

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

<b>SECURITIES AND EXCHANGE COMMISSION,</b>	:	
	:	
Plaintiff,	:	
	:	
v.	:	Civil Action No.: 1:19-cv-394
	:	
<b>JOEL CRAIG DUNCAN,</b>	:	
	:	
Defendant.	:	
	:	

**COMPLAINT**

Plaintiff, Securities and Exchange Commission (the “Commission”), alleges as follows:

**SUMMARY OF THE ACTION**

1. Beginning in or around February 2014, Defendant Joel Craig Duncan participated in the securities offerings of Intertech Solutions, Inc. (“ITEC”) by recruiting several individuals (the “Solicitors”) who directly solicited investors in ITEC securities.
2. While engaging in this conduct, neither Defendant nor the Solicitors were registered with the Commission as brokers or dealers nor associated with a broker or dealer registered with the Commission.
3. ITEC paid the Solicitors and Duncan transaction-based compensation on the investments brought in by the Solicitors.
4. Through his conduct, Defendant aided and abetted the Solicitors’ violations of Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)] and, unless restrained and enjoined by this Court, may continue to violate said provision.

**JURISDICTION AND VENUE**

5. The Commission brings this action pursuant to Sections 21(d) and (e) of the Exchange Act [15 U.S.C. § 78u(d) and (e)] to enjoin such acts, practices, and courses of business, and to obtain disgorgement, prejudgment interest, civil money penalties, and such other and further relief as this Court may deem just and appropriate.

6. The investments, which took the form of common stock and investment contracts, offered and sold by the Solicitors, are each a “security” as that term is defined under Section 3(a)(10) of the Exchange Act [5 U.S.C. § 78c(a)(10)].

7. Defendant and/or the Solicitors, directly or indirectly, made use of the mails or means or instrumentality of interstate commerce in connection with the conduct alleged in this Complaint.

8. This Court has subject matter jurisdiction over this action pursuant to Sections 21(d) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d) and 78aa], and 28 U.S.C. 1331.

9. Venue in this District is proper because Defendant is found, inhabits, and/or transacted business in the Western District of Texas and because one or more acts or transactions constituting the violations occurred in the Western District of Texas.

**DEFENDANT**

10. **Joel Craig Duncan**, born in 1970, is last known to have resided in Austin, Texas. Duncan was retained by an ITEC principal to recruit individuals for the purpose of soliciting investors in ITEC securities.

**FACTS**

**Intertech Solutions, Inc.'s Securities Offerings**

11. ITEC is a Nevada corporation formed April 2010 with its principal place of business in Scottsdale, Arizona.

12. ITEC purports to be a project finance and management company for mining operations.

13. In or around November 2013, ITEC entered into an agreement with the mineral rights holder of certain mining claims in La Paz County, Arizona (the "Arizona Claims"). Pursuant to the agreement, ITEC was to obtain the necessary funding to bring the Arizona Claims into commercial gold production in exchange for a percentage interest in the gross proceeds of any gold obtained from the Arizona Claims.

14. Purportedly to fulfill its obligations under this agreement, ITEC initiated an offering of its common stock in or around February 2014.

15. In or around August 2014, ITEC also began offering "Sale/Purchase and Processing Agreement for In Situ Au Metal" (the "Gold Contracts"), which are investment contracts. The Gold Contracts gave investors the right to purchase a specified amount of gold from the Arizona Claims' future production at a highly discounted price relative to the then spot price of gold. ITEC pooled the funds it received from its sale of Gold Contracts.

16. Because the Arizona Claims were undeveloped throughout the duration of the Gold Contract offering, the profitability of the Gold Contracts depended on ITEC's and the mineral rights holder's ability to develop the Arizona Claims and begin commercial-level gold extraction.

### **The Securities Solicitations**

17. Defendant, who had been involved in the solicitation of investors in the past, maintained a network of individuals who had also previously been involved in securities solicitations.

18. At some point prior to the beginning of ITEC's securities offerings, an ITEC principal became acquainted with Defendant through a mutual business associate and became aware of Defendant's network of securities solicitors.

19. The ITEC principal then enlisted Defendant to recruit individuals to solicit investors in ITEC securities.

20. Defendant thereafter contacted various individuals in his network and successfully recruited the Solicitors to solicit investors on behalf of ITEC.

21. After Defendant recruited the Solicitors, ITEC provided them with offering documents, including private placement memoranda ("PPM").

22. The Solicitors then obtained lead lists of prospective investors who resided throughout the United States and Canada and used those lead lists to engage in cold-call solicitations.

23. After initiating contact with a prospective investor over the phone, the Solicitors typically mailed or emailed the offering documents to the prospect and directed the prospect to visit ITEC's website.

24. If an investor decided to purchase ITEC common stock or Gold Contracts, the Solicitors instructed the investor to execute and submit to ITEC a stock subscription agreement or a Gold Contract and to send investment funds via either check or wire to be deposited in ITEC's bank account.

25. While they engaged in these solicitations, the Solicitors were neither registered with the Commission as brokers or dealers nor associated with a broker or dealer registered with the Commission.

26. Although Defendant is not currently known to have personally solicited investors in ITEC securities, he facilitated the Solicitors' efforts by managing communications between the Solicitors and ITEC, tracking investments brought in by the Solicitors, and assuring the Solicitors received their commission payments.

27. ITEC conducted its unregistered common stock and Gold Contract offerings through December 2016 and raised over \$7 million from hundreds of investors throughout the United States and Canada.

#### **The Solicitors' and Defendant's Compensation**

28. Using the investment funds it received through its sale of securities, ITEC paid the Solicitors transaction-based compensation ranging from approximately 35% to 50% of the total investment proceeds.

29. Defendant received override commission payments from ITEC for all securities sales generated by the Solicitors. These payments generally ranged from 2.5% to 5% of total investment proceeds. Defendant therefore received transaction-based compensation from ITEC.

#### **CLAIM FOR RELIEF** **Violations, via aiding and abetting of Section 15(a)(1) of the Exchange Act** **[15 U.S.C. § 78o(a)(1)]**

30. The Commission re-alleges and incorporates by reference each and every allegation in paragraphs 1–29, inclusive, as if they were fully set forth herein.

31. By engaging in the conduct described above, the Solicitors:

- a. engaged in the business of effecting transactions in securities for the account of others; and
- b. directly or indirectly, made use of the mails or the means or instrumentalities of interstate commerce to effect transactions in, or to induce or attempt to induce the purchase or sale of, securities without being registered as a broker or dealer with the Commission or associated with a broker or dealer registered with the Commission, and therefore violated Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)]; and Defendant knowingly or recklessly provided substantial assistance to the Solicitors in their achievement of said violations.

32. Pursuant to Section 20(e) of the Exchange Act [15 U.S.C. § 78t(e)], any person that knowingly or recklessly provides substantial assistance to another person in violation of a provision of the Exchange Act, or of any rule or regulation issued under the Exchange Act, shall be deemed to be in violation of such provision to the same extent as the person to whom such assistance is provided.

33. By reason of the foregoing, Defendant is liable for violations of Section 15(a)(1) of the Exchange Act to the same extent as each of the Solicitors is liable and, unless enjoined, will continue to violate Section 15(a)(1) of the Exchange Act.

**PRAYER FOR RELIEF**

WHEREFORE, the Commission respectfully requests that this Court enter a final judgment:

**I.**

Permanently restraining and enjoining Defendant from, directly or indirectly, engaging in conduct in violation of Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)]

**II.**

Permanently restraining and enjoining Defendant from directly or indirectly, including, but not limited to, through any entity owned or controlled him, soliciting any person or entity to purchase or sell any security;

**III.**

Ordering Defendant to disgorge all ill-gotten gains or unjust enrichment derived from the activities set forth in this Complaint, together with prejudgment interest thereon;

**IV.**

Ordering Defendant to pay a civil penalty pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)];

**V.**

Permanently and unconditionally restraining and enjoining Defendant from participating in any offering of penny stock pursuant to Section 21(d)(6)(A) of the Exchange Act [15 U.S.C. § 78u(d)(6)(A)];

**VI.**

Retaining jurisdiction of this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that may be entered, or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court; and,

VII.

Granting such other and further relief as this Court may deem just, equitable, or necessary in connection with the enforcement of the federal securities laws and for the protection of investors.

Dated: April 8, 2019.

Respectfully submitted,



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Jamie L. Frank  
Texas Bar No. 07363050  
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Burnett Plaza, Suite 1900  
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COUNSEL FOR PLAINTIFF UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION



JS 44 (Rev. 06/17)

**CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

**I. (a) PLAINTIFFS**  
**SECURITIES AND EXCHANGE COMMISSION**

**(b)** County of Residence of First Listed Plaintiff \_\_\_\_\_  
 (EXCEPT IN U.S. PLAINTIFF CASES)

**(c)** Attorneys (Firm Name, Address, and Telephone Number)  
 Janie L. Frank, Securities and Exchange Commission, Burnett Plaza,  
 Ste. 1900, 801 Cherry Street, Unit #18, Fort Worth, TX 76102-6882,  
 (817) 978-6478

**DEFENDANTS**  
**JOEL CRAIG DUNCAN**

County of Residence of First Listed Defendant \_\_\_\_\_  
 (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)  
 Jay Ethington, The Law Firm of Jay Ethington, Mckinney Place, 3131  
 McKinney Avenue, Suite 800, Dallas, TX 75204, (214) 740-9955

**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

1 U.S. Government Plaintiff

2 U.S. Government Defendant

3 Federal Question (U.S. Government Not a Party)

4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input checked="" type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. NATURE OF SUIT** (Place an "X" in One Box Only) [Click here for: Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/ Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other <b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input checked="" type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	<b>PRISONER PETITIONS</b> <b>Habeas Corpus:</b> <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <b>Other:</b> <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

**V. ORIGIN** (Place an "X" in One Box Only)

1 Original Proceeding

2 Removed from State Court

3 Remanded from Appellate Court

4 Reinstated or Reopened

5 Transferred from Another District (specify)

6 Multidistrict Litigation - Transfer

8 Multidistrict Litigation - Direct File

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):  
 Section 15(a)(1) of the Exchange Act [15 U.S.C. Section 78o(a)(1)]

Brief description of cause:  
 Securities offering fraud.

**VII. REQUESTED IN COMPLAINT:**

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.


DEMAND \$ \_\_\_\_\_

CHECK YES only if demanded in complaint:  
 JURY DEMAND:  Yes  No

**VIII. RELATED CASE(S) IF ANY** (See instructions):

JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

DATE: 04/08/2019

SIGNATURE OF ATTORNEY OF RECORD: 

FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_