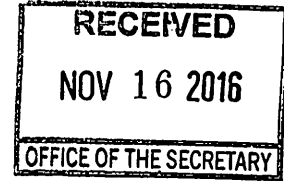


# HARD COPY

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING  
File No. 3-17408



In the Matter of  
  
GLOBAL EARTH ENERGY, INC.,  
  
Respondent.

DIVISION'S MOTION FOR ENTRY OF  
DEFAULT UNDER RULE 155(a) AND  
FOR REMEDIAL SANCTIONS

Pursuant to Rules of Practice 154(b) and 155(a) [17 C.F.R. § 201.154(b), .155(a)], as well as the Court's November 2, 2016 Order Scheduling Motion for Default, the Division of Enforcement ("Division") respectfully files this Motion for Entry of Default and Imposition of Sanctions as to Global Earth Energy, Inc. ("Respondent").

**I. BACKGROUND**

**A. Procedural History**

The Securities and Exchange Commission issued an Order Instituting Administrative Proceedings ("OIP") in this matter on August 22, 2016. Respondent, a defunct corporate entity, was served in compliance with Rule of Practice 141 [17 C.F.R. § 201.141], by service on Counsel for Respondent, who agreed to accepted service. See Declaration of Lucy Graetz (Exhibit 1) and Declaration of Pat Huddleston (Exhibit 2). The parties jointly requested a stay to finalize an agreed-upon settlement to full relief. The Court granted that stay on September 12, 2016, but the person whose signature was required on the settlement papers for the Respondent could not be found. The Court lifted the stay on October 26, 2016. The Respondent failed to file an answer or otherwise respond to the OIP. Respondent, therefore, is subject to default pursuant to Rule 155(a).

## **B. Allegations in the OIP**

This is an action to deregister securities pursuant to Section 12(j) of the Exchange Act. In support, the Division details in the OIP the numerous filings due from Respondent, but which Respondent has not filed. OIP ¶ 1.

### **1. Respondent**

Global Earth Energy, Inc. (CIK No. 1121901) was a Nevada corporation whose charter has been revoked. Respondent formerly was based in or near Wilmington, North Carolina, and has a class of securities registered with the Commission pursuant to Section 12(g) of the Exchange Act. OIP ¶1. On March 7, 2014, the Commission issued an Order of Suspension of Trading to suspend trading in Respondent's securities, for the period from 9:30a.m. EST on March 7, 2014, through 11:59 p.m. EDT on March 20, 2014, pursuant to Section 12(k) of the Exchange Act (the "Trading Suspension"). At the time of the Trading Suspension, Respondent's common stock was quoted on OTC Link, operated by OTC Markets Group Inc., under the symbol "GLER." After the Trading Suspension ended, Respondent's common stock has continued to trade over-the-counter in the "grey market," although OTC Markets Group Inc. has announced that it has discontinued the display of quotes for GLER. See <http://www.otcmarkets.com/stock/GLER/quote>. Id.

### **2. Respondents' Failure to File Required Filings**

As a public company with a class of securities registered with the Commission pursuant to Section 12 of the Exchange Act, Respondent is required to file periodic reports with the Commission. Specifically, Exchange Act Rule 13a-1 requires Respondent to file annual reports, Exchange Act Rule 13a-13 requires Respondent to file quarterly reports, Exchange Act Rule 13a-11 requires Respondent to file necessary or appropriate current reports, and Exchange Act Rule 12b-20 requires Respondent to report any further material information as may be necessary to

make the issuer's required statements, in the light of the circumstances under which they were made, not misleading.

Respondent has failed to file either 10-Qs or 10-Ks since it filed a Form 10-Q on July 21, 2014 (for Respondent's third quarter ended May 31, 2014). OIP ¶ 2; Graetz Declaration ¶ 5. Moreover, Respondent filed that most recent 10-Q before its independent registered public accountant had completed a review of the unaudited, interim financial statements included in that Form 10-Q, pursuant to Rule 8-03 (for smaller reporting companies) and Rule 10-01(d) of Regulation S-X. OIP ¶ 2. The Independent Accountant reported this illegal act to Respondent on or about July 30, 2014, and the Independent Accountant reported this illegal act to Commission staff on or about August 1, 2014, pursuant to the requirements of Section 10A(b) of the Exchange Act. However, Respondent failed to notify the Commission of the illegal act as required by Section 10A(b)(3) of the Exchange Act. OIP ¶ 2. Having failed to file the required reports and to give the required notice of filing without audited financial statements, Respondent has violated Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11, and 13a-13 thereunder.

### **3. Respondents' Misleading Filings<sup>1</sup>**

In addition, Respondent made materially false and misleading statements in reports filed with the Commission, primarily relating to Respondent's purported exchange of 20% of its common stock for 20% of the common stock of privately held Hawk Manufacturing Corporation a/k/a Hawk Manufacturing, Inc. ("Hawk"), and Respondent's subsequent purported merger with Hawk: For example:

---

<sup>1</sup> Should the Court choose to, it may grant the requested revocation without reference to the misleading filings, based solely on Respondent's failure to make the required filings for more than two years now. The Division nevertheless addresses the misleading filings as they are set forth in the OIP and Respondent's default may render those facts admitted.

(a) On or about August 28, 2013, Respondent filed a Form 8-K current report with the Commission, and an attached press release, falsely and misleadingly stating that Respondent had exchanged 20% of its common stock for 20% of Hawk's common stock, that the price per share of Respondent's stock was deemed to be \$0.02, and that the price per share of Hawk's common stock was deemed to be \$3,200,000. These statements were false and misleading because Respondent and Hawk had not exchanged any of their stock and had no reasonable basis for the purported share valuations. OIP ¶3(a).

(b) On or about December 16, 2013, Respondent filed a Form 10-K annual report with the Commission for Respondent's fiscal year ended August 31, 2013, falsely stating that on "August 28, 2013, the Company acquired a 20% equity ownership in Hawk." This statement was false because Respondent had not acquired any equity ownership in Hawk. Moreover, in this same filing, Respondent acknowledged that Hawk had no material book value at the time of the "acquisition," indicating that Respondent's statement in the Form 8-K filed on August 28, 2013 regarding the purported \$3,200,000 per share value for Hawk's common stock was false and misleading. Respondent repeated these false and misleading statements in an amended Form 10-K annual report filed on or about April 25, 2014, and in Form 10-Q quarterly reports filed on or about January 21, 2014, April 12, 2014, and July 21, 2014. OIP ¶3(b).

(c) On or about February 12, 2014, Respondent filed a Form 8-K current report which repeated a press release issued by Respondent dated February 5, 2014, falsely and misleadingly announcing "the closing of the transaction to acquire and merger [sic] into Global Earth Energy," when no such merger had ever occurred. OIP ¶3(c).

Each of the above materially misleading statements in Respondent's filings violated Exchange Act Rule 12b-20.

## II. LEGAL ANALYSIS

### A. **Respondent Should be Deemed in Default**

Rule of Practice 155(a) provides that a party to a proceeding may be deemed in default, and the proceeding may be determined against him, if that party fails to file an Answer to the OIP or otherwise defend the proceeding. See 17 C.F.R. § 201.155(a)(2). Respondent was properly served with the OIP. See Graetz Declaration ¶4. Respondent has not filed an Answer or a responsive pleading.

The Division, therefore, requests that the Court enter an order of default against Respondent. The Division further requests that the Court deem the allegations in the OIP to be true, determine this proceeding against Respondent, and impose the relief discussed below.

### B. **The Court Should Revoke the Registration of Respondent's Securities**

Section 12(j) of the Exchange Act provides:

The Commission is authorized, by order, as it deems necessary or appropriate for the protection of investors ... to revoke the registration of a security, if the Commission finds, on the record after notice and opportunity for hearing, that the issuer of such security has failed to comply with any provision of this title or the rules and regulations thereunder.

Exchange Act Section 12(j) [15 U.S.C. §78l(j)].

**1. Respondent Violated Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11, and 13a-13 Thereunder.**

Respondent's violations are straightforward. The law requires that Respondent make filings which Respondent failed to make. No showing of scienter is necessary to establish a violation of Section 13(a) or the rules thereunder. *SEC v. McNulty*, 137 F.3d 732, 740-41 (2d Cir. 1998); *Gateway Int'l Holdings, Inc.*, 1934 Act Release No. 53907, at 10, n.28, 2006 SEC LEXIS 1288 at \*22, n. 28 (May 31, 2006).

**2. An Order Revoking Registration of Respondent's Securities is Appropriate in this Case**

Global Earth has been delinquent in filing required reports for two years and is unlikely to file in the future. See Graetz Declaration ¶ 5. In addition, Global Earth made false and misleading statements in its filings with the Commission. OIP ¶ 3. Failure to make periodic filings required by Section 13(a) is sufficient grounds for revocation under Section 12(j). *Gateway*, 2006 SEC LEXIS 1288 at \*19, \*25-26. Indeed, revocations by default are common in the public interest. See *In re Anasazi Capital Corp.*, Admin. Proc. File No. 3-15439, 2013 WL 5636587 (October 11, 2013) and *In re Crescent Moon, Inc.*, Admin. Proc. File No. 3-15449, 2013 WL 5636587 (October 11, 2013). Unless the registration of Global Earth's securities is revoked, the corporate shell is susceptible to being used in future pump and dump schemes. Revocation is necessary to protect the investing public.

Based upon the allegations set forth in the OIP, which should be deemed admitted, and the facts established by the Graetz Declaration, the Court should order the revocation of Respondent's securities.

Dated: November 15, 2016

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Pat Huddleston II", written over a horizontal line.

Pat Huddleston II  
Attorneys for the Division of Enforcement  
Securities and Exchange Commission  
950 East Paces Ferry Road, N.E., Suite 900  
Atlanta, Georgia 30326-1382  
[huddlestonp@sec.gov](mailto:huddlestonp@sec.gov)  
(404) 842-7616  
(404) 842-7670 (fax)

CERTIFICATE OF SERVICE


Undersigned Counsel for the Division of Enforcement hereby certifies that he has served a copy of the DIVISION'S MOTION FOR DEFAULT UNDER RULE 155(a) AND FOR REMEDIAL SANCTIONS by electronic mail and by United Parcel Service addressed as follows:

Hon. Brent J. Fields  
Office of the Secretary  
Securities and Exchange Commission  
100 F Street N.E.  
Washington, DC 20549-1090

Hon. Jason S. Patil  
Securities and Exchange Commission  
100 F Street N.E.  
Washington, DC 20549-1090

Richard W. Jones, Esq.  
Attorney for Respondent Global Earth  
Jones & Haley, P.C.  
South Terraces, Suite 170  
115 Perimeter Center Place  
Atlanta, GA 30326-1238

Dated: November 15, 2016



Pat Huddleston  
Senior Trial Counsel  
Counsel for the Division



**EXHIBIT 1**

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17408**

**In the Matter of**

**GLOBAL EARTH ENERGY, INC.,**

**Respondent.**

**DECLARATION OF LUCY T. GRAETZ**

I, the undersigned, Lucy T. Graetz, pursuant to 28 U.S.C. § 1746, declare that:

1. I am a Senior Counsel for the United States Securities and Exchange Commission ("Commission"), Division of Enforcement, and I work in the Atlanta Regional Office. I have been employed in the Commission's Division of Enforcement since December 1997.

2. By reason of my position and my personal knowledge, I am authorized and qualified to make this declaration.

3. I conducted the investigation that led to the allegations against respondent Global Earth Energy, Inc. ("Respondent") described in the Order Instituting Administrative Proceedings and Notice of Hearing Pursuant to Section 12(j) of the Securities Exchange Act of 1934 ("OIP"), instituted by the Commission on August 22, 2016.

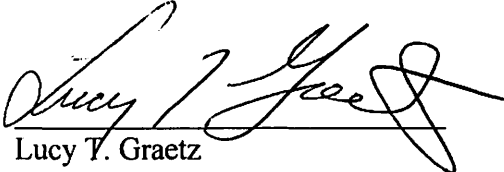
4. On August 11, 2016, I sent an e-mail to Richard W. Jones, Esq. ("Jones"), who had been representing Respondent in the investigation, stating among other things that I had assumed from an earlier communication that he was "representing Global Earth and will accept service of the OIP, but if that is not the case, please email both me and Pat [*i.e.*, Commission trial counsel Pat Huddleston] this afternoon if possible." On August 11, 2016, Jones responded by e-mail: "Yes, I will continue to represent them in order to make this as efficient as possible." Based on his response, I understood that he continued to represent Respondent and that he would accept service of the OIP on behalf of Respondent. Copies of the referenced e-mails are attached as Attachment 1 to this declaration.

5. Using the Commission's EDGAR database, I have searched for filings of periodic reports by Respondent since the institution of the OIP, including annual reports on Form 10-K and quarterly reports on Form 10-Q, and determined that Respondent still has not filed the required

periodic reports. As of today's date, the last periodic report filed by Respondent was a Form 10-Q for the quarter ended May 31, 2014, filed on July 21, 2014.

6. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

November 14, 2016  
Date

  
Lucy T. Graetz

**ATTACHMENT 1**

## Huddleston, Pat

---

**From:** Richard Jones <jones@corplaw.net>  
**Sent:** Monday, August 22, 2016 4:20 PM  
**To:** Huddleston, Pat  
**Subject:** RE: GLER

Hi Pat. Why don't you go ahead and prepare the settlement papers before you file for a hearing??



Richard W. Jones  
Jones & Haley, P.C.  
South Terraces, Suite 170  
115 Perimeter Center Place  
Atlanta, Georgia 30346-1238  
Telephone: 770-804-0500  
Visit our web site at: <http://www.corplaw.net>

CONFIDENTIALITY NOTICE: The information contained herein is confidential information intended only for the use of the addressee. If you have received this message in error, please notify me by return mail or by telephone and destroy all copies of this message and any file attachments.  
There is no intent on the part of the sender to waive any privilege, including the attorney-client privilege, that may attach to this communication.

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**From:** Huddleston, Pat [mailto:HuddlestonP@SEC.GOV]  
**Sent:** Monday, August 22, 2016 4:04 PM  
**To:** jones@corplaw.net; Graetz, Lucy T. <GraetzL@sec.gov>  
**Cc:** Lipson, Aaron <LipsonA@sec.gov>  
**Subject:** RE: GLER

Hi, Rick:

Thanks for agreeing to help us finalize a speedy resolution of this one. The Commission issued its OIP today. Here is a [link](#). When we get notice of a hearing, I propose to file a motion to stay the proceedings to allow us time to get the settlement papers executed. That way you should not have to prepare an answer.

I will be out of the office after today until Friday, but will be monitoring my email. If you need to talk to me, feel free to call me on my cell (██████████).

Best regards,

Pat

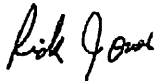
Pat Huddleston  
Senior Trial Counsel  
U.S. Securities and Exchange Commission  
950 East Paces Ferry, N.E., Suite 900  
Atlanta, GA 30326-1382

404-842-7616

---

**From:** Richard Jones [<mailto:jones@corplaw.net>]  
**Sent:** Thursday, August 11, 2016 5:28 PM  
**To:** Graetz, Lucy T.  
**Cc:** Huddleston, Pat; Lipson, Aaron  
**Subject:** RE: GLER

Yes, I will continue to represent them in order to make this as efficient as possible.



Richard W. Jones  
Jones & Haley, P.C.  
South Terraces, Suite 170  
115 Perimeter Center Place  
Atlanta, Georgia 30346-1238  
Telephone: 770-804-0500  
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There is no intent on the part of the sender to waive any privilege, including the attorney-client privilege, that may attach to this communication.

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**From:** Graetz, Lucy T. [<mailto:GraetzL@sec.gov>]  
**Sent:** Thursday, August 11, 2016 4:45 PM  
**To:** [jones@corplaw.net](mailto:jones@corplaw.net)  
**Cc:** Huddleston, Pat <[HuddlestonP@SEC.GOV](mailto:HuddlestonP@SEC.GOV)>; Lipson, Aaron <[LipsonA@sec.gov](mailto:LipsonA@sec.gov)>  
**Subject:** GLER  
**Importance:** High

Thanks Rick. I'm adding Pat to the email loop, as I will be out of the office beginning this afternoon and for the next week. I'm assuming from your e-mail that you are therefore representing Global Earth and will accept service of the OIP, but if that is not the case, please email both me and Pat this afternoon if possible.

Thanks again, Lucy

Lucy T. Graetz, Senior Counsel  
U.S. Securities and Exchange Commission  
Atlanta Regional Office, Division of Enforcement  
950 East Paces Ferry Road, N.E., Suite 900  
Atlanta, GA 30326-1382  
(404) 842-7668 (direct)  
(404) 842-7600 (main)

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**From:** Richard Jones [<mailto:jones@corplaw.net>]  
**Sent:** Thursday, August 11, 2016 4:40 PM

**EXHIBIT 2**

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17408**

**In the Matter of**

**GLOBAL EARTH ENERGY, INC.,**

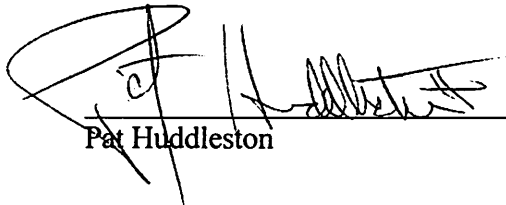
**Respondent.**

**DECLARATION OF PAT HUDDLESTON**

I, the undersigned, Pat Huddleston, pursuant to 28 U.S.C. § 1746, declare that:

1. I am Senior Trial Counsel for the United States Securities and Exchange Commission ("Commission") and work in the Atlanta Regional Office. I have been employed in the Commission's Division of Enforcement since 2012.
2. By reason of my position and my personal knowledge, I am authorized and qualified to make this declaration.
3. I am leading the Division's litigation against the Respondent.
4. I was a party to the communications described in the Declaration of Lucy Graetz by which Counsel for Respondent agreed to accept service of the OIP for Respondent. As reflected in the email correspondence attached to the Graetz Declaration, I forwarded the link to the OIP to Counsel for Respondent on August 22, 2016. In addition, Counsel for Respondent received service of the OIP on that date from the Office of the Secretary, as evidenced by Service List I have attached as Exhibit 1 to this Declaration. Thereafter, Counsel for Respondent and I communicated often in an effort to secure the proper signatures on the agreed-upon settlement documents, but to no avail, despite Counsel's best efforts.

11/15/2016  
Date

  
Pat Huddleston



**ATTACHMENT 1**

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings and Notice of Hearing Pursuant to Section 12(j) of the Securities Exchange Act of 1934 ("Order"), on the Respondent and its legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-2557

Pat Huddleston, II, Esq.  
Atlanta Regional Office  
Securities and Exchange Commission  
950 East Paces Ferry Road, N.E., Suite 900  
Atlanta, GA 30326

Global Earth Energy, Inc.  
c/o Richard W. Jones, Esq.  
Jones & Haley, P.C.  
South Terraces, Suite 170  
115 Perimeter Center Place  
Atlanta, GA 30346-1238

Richard W. Jones, Esq.  
Jones & Haley, P.C.  
South Terraces, Suite 170  
115 Perimeter Center Place  
Atlanta, GA 30346-1238  
(Counsel for Respondent)