S-3); and Plaintiff’s Emergency Ex Parte Motion for Temporary Restraining Order (“TRO”), Asset Freeze, and Other Injunctive Relief (“Motion for TRO,” Doc. S-4). For the reasons set forth herein, the Motion to Seal, Motion for Excess Pages, and Motion for TRO will be granted.

This “emergency action” was filed by Plaintiff Securities and Exchange Commission, alleging that Defendants are involved in perpetrating “an ongoing, fraudulent Ponzi-scheme victimizing hundreds of investors across the United States.” (Compl., Doc. S-1, at 1). Specifically, Plaintiff alleges that Defendants “have raised more than \$17.1 million through a series of unregistered fraudulent securities offerings in several entities formed and controlled by” Defendants Jonathan P. Maroney and Harbor City Capital Corp. (“Harbor City Capital”). (*Id.* at 2).

Defendant Maroney is the President and sole Director of Harbor City Capital, a company incorporated in December 2014, (Harbor City Capital Corporate Filings, Doc. S-4, Ex. 2, at 7–10), and Defendant Harbor City Digital Ventures (“Harbor City Digital”), a company incorporated in August 2017, (Harbor City Digital Corporate Filings, Doc. S-4, Ex. 3, 5–8). Maroney is also the sole Manager of Defendant Harbor City Ventures LLC (“Harbor City Ventures”), formed in December 2014. (Harbor City Ventures Corporate Filings, Doc. S-4, Ex. 4, at 2–6). Finally, Maroney is the Organizer¹ of Defendants HCCF-1 LLC (“HCCF-1”), HCCF-2 LLC (“HCCF-2”), HCCF-3 LLC (“HCCF-3”), and HCCF-4 LLC (“HCCF-4”), formed on various dates between August 2018 and November 2019. (HCCF LLCs Corporate Filings,

¹ Maroney is listed as the sole Manager of HCCF-1, (Doc. S-4, Ex. 6, at 4), the sole Member of HCCF-2, (*id.* at 15), and the Organizer of HCCF-3 and HCCF-4, (*id.* at 16, 24).

Doc. S-4, Ex. 6, at 4–7, 15–16, 24). As to the remaining Defendants, Defendant HCC Media Funding LLC (“HCC Media”) was organized by “MXG Holdings,” (HCC Media Corporate Filings, Doc. S-4, Ex. 5, at 5), and HCC Media is the Organizer of HCCF-5 LLC (“HCCF-5”), (Doc. S-4, Ex. 6, at 32).

Plaintiff asserts seven counts against Defendants: Count I—Unregistered Sales of Securities in Violation of Sections 5(a) and 5(c) of the Securities Act; Count II—Fraud in Violation of Section 17(a)(1) of the Securities Act; Count III—Fraud in Violation of Section 17(a)(2) of the Securities Act; Count IV—Fraud in Violation of Section 17(a)(3) of the Securities Act; Count V—Fraud in Violation of Section 10(b) and Rule 10b-5(a) of the Exchange Act; Count VI Fraud in Violation of Section 10(b) and Rule 10b-5(b) of the Exchange Act; Count VII—Fraud in Violation of Section 10(b) and Rule 10b-5(c) of the Exchange Act. (Doc. S-1 at 19–24).

Plaintiff seeks an ex parte TRO against all Defendants, including an asset freeze, to enjoin Defendants’ ongoing alleged violations of the Securities Act and the Exchange Act. (*See generally* Doc. S-4). Plaintiff also seeks to enjoin two non-parties, Celtic Enterprises LLC (“Celtic”) and Tonya Maroney. (*Id.* at 7). Celtic Enterprises is an LLC owned by Maroney, (Celtic Corporate Filings and Bank Records, Doc. S-4, Ex. 1, at 53–65, 67–70), and Tonya Maroney is the spouse of Jonathan Maroney as well as the self-purported “Owner and Founder” of Harbor

City Capital. (Tonya Maroney LinkedIn Profile, Doc. S-4, Ex. 9, at 2–3). Based on Defendants’ bank records, both Celtic and Tonya Maroney are alleged to have received ill-gotten gains from Defendants. (Strandell Decl., Doc. S-4, Ex. 1, at 6).

“[U]pon a proper showing,” the SEC is entitled to “a permanent or temporary injunction or restraining order . . . without bond.” 15 U.S.C. § 77t(b); 15 U.S.C. § 78u(d). A “proper showing,” requires the SEC to “establish[] the following: (1) a prima facie case of previous violations of federal securities laws, and (2) a reasonable likelihood that the wrong will be repeated.” *SEC v. Unique Fin. Concepts, Inc.*, 196 F.3d 1195, 1199 n.2 (11th Cir. 1999). “[T]he SEC appears in this matter not as an ordinary litigant, but as a statutory guardian charged with safeguarding the public interest in enforcing the securities laws. It therefore does not have to show irreparable injury or a balance of the equities in its favor.” *S.E.C. v. Lauer*, 03-80612-CIV-JOHNSON, 2008 WL 4372896, at *24 (S.D. Fla. Sept. 24, 2008), *aff’d*, 478 F. App’x 550 (11th Cir. 2012) (internal citations omitted); *see also Smith v. S.E.C.*, 653 F.3d 121, 127 (2d Cir. 2011) (explaining that “injunctions sought by the SEC do not require a showing of irreparable harm or the unavailability of remedies at law” and citing *S.E.C. v. Unifund SAL*, 910 F.2d 1028, 1035–36 (2d Cir. 1990), which in turn relies on *Hecht Co. v. Bowles*, 321 U.S. 321, 329 (1944)).

The Court, having considered the Complaint, the Motion for TRO, and all declarations and exhibits thereto, and having reviewed the relevant legal authorities,

finds that Plaintiff has demonstrated a proper showing to be entitled to a TRO against all Defendants. Accordingly, it is **ORDERED** and **ADJUDGED** as follows:

1. Plaintiff's Motion for Leave to File Under Seal (Doc. S-2) is **GRANTED**.
2. Plaintiff's Motion for Leave to File Excess Pages (Doc. S-3) is **GRANTED**.
3. Plaintiff's Emergency Ex Parte Motion for Temporary Restraining Order, Asset Freeze, and Other Injunctive Relief (Doc. S-4) is **GRANTED**.
4. Plaintiff's Order Granting Emergency Ex Parte Motion for Temporary Restraining Order, Asset Freeze, and Other Injunctive Relief, attached as an exhibit to this Order, is **ADOPTED** and made a part of this Order.
5. **As soon as practicable, but no later than Friday, April 23, 2021,** Plaintiff shall serve this Order on Defendants and thereafter file proof of service.²
6. Plaintiff and Defendants shall appear on **Thursday, April 29, 2021, at 2:00 PM** in Courtroom 5B, George C. Young United States Courthouse Annex, 401 W. Central Boulevard, Orlando, Florida, before the

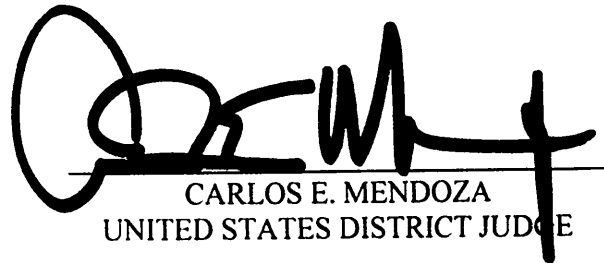
² For purposes of this Order, actual notice is sufficient; formal service is not required.

Honorable Carlos E. Mendoza.³ The Court will hear argument and the parties may present evidence. **Defendants are on notice that failure to appear at the hearing may result in the imposition of a preliminary injunction without further notice.**

7. This Order shall remain in effect for fourteen days unless dissolved or extended for good cause by this Court.

8. The Clerk is directed to send this Order to Plaintiff via overnight mail.

DONE and ORDERED in Orlando, Florida on April 21, 2021.



CARLOS E. MENDOZA
UNITED STATES DISTRICT JUDGE

Copies furnished to:

Counsel of Record

³ The hearing will be limited to one hour.

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

CIVIL ACTION NO. 6:21-cv-694-CEM-DCI

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

HARBOR CITY CAPITAL CORP.,
HARBOR CITY VENTURES, LLC,
HCCF-1 LLC,
HCCF-2 LLC,
HCCF-3 LLC,
HCCF-4 LLC,
HCCF-5 LLC,
HARBOR CITY DIGITAL VENTURES, INC.,
HCC MEDIA FUNDING, LLC,
JONATHAN P. MARONEY,

UNDER SEAL

Defendants,

and

CELTIC ENTERPRISES, LLC and
TONYA L. MARONEY,

Relief Defendants.

ORDER GRANTING EMERGENCY *EX PARTE* MOTION FOR TEMPORARY
RESTRAINING ORDER, ASSET FREEZE, AND OTHER INJUNCTIVE
RELIEF

This cause comes before the Court upon the Emergency *Ex Parte* Motion by Plaintiff Securities and Exchange Commission for the following orders with respect to Harbor City Capital Corp., Harbor City Ventures, LLC, HCCF-1, HCCF-2, HCCF-3, HCCF-4, HCCF-5, Harbor City Digital Ventures, Inc., HCC Media Funding, LLC, and Jonathan P. Maroney (collectively, “Defendants”), and Relief Defendants Celtic Enterprises, LLC and Tonya L. Maroney (collectively, “Relief Defendants”):

1. a Temporary Restraining Order;
2. an Order to Show Cause Why a Preliminary Injunction Should Not be Granted;
3. an Order Freezing the Assets of Defendants and Relief Defendant;
4. an Order Requiring Sworn Accountings;
5. an Order Prohibiting Destruction of Documents; and
6. an Order Expediting Discovery.

The Court has considered the Commission’s Complaint, its Emergency Motion for a Temporary Restraining Order and Other Relief and Memorandum of Law in Support, and the declarations and exhibits filed in support of that motion. The Court finds the Commission has made a sufficient and proper showing in support of the relief granted herein by: (i) presenting a *prima facie* case of securities laws violations by Defendants; and (ii) showing a reasonable likelihood

Defendants will harm the investing public by continuing to violate the federal securities laws unless they are immediately restrained. The Court also finds good cause to believe that unless immediately restrained and enjoined by Order of this Court, Defendants and 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 is **GRANTED**, and the Court hereby orders as follows:

I.

SHOW CAUSE HEARING

IT IS HEREBY ORDERED that Defendants show cause, if any, before the Honorable _____ of this Court, at ____ o'clock __.m., on the ____ day of _____ 2021, in Courtroom _____, United States Courthouse, in Orlando, Florida, or as soon thereafter as the matter can be heard, why a Preliminary Injunction pursuant to Rule 65 of the Federal Rules of Civil Procedure should not be granted against Defendants.

II.

TEMPORARY RESTRAINING ORDER

IT IS FURTHER ORDERED that, pending determination of the Commission's request for a Preliminary Injunction, Defendants Harbor City

Capital Corp. (“Harbor City”), Harbor City Ventures, LLC, HCCF-1, HCCF-2, HCCF-3, HCCF-4, HCCF-5, Harbor City Digital Ventures, Inc., HCC Media Funding, LLC, and Jonathan P. Maroney and their respective directors, officers, agents, servants, employees, attorneys, representatives and those persons in active concert or participation with them, and each of them, are hereby restrained and enjoined from:

Section 17(a)(1) of the Securities Act of 1933 (“Securities Act”)

A. Directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce, or by the use of the mails, in the offer or sale of securities, knowingly or recklessly employing devices, schemes or artifices to defraud, in violation of Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1);

Sections 17(a)(2) & (3) of the Securities Act

B. Directly or indirectly, by use of any means or instruments of transportation or communication in interstate commerce or by the use of the mails, in the offer or sale of securities, (i) obtaining money or property by means of untrue statements of material facts or omissions to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; or (ii) engaging in acts, practices and courses of business which have operated and will operate as a fraud or deceit upon purchasers and

prospective purchasers of such securities, in violation of Sections 17(a)(2) & (3) of the Securities Act, 15 U.S.C. §§ 77q(a)(2) & (3); and

Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5

C. Directly or indirectly, by use of 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 securities, knowingly or recklessly: (i) employing devices, schemes or artifices to defraud; (ii) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (iii) engaging in acts, practices and courses of business which have operated, are now operating or will operate as a fraud upon the purchasers of such securities in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5, thereunder.

Section 5 of the Securities Act

IT IS FURTHER ORDERED AND ADJUDGED that Defendants, their respective directors, officers, agents, servants, employees, attorneys, representatives and those persons in active concert or participation with them, and each of them, are hereby restrained and enjoined from violating 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.

III.

ASSET FREEZE

IT IS FURTHER ORDERED that, pending determination of the Commission's request for a Preliminary Injunction:

A. Defendants and Relief Defendants 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:

1. Harbor City Capital Corp.
2. Harbor City Ventures, LLC
3. HCCF-1
4. HCCF-2
5. HCCF-3
6. HCCF-4
7. HCCF-5
8. Harbor City Digital Ventures, Inc.

9. HCC Media Funding, LLC

10. Jonathan P. Maroney

11. Celtic Enterprises, LLC

12. Tonya L. Maroney

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 Defendants and Relief Defendants 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 and credit card accounts:

| Financial Institution | Name of Account | Account Number |
|------------------------------|--|-----------------------|
| Wells Fargo Bank | Harbor City Digital Ventures, Inc./ Jonathan P. Maroney | Ending in 4397 |
| Wells Fargo Bank | Harbor City Capital Corp/ Jonathan P. Maroney | Ending in 4389 |
| Wells Fargo Bank | Celtic Enterprises LLC/ Jonathan P. Maroney | Ending in 6246 |
| Wells Fargo Bank | HCCF Administrator LLC | Ending in 2706 |
| Wells Fargo Bank | Harbor City Digital Ventures, Inc./ Tonya Maroney | Ending in 3359 |

| | | |
|------------------|--|-----------------------|
| Wells Fargo Bank | Harbor City Digital Ventures, Inc./ Jonathan P. Maroney | Ending in 3342 |
| Wells Fargo Bank | Harbor City Digital Ventures, Inc./ Jayson Benoit | Ending in 3369 |
| Bank of America | HC Associates Inc./ Jonathan P. Maroney | Ending in 6793 |
| Bank of America | HC Associates Inc./ Jonathan P. Maroney | Ending in 6764 |
| Bank of America | Celtic Enterprises LLC/ Jonathan P. Maroney | Ending in 6780 |
| Bank of America | Celtic Enterprises LLC/ Jonathan P. Maroney | Ending in 3702 |
| Chase | JP Maroney and Tonya Maroney Personal Account | Ending in 1213 |
| Chase | Givertree Inc./ JP Maroney | Ending in 8901 |
| Intuit | HC Associates Inc./Jonathan P. Maroney | CO ID: Ending 6679 |
| American Express | Harbor City/Jonathan P. Maroney | |

IV.
SWORN ACCOUNTINGS

IT IS FURTHER ORDERED that within seven calendar days of the issuance of this Order, Defendants Johnathan P. Maroney, Harbor City Capital Corp., Harbor City Ventures, LLC, HCCF-1, HCCF-2, HCCF-3, HCCF-4, HCCF-5, Harbor City Digital Ventures, Inc., HCC Media Funding, LLC, and Relief Defendants Tonya L. Maroney and Celtic Enterprises, LLC, shall:

(a) 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, directly or indirectly, by Jonathan P. Maroney, Tonya L. Maroney, Harbor City Capital Corp. ("Harbor City"), Harbor City Ventures, LLC, HCCF-1, HCCF-2, HCCF-3, HCCF-4, HCCF-5, Harbor City Digital Ventures, Inc., HCC Media Funding, LLC, and Celtic Enterprises, LLC;

(b) make a sworn accounting to this Court and the Commission of all assets, funds, or other properties, whether real or personal, held by Johnathan P. Maroney, Tonya L. Maroney, Harbor City Capital Corp. ("Harbor City"), Harbor City Ventures, LLC, HCCF-1, HCCF-2, HCCF-3, HCCF-4, HCCF-5, Harbor City Digital Ventures, Inc., HCC Media Funding, LLC, and Celtic Enterprises, LLC, jointly or individually, or for its direct or indirect beneficial interest, or over which it maintains control, wherever situated, stating the location, value, and disposition of each such asset, fund, and other property; and

(c) provide to the 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 and wherever situated) in which Johnathan P. Maroney, Tonya L. Maroney, Harbor City Capital Corp. ("Harbor City"), Harbor City Ventures, LLC, HCCF-1, HCCF-2, HCCF-3, HCCF-4, HCCF-5, Harbor City Digital Ventures, Inc., HCC Media Funding, LLC, and Celtic Enterprises, LLC (whether solely or jointly), directly or indirectly (including through a corporation,

partnership, relative, friend or nominee), either has an interest or over which it has the power or right to exercise control.

V.

RECORDS PRESERVATION

IT IS FURTHER ORDERED that, pending determination of the Commission's request for a Preliminary Injunction, Defendants and Relief Defendant, 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 Defendants wherever located and in whatever form, electronic or otherwise, until further Order of this Court.

VI.

EXPEDITED DISCOVERY

IT IS FURTHER ORDERED that immediately upon entry of this Order, and while the Commission's request for a Preliminary Injunction is pending, the parties may take depositions upon oral examination of Johnathan P. Maroney

subject to three days' notice. Should Defendant Maroney fail to appear for a properly noticed deposition, he may be prohibited from introducing evidence at the hearing on the Commission's request for a preliminary injunction.

VII.

RETENTION OF JURISDICTION

IT IS HEREBY FURTHER ORDERED that this Court shall retain jurisdiction over this matter and Defendants and Relief Defendants 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.

DONE AND ORDERED in Chambers in _____, Florida, this ____ day of April 2021.

UNITED STATES DISTRICT JUDGE