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8
9 **UNITED STATES DISTRICT COURT**
10 **SOUTHERN DISTRICT OF CALIFORNIA**

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12
13 **SECURITIES AND EXCHANGE**
COMMISSION,

14 **Plaintiff,**

15 **vs.**

16
17 **EQUAL EARTH, INC., ANDREW J.**
DUGGAN, and GHASSAN
18 **HAMAMDE A/K/A MARK**
HAMADE,

19 **Defendants.**
20

Case No. **'19CV1138 JM BGS**

COMPLAINT

21
22 Plaintiff Securities and Exchange Commission (“SEC”) alleges:

23 **JURISDICTION AND VENUE**

24 1. The Court has jurisdiction over this action pursuant to Sections 20(b),
25 20(d)(1) and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§
26 77t(b), 77t(d)(1) & 77v(a), and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27(a) of the
27 Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §§ 78u(d)(1),
28

1 78u(d)(3)(A), 78u(e) & 78aa(a).

2 2. Defendants have, directly or indirectly, made use of the means or
3 instrumentalities of interstate commerce, of the mails, or of the facilities of a national
4 securities exchange in connection with the transactions, acts, practices and courses of
5 business alleged in this complaint.

6 3. Venue is proper in this district pursuant to Section 22(a) of the Securities
7 Act, 15 U.S.C. § 77v(a), and Section 27(a) of the Exchange Act, 15 U.S.C. § 78aa(a),
8 because certain of the transactions, acts, practices and courses of conduct constituting
9 violations of the federal securities laws occurred within this district. In addition,
10 venue is proper in this district because Defendant Duggan resides in this district and
11 Defendant Equal Earth was headquartered in this district.

12 **SUMMARY**

13 4. From 2013 to 2015, Equal Earth, Inc. (“Equal Earth”), its CEO, Andrew
14 Duggan, and its COO, Mark Hamade defrauded hundreds of investors who had
15 invested millions of dollars in their company. Equal Earth claimed it was a green
16 energy development company that would acquire and build solar projects. From at
17 least October 2013 to September 2015, Equal Earth raised almost \$5.6 million from
18 at least 266 investors.

19 5. When soliciting those investors, Duggan and Hamade represented that
20 their company had significant historical revenues, it had acquired multiple companies
21 that could generate more future revenue, and had projects with significant power
22 generation capacity, all making it seem as if it was a fast-growing company that
23 would soon go public.

24 6. None of that was true. Equal Earth was hardly growing. In fact, it had
25 not acquired most of the companies it said it had. And instead of the \$79 million in
26 2013 revenue it claimed it had earned, its revenues that year were only about
27 \$684,000. Also, in the few instances where Equal Earth had actually acquired a
28 company, the acquired company had the right to unwind the deal if Equal Earth did

1 not go public by a specific date.

2 7. To make matters worse, while perpetrating these lies, Duggan sold his
3 own Equal Earth stock to unsuspecting investors for profits of about \$617,690. He
4 also misappropriated at least \$40,000 of investor money.

5 8. By engaging in this conduct, defendants Equal Earth, Duggan and
6 Hamade violated Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a)
7 and 77e(c); Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b); and Rule 10b-
8 5(b), 17 C.F.R. § 240.10b-5(b), thereunder; and defendants Equal Earth and Duggan
9 also violated Sections 17(a)(1), (a)(2), and (a)(3) of the Securities Act, 15 U.S.C. §§
10 77q(a)(1), (a)(2), and (a)(3); Section 10(b) of the Exchange Act, 15 U.S.C. §78j(b);
11 and Rules 10b-5(a) and (c), 17 C.F.R. §240.10b-5(a) and (c), thereunder.

12 9. With this complaint, the SEC seeks judgments: (1) permanently
13 enjoining Equal Earth, Duggan and Hamade from future violations of the registration
14 provisions of the Securities Act and the antifraud provisions of the Securities Act and
15 the Exchange Act; (2) permanently enjoining Duggan and Hamade from, directly or
16 indirectly, including, but not limited to, through any entity owned or controlled by
17 each of them, participating in the issuance, purchase, offer, or sale of any security in
18 an unregistered offering by an issuer, provided, however, that such injunction shall
19 not prevent each of them from purchasing or selling securities for his own respective
20 personal account; (3) requiring Equal Earth and Duggan to pay disgorgement plus
21 prejudgment interest; (4) requiring Equal Earth, Duggan and Hamade to pay civil
22 penalties; and (5) barring Duggan and Hamade from acting as officers or directors of
23 a public company.

24 **THE DEFENDANTS**

25 10. **Andrew J. Duggan** resides in San Diego, California. Duggan is the
26 founder, chairman, CEO and a director of Equal Earth.

27 11. **Ghassan Hamade a/k/a Mark Hamade** resides in Santa Monica,
28 California. Hamade was the COO and a director of Equal Earth.

1 \$10,000,000 (on an annualized basis) by the end of [the year in which the version of
2 the form SPA was drafted] with a projected pipeline of projects to be acquired, and
3 which are under LOI [letter of intent], with a value of more than \$100,000,000.”

4 19. At the same time that investors were presented with this documentation,
5 Duggan and Hamade told them that it had acquired companies and assets, which
6 contradicted the disclosures in the SPA. At least two investors pointed out this
7 contradiction to Hamade, who falsely told them that the representations in the SPA
8 were out of date.

9 20. Along with the SPA, at least three other documents were made available
10 to investors:

11 (a) First, investors received a “Summary of Terms” for the specific
12 series of stock they were investing in. The Summary of Terms identified the
13 investment in Equal Earth’s common shares as a “security” and disclosed that, “the
14 proceeds [of the offering] will be used for general working capital.” As with the
15 SPA, the investor and Duggan, on behalf of Equal Earth, signed the Summary of
16 Terms.

17 (b) Second, investors filled out and signed an investor questionnaire
18 that asked them to identify any of several criteria qualifying the investors as
19 “accredited.” At least 57 investors indicated on the questionnaires that they did not
20 satisfy any of the criteria and thus were unaccredited. There is no evidence to suggest
21 that Equal Earth did anything to verify the accredited status of any of the prospective
22 investors, and at no time were investors provided audited financial statements.

23 (c) Third, written marketing materials were also made available to
24 prospective investors. These included: (1) PowerPoint presentations, which
25 purported to describe the company’s operations, revenues, and acquisitions, (2)
26 “Executive Summaries,” which are two-page summaries of its business and financial
27 information, (3) press releases, which purported to describe companies or projects
28 Equal Earth had acquired or intended to acquire, and (4) Equal Earth’s website,

1 which posted Equal Earth's press releases, among other material. Generally, these
2 materials touted Equal Earth's revenues and acquisitions, among other things,
3 painting a picture of a fast-growing start-up headed towards an IPO.

4 21. Duggan reviewed and approved the SPA, the Summary of Terms, and
5 investor questionnaire for each "series" of stock and directed Hamade to use those
6 documents with prospective investors.

7 22. Duggan also worked on and approved all of the written materials made
8 available to prospective investors, including the PowerPoint presentations, the
9 Executive Summaries, the press releases and Equal Earth's website. To the extent
10 that Duggan did not personally prepare the entirety of PowerPoint presentations,
11 Equal Earth's staff prepared them, in part, based on information they obtained from
12 Duggan. Of all the written materials, Hamade reviewed and commented on only a
13 May 2014 PowerPoint presentation.

14 23. Duggan and Hamade talked to investors directly.

15 24. Duggan and Hamade each personally solicited many of Equal Earth's
16 investors, spoke with prospective investors via telephone, met them in person, and
17 frequently sent documents and information to them by email. Duggan met with
18 potential investors, and updated investors by email of company developments,
19 including Equal Earth's purported acquisitions. Duggan approved sending written
20 materials to potential investors. Duggan also discussed potential investors with
21 Hamade, and how to convince them to invest. Hamade and his subordinates reported
22 to Duggan, and they kept Duggan updated on their fund raising efforts.

23 25. Equal Earth ceased soliciting investors in September 2015 and ended all
24 operations in April 2016. Currently, its corporate status is suspended.

25 **C. The False and Misleading Statements to Investors**

26 26. In soliciting investors, defendants made a series of false and misleading
27 statements to investors.

1 **1. Misrepresentations regarding historical 2013 revenues**

2 27. As part of their pitch to investors that it was a growing company headed
3 toward an IPO, Duggan and Hamade falsely represented to investors that Equal Earth
4 had acquired substantial historical 2013 revenues through acquisitions it had made in
5 2014.

6 28. For example, in an April 2014 PowerPoint presentation provided to
7 investors they identified “[h]ighlights from completed acquisitions in Q2 2014,”
8 including that Equal Earth had “[a]dded \$40 million in 2013 aggregate revenue.”

9 29. They made a similar claim in a May 2014 PowerPoint presentation,
10 which stated the company had 2013 revenues of “\$79 million,” a “key result” of
11 those acquisitions. That presentation also claimed Equal Earth had acquired six
12 companies, which made up \$5.5 million in historical 2013 revenue, and that it
13 planned to acquire an additional five companies, comprising an additional \$73.5
14 million in historical 2013 revenue, for a total of \$79 million in historical 2013
15 revenues.

16 30. All of those representations were false because Equal Earth had not
17 acquired companies with historical 2013 revenue figures anywhere near \$79 million.
18 Indeed, Equal Earth had not acquired any of the companies that it claimed to have
19 acquired in the May 2014 PowerPoint presentation. Emails to or from Duggan and
20 Hamade at the time the April and May 2014 PowerPoint presentations were given to
21 investors acknowledged that the companies were just “acquisition candidates” or part
22 of their “acquisition pipeline.” In fact, according to its financial records, Equal Earth
23 earned revenues of only \$684,672 in 2013, the vast majority of which was derived
24 from asset sales—nowhere near the \$79 million told to investors.

25 31. Duggan and Hamade both reviewed the May 2014 presentation before it
26 was sent to investors, and Duggan reviewed the April 2014 presentation. Each knew
27 the 2013 revenue representations in these presentations were false because each knew
28 that none of the represented acquisitions had taken place when they provided

1 investors with these presentations.

2 32. As described below, Equal Earth did not enter into an actual acquisition
3 agreement with a target company until June 30, 2014, and Duggan knew that the six
4 companies Equal Earth said it had acquired in its April 2014 PowerPoint presentation
5 had not been acquired because he was involved in the negotiations. Duggan also
6 knew that the 2013 revenue representations were false because he knew what Equal
7 Earth's actual recorded revenues were for that year.

8 33. Any reasonable investor would have wanted to know the truth about
9 Equal Earth's historical revenues. If the company had significant past revenues, that
10 would have confirmed that it was an operating business. The truth about these
11 historical revenues—that the revenues, were in fact, very small—would have been
12 important to any reasonable investor and his or her decision to invest.

13 **2. Misrepresentations about the true status of the acquisitions**

14 34. As part of their sales pitch that it was a growing company, Duggan and
15 Hamade repeatedly told prospective investors that it had acquired other firms or
16 projects when, in fact, it had not.

17 35. As noted above, Equal Earth made some of these false and misleading
18 statements in its April and May 2014 PowerPoint presentations.

19 36. In a May 5, 2014 email to an Equal Earth staff member copying
20 Hamade, Duggan identified the acquisition of the six companies by name. Duggan
21 then directed Equal Earth staff to include these acquisitions in the May PowerPoint
22 presentation, to indicate that their acquisition status was “completed,” but to “not use
23 the names” of the companies.

24 37. Then, in April, October, and November 2014, Equal Earth issued a series
25 of press releases (that it also posted on its website) stating it had acquired specific
26 companies or projects when, in fact, it had not. Duggan met and discussed the May
27 2014 PowerPoint presentation with at least one investor, and represented to
28 shareholders at a December 2014 shareholder meeting that Equal Earth had actually

1 acquired the companies.

2 38. Hamade also made similar claims directly to prospective investors. For
3 instance, an investor testified that he met multiple times with Hamade in September
4 and October 2014, when Hamade told him that Equal Earth had “closed” over \$12
5 million in project acquisitions and that it had executed on several projects, including a
6 20 megawatt wind farm deal. The investor testified he understood “executed” to
7 mean that Equal Earth had actually acquired the solar farm.

8 39. Hamade and Duggan’s claims about the acquired companies or projects
9 were false because Equal Earth had not made the acquisitions they claimed. In
10 reality, for some of the claimed acquisitions, Equal Earth had: (1) only executed
11 letters of intent, which merely granted Equal Earth the exclusive right to negotiate an
12 acquisition with the target for a limited time, and had never signed acquisition
13 agreements with the targets; or (2) entered into letters of intent or acquisition
14 agreements with the targets well after the proposed defendants’ public claims that
15 Equal Earth had acquired the targets.

16 40. Duggan and Hamade both knew these statements were false and
17 misleading. For one, Duggan signed the letters of intent and/or acquisition
18 agreements, if any, and thus knew the true timing of the acquisitions that actually did
19 occur.

20 41. In addition, contemporaneous communications show that both men knew
21 the acquisitions had not occurred. For example, in a July 2014 email from Duggan
22 that copied Hamade, Duggan acknowledged that “[w]e have completed one
23 acquisition using a stock-only transaction. We are about to make offers on three
24 others.” Also, as late as August 2014, Hamade complained in a Facebook post to a
25 friend that, “I told [Duggan] that we have 5 people working on getting a deal & not
26 one closed. It’s ridiculous.”

27 42. The true status of Equal Earth’s purported acquisitions would have been
28 important to any reasonable investors and their decisions to invest. Likewise, the fact

1 that many of the deals were only at the letter-of-intent stage would have been
2 important for any reasonable investor to know. Investors would not have invested if
3 they had known Equal Earth did not truly own the assets it claimed to own.

4 **3. Misrepresentations regarding the terms of the acquisition agreements**

5 43. Even for the companies that Equal Earth actually did acquire, Duggan
6 misled investors about the key terms of those acquisitions.

7 44. For example, the August 2014 and October 2014 PowerPoint
8 presentations sent to investors represented that Equal Earth had acquired three
9 companies. Two April 2014 press releases similarly claimed Equal Earth had
10 “acquired” two of these companies, and press releases in December 2014 announced
11 it had “acquired” two other companies.

12 45. But a critical contingency in these five acquisitions was never disclosed.
13 For three of these acquisitions, the target company’s equity interests and Equal
14 Earth’s common stock certificates used to acquire the company were placed in
15 escrow and would be returned to each respective party if the SEC did not approve a
16 Form S-1 for Equal Earth on or before April 15, 2015. And for the two acquisitions
17 announced in December, each target company could unwind the transaction if Equal
18 Earth had not undergone an IPO by December 31, 2015.

19 46. Despite this, Equal Earth continued to represent in Executive Summaries
20 to investors and prospective investors in January, February, and May 2015 that it had
21 “[c]ompleted 4 Company Acquisitions,” without referencing the companies by name,
22 but similarly never disclosed any contingencies.

23 47. Duggan was well aware of these IPO contingencies. He participated in
24 the negotiations for the acquisitions and/or signed the acquisition agreements that
25 contained these contingencies. He thus knew that the companies could each unwind
26 the transactions if Equal Earth did not go public by a specific date. Ultimately, each
27 seller either elected to unwind its respective transaction or, in essence, had its
28 transaction unwound by virtue of Equal Earth’s failure to go public.

1 48. Any reasonable investor would have wanted to know that the acquisition
2 agreements could have been unwound if Equal Earth did not go public by a specific
3 date.

4 **4. Misrepresentations about Equal Earth’s power generation capacity**

5 49. Duggan and Hamade also told investors that Equal Earth had acquired
6 projects with substantial power generation capacity (measured in megawatts).

7 50. Executive Summaries sent to current and prospective investors in
8 January, February and May 2015 claimed that Equal Earth had achieved “Milestones”
9 through “Exclusive Contracts to purchase existing projects” with specific megawatt
10 amounts. The August 2015 PowerPoint presentation stated that Equal Earth had 10
11 megawatts under contract, another 65 megawatts under a letter of intent and 300
12 megawatts in its pipeline.

13 51. Hamade made similar statements to prospective investors directly. For
14 instance, Hamade told one investor that Equal Earth had hundreds of megawatts of
15 power generating assets, a claim Hamade reiterated in an April 2015 email to the
16 investor. He told another investor that Equal Earth had assets generating hundreds of
17 megawatts.

18 52. These claims were false and misleading because the maximum
19 generating power that Equal Earth actually owned was, at most, 2 megawatts. All of
20 the rest of the power generation projects were only subject to letters of intent. Thus,
21 investors were misled to believe that Equal Earth had entered into actual contracts to
22 purchase those projects when, in fact, all it had merely agreed to negotiate a potential
23 acquisition. Moreover, the claims in the August 2015 PowerPoint about significant
24 megawatt capacities under contract or in the pipeline were misleading since Equal
25 Earth never owned, at any point in time, assets that generated more than 2 megawatts
26 of power.

27 53. Duggan and Hamade knew these representations were false and
28 misleading. Duggan signed all the letters of intent and acquisition agreements, and

1 therefore knew the true status of each project. Hamade also knew the acquisitions
2 were only subject to letters of intent. Indeed, both received a March 2015 email from
3 Equal Earth's CFO identifying letters of intent for five projects totaling 67 megawatts
4 of power.

5 54. Also, even as investors were told in written and oral presentations that
6 Equal Earth was acquiring projects, Duggan made clear to Hamade and other Equal
7 Earth employees in a September 30, 2014 email that, "[w]e do not need to fund or
8 install projects to get credit in the public markets. We simply need to have control
9 (lease, PPA, exclusive LOI's, [sic], etc.).... I understand that we [need] to fund some
10 deals, and we are doing that. But again, please re-read the bold line above again."

11 55. Any reasonable investor would have wanted to know the truth about
12 Equal Earth's power generation capacity, which would have been important
13 information for an investor's decision to invest.

14 **D. Profits from the Fraud**

15 56. Duggan personally profited from the fraud.

16 57. Duggan profited from sales of his Equal Earth stock to investors.

17 58. From October 2, 2013 through July 27, 2015, while Hamade and
18 Duggan were misleading and defrauding investors in their company, Duggan sold
19 5,827,500 shares of his personal Equal Earth common stock to 31 investors

20 59. Duggan received \$617,690 from the sales made to investors.

21 60. Duggan also misappropriated as much as \$40,000 of investor money,
22 from October 2013 until September 2015.

23 61. Duggan was the sole signatory on Equal Earth's bank account until June
24 2015.

25 62. The "Summary of Terms" materials provided investors state that
26 investor proceeds would be used for "working capital."

27 63. However, some investor money used in the form of cash withdrawals
28 and advances or used to pay for retail purchase at high-end department stores or

1 clothiers.

2 64. Equal Earth coded some of these disbursements in the internal books as
3 meals and entertainment or airfare expenses.

4 **FIRST CLAIM FOR RELIEF**

5 **Fraud in the Connection with the Purchase and Sale of Securities**

6 **Violations of Section 10(b) of the Exchange Act and**

7 **Rule 10b-5(b) Thereunder**

8 **(against all Defendants)**

9 65. The SEC realleges and incorporates by reference paragraphs 1 through
10 64 above.

11 66. While soliciting millions of dollars from investors, Equal Earth, Duggan
12 and Hamade made materially false and misleading statements to investors about the
13 company's historical revenues, the status of its acquisitions, the terms of the
14 acquisition agreements, and the company's power generation capacity.

15 67. By engaging in the conduct described above, Equal Earth, Duggan and
16 Hamade, and each of them, directly or indirectly, in connection with the purchase or
17 sale of a security, by the use of means or instrumentalities of interstate commerce or
18 of the mails, made untrue statements of a material fact or omitted to state a material
19 fact necessary in order to make the statements made, in the light of the circumstances
20 under which they were made, not misleading. In doing so, each of the defendants
21 acted with scienter.

22 68. By engaging in the conduct described above, Equal Earth, Duggan and
23 Hamade violated, and unless restrained and enjoined will continue to violate, Section
24 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5(b) thereunder, 17
25 C.F.R. § 240.10b-5(b).

SECOND CLAIM FOR RELIEF

Fraud in the Connection with the Purchase and Sale of Securities

Violations of Section 10(b) of the Exchange Act and

Rules 10b-5(a) and 10b-5(c) Thereunder

(against Defendants Equal Earth and Duggan)

69. The SEC realleges and incorporates by reference paragraphs 1 through 64 above.

70. While soliciting millions of dollars from investors, Equal Earth and Duggan disseminated materially false and misleading statements to investors about the company's historical revenues, the status of its acquisitions, the terms of the acquisition agreements, and the company's power generation capacity. Duggan also profited from the fraud by selling his own stock to investors while defrauding them, and by misappropriating their money.

71. By engaging in the conduct described above, Equal Earth and Duggan, and each of them, directly or indirectly, in connection with the purchase or sale of a security, by the use of means or instrumentalities of interstate commerce or of the mails, employed devices, schemes, or artifices to defraud, and engaged in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons. In doing so, each of the defendants acted with scienter.

72. By engaging in the conduct described above, Equal Earth and Duggan violated, and unless restrained and enjoined will continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rules 10b-5(a) and 10b-5(c) thereunder, 17 C.F.R. §§ 240.10b-5(a) & 240.10b-5(c).

1 **THIRD CLAIM FOR RELIEF**

2 **Fraud in the Offer or Sale of Securities**

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

4 **(against Defendants Equal Earth and Duggan)**

5 73. The SEC realleges and incorporates by reference paragraphs 1 through
6 64 above.

7 74. While soliciting millions of dollars from investors, Equal Earth and
8 Duggan obtained money by means of, and disseminated materially false and
9 misleading statements to investors about the company's historical revenues, the status
10 of its acquisitions, the terms of the acquisition agreements, and the company's power
11 generation capacity. Duggan also profited from the fraud by selling his own stock to
12 investors while defrauding them, and by misappropriating their money.

13 75. By engaging in the conduct described above, Equal Earth and Duggan,
14 and each of them, directly or indirectly, in the offer or sale of securities, and by the
15 use of means or instruments of transportation or communication in interstate
16 commerce or by use of the mails:

- 17 (a) with scienter, employed devices, schemes, or artifices to defraud;
18 (b) with scienter or at least negligence, obtained money or property by
19 means of untrue statements of a material fact or by omitting to
20 state a material fact necessary in order to make the statements
21 made, in light of the circumstances under which they were made,
22 not misleading; and
23 (c) with scienter or at least negligence, engaged in transactions,
24 practices, or courses of business which operated or would operate
25 as a fraud or deceit upon the purchaser.

26 76. By engaging in the conduct described above, Equal Earth and Duggan
27 violated, and unless restrained and enjoined will continue to violate, Section 17(a) of
28 the Securities Act, 15 U.S.C. §§ 77q(a).

1 **FOURTH CLAIM FOR RELIEF**

2 **Unregistered Offer and Sale of Securities**

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

4 **(against all Defendants)**

5 77. The SEC realleges and incorporates by reference paragraphs 1 through
6 64 above.

7 78. Equal Earth, Duggan and Hamade offered and sold Equal Earth common
8 stock to investors in an offer and sale that was never registered with the SEC.

9 79. By engaging in the conduct described above, Equal Earth, Duggan and
10 Hamade, and each of them, directly or indirectly, singly and in concert with others,
11 has made use of the means or instruments of transportation or communication in
12 interstate commerce, or of the mails, to offer to sell or to sell securities, or carried or
13 caused to be carried through the mails or in interstate commerce, by means or
14 instruments of transportation, securities for the purpose of sale or for delivery after
15 sale, when no registration statement had been filed or was in effect as to such
16 securities, and when no exemption from registration was applicable.

17 80. By engaging in the conduct described above, Equal Earth, Duggan and
18 Hamade violated, and unless restrained and enjoined, are reasonably likely to
19 continue to violate, Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a)
20 & 77e(c).

21 **PRAYER FOR RELIEF**

22 WHEREFORE, the SEC respectfully requests that the Court:

23 **I.**

24 Issue findings of fact and conclusions of law that defendants Equal Earth,
25 Duggan and Hamade committed the alleged violations.

26 **II.**

27 Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of
28 Civil Procedure, permanently enjoining Equal Earth, Duggan and Hamade, and their

1 officers, agents, servants, employees and attorneys, and those persons in active
2 concert or participation with any of them, who receive actual notice of the judgment
3 by personal service or otherwise, and each of them, from violating Section 10(b) of
4 the Exchange Act (15 U.S.C. § 78j(b)) and Rule 10b-5(b) thereunder (17 C.F.R. §
5 240.10b-5(b)), and Sections 5(a) and 5(c) of the Securities Act (15 U.S.C. §§ 77e(a)
6 & 77e(c)); and as to defendants Equal Earth and Duggan, and their officers, agents,
7 servants, employees, and attorneys, and those persons in active concert or
8 participation with any of them, who receive actual notice of the judgment by personal
9 service or otherwise, and each of them, from violating Section 10(b) of the Exchange
10 Act (15 U.S.C. § 78j(b)) and Rules 10b-5(a) and 10b-5(c) thereunder (17 C.F.R. §§
11 240.10b-5(a) & 10b-5(c)), and Section 17(a) of the Securities Act (15 U.S.C.
12 §77q(a)).

13 **III.**

14 Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of
15 Civil Procedure, permanently enjoining Duggan and Hamade from, directly or
16 indirectly, including, but not limited to, through any entity owned or controlled by
17 each of them, participating in the issuance, purchase, offer, or sale of any security in
18 an unregistered offering by an issuer, provided, however, that such injunction shall
19 not prevent each of them from purchasing or selling securities for his own respective
20 personal account.

21 **IV.**

22 Order defendants Equal Earth and Duggan to disgorge all funds received from
23 their illegal conduct, together with prejudgment interest thereon.

24 **V.**

25 Order defendants Equal Earth, Duggan and Hamade to pay civil penalties
26 under Section 20(d) of the Securities Act (15 U.S.C. § 77t(d)) and Section 21(d)(3) of
27 the Exchange Act (15 U.S.C. § 78u(d)(3)).
28

1 **VI.**

2 Issue an Order pursuant to Section 20(e) of the Securities Act (15 U.S.C. §
3 77t(e)) and Section 21(d)(2) of the Exchange Act (15 U.S.C. § 78u(d)(2)) as to
4 Defendant Duggan and pursuant to Section 21(d)(2) of the Exchange Act (15 U.S.C.
5 § 78u(d)(2)) as to Defendant Hamade, prohibiting Defendants Duggan and Hamade
6 from acting as an officer or director of any issuer that has a class of securities
7 registered pursuant to Section 12 of the Exchange Act (15 U.S.C. § 78l) or that is
8 required to file reports pursuant to Section 15(d) of the Exchange Act (15 U.S.C. §
9 78o(d)).

10 **VII.**

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

15 **VIII.**

16 Grant such other and further relief as this Court may determine to be just and
17 necessary.

18 Dated: June 17, 2019

19 s/ Amy Jane Longo
20 _____
21 Attorney for Plaintiff
22 Email: longoa@sec.gov
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