

UNITED STATES SECURITIES AND EXCHANGE COMMISSION,	:	
	:	
Plaintiff,	:	
	:	
v.	:	Case No. 17-cv-1261
	:	
RONALD VAN DEN HEUVEL, and	:	Hon. William C. Griesbach
GREEN BOX NA DETROIT, LLC,	:	
	:	
Defendants.	:	
	:	

The SEC respectfully moves for the entry of final judgment against defendant Ronald Van Den Heuvel. In a nutshell, the parties have agreed to a resolution of the claims against him in light of the outcome of the parallel criminal proceeding, and his ensuing incarceration. The proposed final judgment includes a permanent injunction, but does not require Van Den Heuvel to pay monetary relief above and beyond the amounts in this Court's restitution order.

1. On September 19, 2017, the SEC filed this action against Van Den Heuvel and his company, Green Box NA Detroit, LLC. The SEC basically alleged that the defendants made false statements to investors about a new way to recycle post-consumer waste. Van Den Heuvel told investors that he would use their funds for an eco-friendly recycling process called the Green Box Process. In reality, Van Den Heuvel used a significant portion of their funds for improper purposes, and thus misappropriated millions of dollars of investor funds.

2. That same day, the United States filed a 14-count indictment against Van Den Heuvel, alleging substantially the same misconduct (and more). *See United States v. Van Den Heuvel*, 17-cr-160 (E.D. Wis.).

3. One year later, Van Den Heuvel pleaded guilty to one count of wire fraud. *See United States v. Van Den Heuvel*, 17-cr-160 (E.D. Wis.) (Dckt. No. 108).

4. This Court ultimately sentenced Van Den Heuvel to be imprisoned for a term of 90 months. *See United States v. Van Den Heuvel*, 17-cr-160 (E.D. Wis.) (Dckt. No. 127). This Court also ordered restitution totaling more than \$9.4 million. *Id.* The victims included “Clifton Equities” and “EB-5 Investors,” the defrauded investors in the SEC action. *Id.* This Court later amended the judgment to identify the EB-5 investors by name. *See* Dckt. No. 150.

5. Meanwhile, this Court stayed the SEC action pending the criminal case, and lifted the stay earlier this year.

6. In light of his criminal sentence, the SEC and Van Den Heuvel have agreed upon a resolution of the claims against him in this action. Van Den Heuvel has consented to the entry of final judgment against him. Exhibit 1 is a copy of the executed, notarized Consent of Defendant Ronald Van Den Heuvel. Exhibit 2 is a copy of the proposed final judgment.

7. The proposed final judgment includes a permanent injunction against Van Den Heuvel, enjoining him from violating Section 10(b) of the Securities Exchange Act of 1934, Rule 10b-5 promulgated thereunder, and Section 17(a) of the Securities Act of 1933.

8. The proposed final judgment provides that Van Den Heuvel is liable for disgorgement of \$2,214,619, representing profits gained as a result of the conduct alleged in the Complaint, plus \$273,723 in prejudgment interest, for a total of \$2,488,342. However, the

proposed final judgment also provides that the amount of disgorgement and prejudgment interest is deemed satisfied by entry of the restitution order in the criminal case.

9. The SEC is no longer seeking civil penalties against Van Den Heuvel in light of his significant prison sentence.

10. In his Consent, Van Den Heuvel “agree[d] that the Commission may present the Final Judgment to the Court for signature and entry without further notice.” *See* Consent of Defendant Ronald Van Den Heuvel, at ¶ 13 (Ex. 1).

11. The other defendant, Green Box NA Detroit, did not respond to the Complaint. The Clerk entered a default under Rule 55(a) on October 31, 2017, shortly before this Court issued its stay. The SEC will separately file a motion for default judgment against Green Box NA Detroit under Rule 55(b).

WHEREFORE, the SEC respectfully moves for the entry of final judgment against defendant Ronald Van Den Heuvel.

Dated: July 15, 2019

Respectfully submitted,

s/ Steven C. Seeger

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U.S. Securities and Exchange Commission

EXHIBIT 1

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
GREEN BAY DIVISION**

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

**RONALD VAN DEN HEUVEL, and
GREEN BOX NA DETROIT, LLC,**

Defendants.

Case No. 17-cv-1261

CONSENT OF DEFENDANT RONALD VAN DEN HEUVEL

1. Defendant Ronald Van Den Heuvel (“Defendant”) acknowledges having been served with the Complaint in this action, enters a general appearance, and admits the Court’s jurisdiction over Defendant and over the subject matter of this action.
2. Defendant has pleaded guilty to criminal conduct relating to certain matters alleged in the Complaint in this action, including without limitation investments by a Canadian institutional investor and by Chinese investors who participated in the EB-5 immigrant investor program. Specifically, in *United States v. Van Den Heuvel*, 17-CR-160 (E.D. Wis.), Defendant pleaded guilty to one count of wire fraud under 18 U.S.C. §§ 1343, 1349 and 2. In connection with that plea, Defendant admitted the facts set forth in Attachment A to the Plea Agreement. The Plea Agreement (including Attachment A thereto) is attached as Exhibit 1 to this Consent. This Consent shall remain in full force and effect regardless of the existence or outcome of any further proceedings in *United States v. Van Den Heuvel*, 17-CR-160 (E.D. Wis.).

3. Defendant hereby consents to the entry of the Final Judgment in the form attached hereto (the “Final Judgment”) and incorporated by reference herein, which, among other things:

- (a) permanently restrains and enjoins Defendant from violation of Section 10(b) of the Securities Exchange Act of 1934, Rule 10b-5 promulgated thereunder, and Section 17(a) of the Securities Act of 1933;
- (b) orders that Defendant is liable for disgorgement of \$2,214,619, representing profits gained as a result of the conduct alleged in the Complaint, plus \$273,723 in prejudgment interest, for a total of \$2,488,342, but provides that the amount of disgorgement and prejudgment interest is deemed satisfied by entry of the restitution order against Defendant in the criminal case involving substantially the same conduct at issue in this case, *United States v. Van Den Heuvel*, 17-CR-160 (E.D. Wis.); and
- (c) dismisses the Commission’s claim for a civil penalty pursuant to Section 20 of the Securities Act [15 U.S.C. § 77t] and Section 21 of the Exchange Act [15 U.S.C. § 78u].

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

5. Defendant waives the right, if any, to a jury trial and to appeal from the entry of the Final Judgment.

6. Defendant enters into this Consent voluntarily 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 Defendant to enter into this Consent.

7. Defendant agrees that this Consent shall be incorporated into the Final Judgment with the same force and effect as if fully set forth therein.

8. Defendant will not oppose the enforcement of the Final Judgment on the ground, 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.

9. Defendant waives service of the Final Judgment and agrees that entry of the Final Judgment by the Court and filing with the Clerk of the Court will constitute notice to Defendant of its terms and conditions. Defendant further agrees to provide counsel for the Commission, within thirty days after the Final Judgment is filed with the Clerk of the Court, with an affidavit or declaration stating that Defendant has received and read a copy of the Final Judgment.

10. Consistent with 17 C.F.R. § 202.5(f), this Consent resolves only the claims asserted against Defendant in this civil proceeding. Defendant 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. Defendant waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein. Defendant 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, Defendant understands that he shall not be permitted to contest the factual allegations of the Complaint in this action.

11. Defendant understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides 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." As part of Defendant's agreement to comply with the terms of Section 202.5(e), Defendant acknowledges the guilty plea for related conduct described in paragraph 2 above, and: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any allegation in the Complaint or creating the impression that the Complaint is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Defendant does not admit the allegations of the Complaint, or that this Consent contains no admission of the allegations; (iii) upon the filing of this Consent, Defendant hereby withdraws any papers filed in this action to the extent that they deny any allegation in the Complaint; and (iv) stipulates 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 Complaint are true, and further, that any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under the Final 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 Defendant 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 Defendant breaches this agreement, the Commission may petition the Court to vacate the Final Judgment and restore this action to its active docket. Nothing in this paragraph affects Defendant's: (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.

12. Defendant 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 Defendant to defend against this action. For these purposes, Defendant agrees that Defendant is not the prevailing party in this action since the parties have reached a good faith settlement.

13. Defendant agrees that the Commission may present the Final Judgment to the Court for signature and entry without further notice.

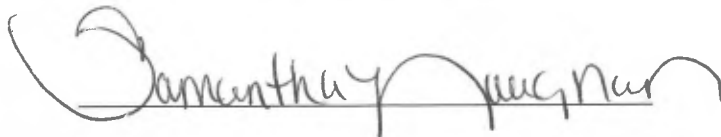
14. Defendant agrees that this Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of the Final Judgment.

Dated: 4/19/19



Ronald Van Den Heuvel

On 4/19/19, 2019, Ronald Vandenheuvel, a person known to me, personally appeared before me and acknowledged executing the foregoing Consent.



Notary Public

Commission expires: 8/31/20

EXHIBIT 2

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

**RONALD VAN DEN HEUVEL, and
GREEN BOX NA DETROIT, LLC,**

Defendants.

Case No. 17-cv-1261

The Securities and Exchange Commission has filed a Complaint, and Defendant Ronald Van Den Heuvel (“Defendant”) has entered a general appearance, consented to the Court’s jurisdiction over Defendant and over the subject matter of this action, consented to entry of this Final Judgment, waived findings of fact and conclusions of law, and waived any right to appeal from this Final Judgment. This Court, having accepted Defendant’s Consent and having jurisdiction over him and over the subject matter of this action, and having considered the record in this case, hereby orders as follows:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “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.

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

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "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:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) 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

- (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

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

III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$2,214,619, representing profits gained as a result of the conduct alleged in the Complaint, plus \$273,723 in prejudgment interest, for a total of \$2,488,342. The amount of disgorgement and prejudgment interest is deemed satisfied by entry of the restitution order against Defendant in the criminal case involving substantially the same conduct at issue in this case, *United States v. Van Den Heuvel*, 17-CR-160 (E.D. Wis.).

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Commission's claim for a civil penalty pursuant to Section 20 of the Securities Act [15 U.S.C. § 77t] and Section 21 of the Exchange Act [15 U.S.C. § 78u] is dismissed.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated into this Final Judgment with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the Complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final 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 Defendant 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).

VI.

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 Final Judgment.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that 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 Final Judgment forthwith and without further notice.

Dated: _____, 2019

UNITED STATES DISTRICT JUDGE

