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US DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO, FLORIDA

UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA

SECURITIES AND EXCHANGE COMMISSION,)
)
 Plaintiff,)
 v.)
)
 HAROLD J. SWART, JR. and)
 SWART BAUMRUK & CO., LLP,)
)
 Defendants,)
)
 and)
)
 MIND YOUR OWN BUSINESS, INC.,)
)
 Relief Defendant.)
 _____)

6:17-cv-1386-ORL
18-KRS

COMPLAINT

Plaintiff Securities and Exchange Commission (“Plaintiff” or the “Commission”) alleges:

NATURE OF THE ACTION

1. The Commission brings this action to enjoin Defendant Harold J. Swart, Jr. (“Harry Swart”) from violating the antifraud and registration provisions of the federal securities laws, and for a court order directing Harry Swart and Defendant Swart Baumruk & Co., LLP (“Swart Baumruk” and, together with Harry Swart, “Defendants”) to comply with a Commission order suspending them from appearing or practicing as an accountant before the Commission.
2. Between January 2009 and March 2013, the majority shareholder (the

“Control Person”) of Mainstream Entertainment, Inc. (“Mainstream”) n/k/a Volt Solar Systems, Inc. (“Volt Inc.”) and one of the Control Person’s associates (“CP’s associate”) orchestrated a scheme to sell the restricted common stock of Mainstream in the open market as purportedly unrestricted securities.

3. As part of that scheme, Harry Swart demanded purportedly unrestricted shares of Mainstream stock from the Control Person in satisfaction of a personal debt. Harry Swart obtained those shares pursuant to a knowingly false stock purchase agreement, deposited those shares with his broker-dealer based on knowingly false representations, and publicly sold those shares without registration or any applicable exemption from registration.

4. Harry Swart used Relief Defendant Mind Your Own Business, Inc. (“MYOB”) as a conduit for the ownership and sale of Mainstream stock.

5. As a result of the conduct alleged in this Complaint, Defendant Harry Swart violated Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§ 77e(a), 77e(c), 77q(a), and Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b) and 17 C.F.R. §§ 240.10b-5.

6. Unless restrained and enjoined, Defendant Harry Swart is reasonably likely to continue to violate the federal securities laws.

7. The Commission therefore respectfully requests the Court enter an order: (i) permanently restraining and enjoining Defendant Harry Swart from violating the federal securities laws; (ii) directing Defendant Harry Swart and MYOB to pay disgorgement with prejudgment interest; (iii) directing Defendant Harry Swart to pay civil money penalties;

and (iv) imposing a penny stock bar against Defendant Harry Swart.

8. This case also involves multiple violations by Defendants of an Order issued against them by the Commission on January 25, 2001 ("the SEC Order"), which suspended them from appearing or practicing as an accountant before the Commission. Beginning no later than January 2009 through February 2013, Defendants violated the SEC Order by performing accounting services for Mainstream in connection with Mainstream's filings with the Commission. Accordingly, the SEC seeks (a) an order directing Defendants to comply with the SEC Order; (b) disgorgement of all ill-gotten gains based upon the conduct alleged herein, together with prejudgment interest, and (c) such further relief as the Court deems appropriate.

DEFENDANTS

9. **Harry Swart**, age 71, of Kissimmee, Florida, is a certified public accountant licensed in the State of Florida and partner of Swart Baumruk. In 2001, Harry Swart was ordered to cease and desist from committing or causing certain auditor independence and reporting violations, was suspended from appearing or practicing before the Commission as an accountant, and was ordered liable, jointly and severally with Swart Baumruk, for \$32,750.00 in disgorgement and \$9,231.03 in prejudgment interest. SEC v. Swart, Baumruk & Co., LLP and Harry J. Swart, CPA, Securities Exchange Act Release No. 43883 (Jan. 25, 2001) (the "Swart Action").

10. **Swart Baumruk** is a public accounting firm located in Kissimmee, Florida. In 2001 in the Swart Action, Swart Baumruk was ordered to cease and desist from committing or causing certain auditor independence and reporting violations, was

suspended from appearing or practicing before the Commission as an accountant, and was ordered liable, jointly and severally with Harry Swart, for \$32,750.00 in disgorgement and \$9,231.03 in prejudgment interest.

11. **MYOB** is a Florida corporation located in Kissimmee, Florida. Harry Swart and his wife are the officers and directors of MYOB. Harry Swart used MYOB to receive and sell Mainstream shares in the open market.

OTHER RELEVANT PERSONS AND ENTITIES

12. **Volt Inc.** is an inactive Florida corporation last located in Bridgeport, Pennsylvania. Volt Inc. was previously named First Power & Light, Inc. and prior to that **Mainstream**, which was last located in Orlando, Florida. Volt Inc. and Mainstream's ticker symbols ("VOLT" and "MSEI," respectively) were quoted on the OTC Bulletin Board and on OTC Link (formerly, "Pink Sheets"), operated by OTC Markets Group, Inc. Mainstream became subject to reporting requirements pursuant to Section 15(d) of the Exchange Act when its registration statement on Form S-1 was declared effective on November 7, 2011, and pursuant to Section 13(a) of the Exchange Act when it registered a class of its common stock pursuant to Section 12(g) of the Exchange Act on February 14, 2012. At all material times, the stock of Volt Inc. and Mainstream was a penny stock as defined in Section 3(a)(51) of the Exchange Act.

JURISDICTION AND VENUE

13. The Court has jurisdiction over this action pursuant to Sections 20(b), 20(d)(1) and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(d)(1) and 77v(a); and Sections 21(d), 21(e) and 27(a) of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u(e), and

78aa(a).

14. The Court has personal jurisdiction over Defendants and MYOB and venue is proper in this District because, among other things, Defendants and MYOB reside or transact business in this District and/or participated in the offer or sale of securities in this District, and many of the acts and transactions constituting the violations alleged in this complaint occurred in this District. In addition, venue is proper in this District under 28 U.S.C. § 1391 because a substantial part of the events giving rise to the Commission's claims occurred here.

15. In connection with the conduct alleged in this Complaint, Defendants, directly and indirectly, singly or in concert with others, have made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation or communication in interstate commerce, and of the mails.

FACTUAL ALLEGATIONS

A. Defendants' Relationship with Mainstream, the Control Person, and CP's associate

16. Harry Swart and Swart Baumruk had long-standing personal and/or professional relationships with both the Control Person and CP's associate. For example, Harry Swart and Swart Baumruk knew that both the Control Person and CP's associate were involved in the misconduct underlying the Swart Action, and that the Control Person and CP's associate were subject to related injunctions for violation of the federal securities laws.

17. Until at least February 24, 2013, the Control Person controlled Mainstream as a purported music production company. However, Mainstream's operations ceased as

late as August 2008, with all subsequent efforts focused on maintaining and selling Mainstream as a public vehicle.

18. At the request of the Control Person, Defendants provided accounting services to Mainstream from at least January 2009 through February 2013 in connection with Mainstream's filings with the Commission. For example, Defendants prepared the financial statements and provided advice on other portions of Mainstream's Commission filings.

B. Defendants' Involvement in Mainstream's Commission Filings

19. In January 2009, the Control Person directed the filing of a Form S-1 registration statement for purported primary and secondary offerings of Mainstream shares. That registration statement was withdrawn on August 16, 2010. Defendants performed accounting services in connection with that registration statement.

20. From March to November 2011, the Control Person directed the filing of a Form S-1 registration statement (the "Form S-1") for the secondary offering of Mainstream shares that he had put in the name of friends and family but that he still controlled. Defendants performed accounting services in connection with the Form S-1.

21. Mainstream had reporting requirements with the Commission after its Form S-1 became effective, including quarterly reports on Form 10-Q and annual reports on Form 10-K. Per its reporting requirements, Mainstream filed a Form 10-K on January 30, 2012 (for the year ended September 30, 2011), Form 10-Q on February 13, 2012 (for the quarter ended December 31, 2011), Form 10-Q/A on February 29, 2012 (for the quarter ended December 31, 2011), Form 10-Q on May 15, 2012 (for the quarter ended March 31, 2012),

Form 10-Q on August 8, 2012 (for the quarter ended June 30, 2012), and Form 10-K on January 9, 2013 (for the year ended September 30, 2012) (collectively, the “Periodic Reports”). Defendants performed accounting services in connection with each of the Periodic Reports.

22. Rule 12b-2 of the Exchange Act defines a “shell company” as a company with “[n]o or nominal operations” and either “[n]o or nominal assets; [a]ssets consisting solely of cash and cash equivalents; or [a]ssets consisting of any amount of cash and cash equivalents and nominal other assets.” Rule 144 of the Securities Act limits the resale of restricted securities of “shell companies.”

23. Harry Swart knew that Mainstream was a “shell company” at all relevant times. Each of the Form 10-K filed on January 30, 2012 (for the year ended September 30, 2011), Form 10-Q filed on February 13, 2012 (for the quarter ended December 31, 2011), Form 10-Q/A filed on February 29, 2012 (for the quarter ended December 31, 2011), and Form 10-Q filed on May 15, 2012 (for the quarter ended March 31, 2012) disclosed on its cover page that Mainstream was a “shell company” as defined in Rule 12b-2 of the Exchange Act. Moreover, Harry Swart knew that Mainstream had no or nominal assets and operations at all material times based on his review of Mainstream’s finances.

C. Harry Swart’s Receipt, Deposit and Sale of Mainstream Shares

24. From at least 1994 to July 2011, Harry Swart and Swart Baumruk performed tax and accounting services for the Control Person and various entities under the Control Person’s control other than Mainstream. As of January 31, 2012, the Control Person failed to pay Harry Swart or Swart Baumruk for all these services.

25. To satisfy this debt unrelated to Mainstream, Harry Swart requested that the Control Person transfer “free trading” Mainstream shares to MYOB, an entity controlled by Harry Swart.

26. The Control Person used 37,000 shares in the name of the Control Person’s handyman that were part of the Form S-1 secondary offering for this transfer to Harry Swart.

27. Harry Swart knew that he was acquiring the shares from the Control Person in return for forgiveness of the Control Person’s personal debt, and not purchasing shares from the handyman. Nonetheless, Harry Swart agreed with the Control Person to sign a stock purchase agreement falsely identifying the handyman as the seller and stating that MYOB had paid the handyman money for the shares. Harry Swart knew that he was acquiring the shares from the Control Person and that MYOB had not paid that money or any other consideration to the handyman. Harry Swart signed this stock purchase agreement on or about May 3, 2012.

28. Harry Swart knew that Mainstream’s shares were not eligible for public trading at the time he acquired the shares from the Control Person. Thereafter, Harry Swart frequently communicated with CP’s associate with respect to the tradeability of Mainstream’s shares.

29. Harry Swart knew that CP’s associate was assisting the Control Person to sell Mainstream as a public vehicle. By email dated November 5, 2012, CP’s associate told Harry Swart on a “confidential” basis that “agreements for the change of control have already been signed over a month ago” but would not be disclosed until Mainstream

secured eligibility from the Depository Trust Company (DTC) for electronic clearance and settlement, and that a Form 8-K announcing the deal had already been completely drafted but would be withheld until DTC eligibility was secured.

30. CP's associate frequently updated Harry Swart not only on the status of DTC eligibility of Mainstream stock, but CP's associate's specific plan for public trading to start immediately thereafter. For example, by email dated November 5, 2012, CP's associate told Harry Swart that the "Price going out of the box is \$1.00." On November 16, 2012, CP's associate updated Harry Swart that he wanted to "begin an active trading program in January for the entire 2013." On January 15, 2013, CP's associate told Harry Swart that "Order to buy 50,000 shares at \$1 went in. Am working with [broker] to be able to show trade so that when DTC comes effective, we will have reasonable bid ask."

31. On or about January 30, 2013, Harry Swart prepared and submitted securities deposit forms to a broker-dealer for the 37,000 shares in the name of MYOB that he had received from the Control Person. Harry Swart made a number of knowing misrepresentations in these forms, including that: (1) MYOB purchased the shares from the Control Person's handyman pursuant to the false stock purchase agreement (which Harry Swart attached to the forms); and (2) the prior owner of the shares (whom Harry Swart knew was the Control Person) was not an "affiliate" or control person of Mainstream. The broker-dealer accepted the deposit of these shares, and Harry Swart executed the sales of all of MYOB's shares in the open market in March 2013.

D. Swart and Swart Baumruk's Violations of the SEC Order

32. On January 25, 2001, pursuant to Rule 102(e)(1)(ii) and (iii) of the

Commission's Rules of Practice, the Commission issued the SEC Order, which suspended Swart and Swart Baumruk from the privilege of appearing or practicing before it as an accountant. SEC v. Swart, Baumruk & Co., LLP and Harry J. Swart, CPA, Securities Exchange Act Release No. 43883 (Jan. 25, 2001). The SEC Order originally gave Harry Swart and Swart Baumruk the ability to request that the Commission consider their reinstatement after three years. Swart and Swart Baumruk have not requested and the Commission has not granted reinstatement of their privilege of appearing or practicing before it.

33. Beginning in January 2009 and continuing into February 2013, Harry Swart and Swart Baumruk performed review and other accounting work for Mainstream in violation of the SEC Order. For example, Harry Swart and Swart Baumruk participated in the audit of Mainstream by preparing the financial statements. Harry Swart and Swart Baumruk also provided guidance and comments on various disclosures made in Mainstream's Form S-1 and Periodic Reports filed with the Commission thereafter until at least February 2013. In several instances, Harry Swart and Swart Baumruk advised the Control Person, CP's associate, and others regarding disclosures contained in those filings.

34. Swart Baumruk was paid in the form of both cash and 240,000 shares of Mainstream stock for its accounting services in connection with Mainstream's filings with the Commission. Swart Baumruk sold some of those shares in the open market.

COUNT I

Violations of Section 17(a)(1) of the Securities Act

(Against Harry Swart)

35. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

36. From no later than May 2012 through March 2013, Harry Swart, in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly knowingly or recklessly employed any device, scheme or artifice to defraud.

37. By reason of the foregoing, Harry Swart violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

COUNT II

Violations of Section 17(a)(2) of the Securities Act

(Against Harry Swart)

38. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

39. From no later than May 2012 through March 2013, Harry Swart, in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly negligently obtained 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.

40. By reason of the foregoing, Harry Swart violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(2) of the Securities Act, 15 U.S.C. § 77q(a)(2).

COUNT III

Violations of Section 17(a)(3) of the Securities Act

(Against Harry Swart)

41. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

42. From no later than May 2012 through March 2013, Harry Swart, in the offer or sale of any securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly negligently engaged in transactions, practices and courses of business which operated or would have operated as a fraud or deceit upon the purchasers and prospective purchasers of such securities.

43. By reason of the foregoing, Harry Swart violated, and, unless enjoined, is reasonably likely to continue to violate, Section 17(a)(3) of the Securities Act, 15 U.S.C. § 77q(a)(3).

COUNT IV

Violations of Section 10(b) and Rule 10b-5(a) of the Exchange Act

(Against Harry Swart)

44. The Commission repeats and realleges Paragraphs 1 through 34 of its

Complaint.

45. From no later than May 2012 through March 2013, Harry Swart directly and indirectly, by use of any means or instrumentality of interstate commerce, or of the mails, knowingly or recklessly employed any device, scheme or artifice to defraud in connection with the purchase or sale of any security.

46. By reason of the foregoing, Harry Swart violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(a) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(a).

COUNT V

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

(Against Harry Swart)

47. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

48. From no later than May 2012 through March 2013, Harry Swart, directly and indirectly, by use of any means or instrumentality of interstate commerce, or of the mails, knowingly or recklessly made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in connection with the purchase or sale of any security.

49. By reason of the foregoing, Harry Swart violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(b) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(b).

COUNT VI

Violations of Section 10(b) and Rule 10b-5(c) of the Exchange Act

(Against Harry Swart)

50. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

51. From no later than May 2012 through March 2013, Harry Swart directly and indirectly, by use of any means or instrumentality of interstate commerce, or of the mails, knowingly or recklessly engaged in acts, practices and courses of business which operated or would have operated as a fraud or deceit upon any person in connection with the purchase or sale of any security.

52. By reason of the foregoing, Harry Swart violated, and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5(c) of the Exchange Act, 15 U.S.C. § 78j(b), and 17 C.F.R. § 240.10b-5(c).

COUNT VII

Violations of Sections 5(a) and 5(c) of the Securities Act

(Against Harry Swart)

53. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

54. Defendant Harry Swart, directly or indirectly, has made use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, when no registration statement was in effect with the Commission as to such securities, and has made use of the means or instruments of transportation or

communication in interstate commerce or of the mails to offer to sell such securities when no registration statement had been filed with the Commission as to such securities.

55. There were no applicable exemptions from registration, and Defendant Harry Swart therefore violated, and unless restrained and enjoined will in the future violate Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. § 77e(a), (c).

COUNT VIII

Violations of the SEC Order

(Against Defendants)

56. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

57. Section 21(e) of the Exchange Act provides in relevant part that: "Upon application of the Commission the district courts of the United States . . . shall have jurisdiction to issue writs of mandamus, injunctions, and orders commanding . . . any person to comply with the provisions of this title, the rules, regulations, and orders thereunder. . . ." [15 U.S.C. § 78u(e)]

58. As described above, beginning no later than January 2009 and continuing into 2013, Harry Swart and Swart Baumruk engaged in numerous and repeated instances of conduct that constituted appearing or practicing before the Commission as an accountant within the scope of the SEC Order.

59. By engaging in the conduct described above, Harry Swart and Swart Baumruk violated the SEC Order.

COUNT IX

(Against MYOB as Relief Defendant)

60. The Commission repeats and realleges Paragraphs 1 through 34 of its Complaint.

61. MYOB obtained funds as part, and in furtherance of the securities violations alleged above without a legitimate claim to those funds, and under those circumstances it is not just, equitable or conscionable for MYOB to retain the funds.

62. MYOB should be ordered to disgorge the funds it received as a result of Harry Swart's violations of the federal securities laws.

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests the Court find the Defendants committed the violations alleged, and:

I.

Permanent Injunction and Order to Comply with SEC Order

Issue a Permanent Injunction restraining and enjoining Defendant Harry Swart, his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with him, and each of them, from violating the federal securities laws alleged in this Complaint, and an order directing Defendants Harry Swart and Swart Baumruk to comply with the SEC Order.

II.

Disgorgement

Issue an Order directing Defendants and MYOB to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

III.

Penalties

Issue an Order directing Defendant Harry Swart to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d).

IV.

Penny Stock Bar

Issue an Order, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d)(6) of the Exchange Act, 15 U.S.C. § 78u(d)(6), barring Defendant Harry Swart from participating in any future offering of a penny stock.

V.

Further Relief

Grant such other and further relief as may be necessary and appropriate.

VI.

Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action and over Defendants and MYOB in order to implement and carry out the terms of all orders and decrees that may hereby be entered, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Dated: July 26, 2017

Respectfully submitted,

By:



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