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U.S. DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

SPATT !

WALL, M.J.

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

INTERNATIONAL STOCK TRANSFER, INC.,  
AND CECIL FRANKLIN SPEIGHT,

Defendants.

14 Civ. \_\_\_\_ ( )

COMPLAINT

Plaintiff Securities and Exchange Commission (“Commission”), for its Complaint against defendants International Stock Transfer, Inc. (“IST”) and Cecil Franklin Speight (“Speight”) (collectively, “the Defendants”), alleges:

SUMMARY

1. This is an action brought against Speight and his registered transfer agent, IST, based on their fraudulent offering of securities. Speight and IST, together with other individuals, took more than \$3.3 million from over 70 investors who were lured by aggressive boiler room tactics and a web of fake investment firms and websites promising high rates of return and discounted stock prices.

2. After taking their money, the Defendants issued the investors counterfeit securities that—although they had all the indicia of real securities, including real CUSIP numbers and IST’s signature block—were in fact sham securities and not worth the paper they were printed on.<sup>1</sup> Speight signed some of the certificates holding himself out as a director of the purported issuer, even though he was not. In other instances, IST issued certificates that included an illegible signature of a supposed company officer when, in fact, the company had not authorized IST to issue any shares. Many of the certificates did not even consistently identify the company’s country of incorporation, identifying one country on the front of the certificate but a different country on the back of the certificate.

3. To bolster the appearance of the safety of the investments and conceal from investors how their money was really being spent, the Defendants enlisted two attorneys to receive investment funds into their own bank accounts. In return for their “services,” the attorneys received approximately two percent of the funds sent through their accounts. From there, the money was transferred to IST. Instead of making its way to any issuers, however, IST and Speight spent the investor money almost as quickly as it came in, including on personal expenses and expenses related to funding the ongoing scheme. In Ponzi-scheme fashion, investor money was also used to fund interest payments to other investors.

### VIOLATIONS

4. By virtue of the conduct alleged herein Defendants, directly or indirectly, singly or in concert, have engaged and are engaging in acts, practices and courses of business that constitute violations of Sections 17(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77q(a), Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C.

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<sup>1</sup> CUSIP stands for “Committee on Uniform Securities Identification Procedures.” A CUSIP number identifies most securities.

§ 78j(b), and Exchange Act Rule 10b-5, 17 C.F.R. § 240.10b-5.

5. By virtue of the conduct alleged herein, Defendant IST engaged and is engaging in acts, practices and courses of business that constitute violations of Section 17(a)(3) of the Exchange Act, 15 U.S.C. § 78q(a)(3), and Exchange Act Rules 17Ad-6 and 17Ad-7, 17 C.F.R. §§ 240.17Ad-6 and 240.17Ad-7, and Defendant Speight has engaged and is engaging in acts, practices, and courses of business that constitute aiding and abetting of such violations.

#### **NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT**

6. The Commission brings this action pursuant to the authority conferred upon it by Section 20(b) of the Securities Act, 15 U.S.C. § 77t(b), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), seeking to restrain and enjoin permanently Defendants from engaging in the acts, practices and courses of business alleged herein.

7. The Commission seeks a Final Judgment ordering Defendants to disgorge their ill-gotten gains and to pay prejudgment interest thereon, ordering Defendants to pay civil monetary 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), prohibiting Defendants from participating in an offering of penny stock pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), imposing an officer and director bar against Speight pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), and ordering Defendants to repatriate assets.

#### **JURISDICTION AND VENUE**

8. This Court has jurisdiction over this action pursuant to Section 22(a) of the Securities Act, 15 U.S.C. § 77v(a), and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

9. Venue lies in this District pursuant to Section 22(a) of the Securities Act, 15

U.S.C. § 77v(a) and Section 27 of the Exchange Act, 15 U.S.C. § 78aa. The Defendants, directly and indirectly, have made use of the means and instrumentalities of interstate commerce, or of the mails, in connection with the transactions, acts, practices and courses of business alleged herein, including by the offer and sale and the mailing of securities to residents in this District, and communications with potential and actual investors or scheme participants in this District.

### DEFENDANTS

10. **International Stock Transfer, Inc. (“IST”)** is a Florida corporation incorporated in 2004, with an office in Palm Beach, Florida. Cecil Franklin Speight is currently the sole owner, officer and director of IST. Since March 22, 2004, IST has been registered with the Commission as a transfer agent. On June 14, 2013, staff in the Commission’s Office of Compliance Inspections and Examinations (the “Staff”) conducted an examination of IST’s business in which IST failed to produce the majority of required records to the Staff. IST subsequently filed a Form TA-W with the Commission, seeking to withdraw its registration as a Transfer Agent. The withdrawal was made effective by the Commission on August 13, 2013.

11. **Cecil Franklin Speight (“Speight”)**, age 53, is a resident of West Palm Beach, FL. Speight is the sole owner, officer, and director of IST.

### FACTS

#### **A. IST and Speight’s Background**

12. A “transfer agent” is defined in Section 3(a)(25) of the Securities Exchange Act of 1934 as any person who engages on behalf of an issuer of securities or on behalf of itself as an issuer of securities in, among other things, countersigning securities upon issuance, monitoring securities issuances to prevent the unauthorized issuance of securities, and recording the issuance, transfer, and cancellation of securities.

13. Since registering with the Commission as a transfer agent in 2004, IST has failed to file a single required annual “Form TA-2” with the Commission and failed to regularly inform the Commission of its current business address.

14. When members of the Staff attempted to conduct an examination of IST in May 2013, they found IST operating out of an office location that IST had not previously disclosed to the Commission.

15. From at least May 2012 through June 14, 2013, IST’s “Office Manager,” and the only other person besides Speight authorized to sign stock certificates on behalf of IST was a local bartender whom Speight had hired as a part-time independent contractor.

16. Although Speight and this Office Manager both reside and work in southern Florida, where IST was doing business, IST corresponded with security holders using a London address and phone number on its business stationery.

**B. Speight Paid For Websites Facilitating the Solicitation of Investors**

17. Beginning in April 2012, Speight paid for the creation and maintenance of websites for three bogus unregistered financial advisors: GNS Wealth Management (“GNS”), ACI Private Wealth (also known as ACI Private Client) (“ACI”), and Mass Fidelity, Inc. (“Mass Fidelity”). Mass Fidelity is not affiliated in any way with the brokerage and mutual fund company widely known to the public as “Fidelity,” which is based in Massachusetts. Speight entrusted other individuals with the tasks of designing and maintaining these websites, and with responding to investor inquiries.

18. To fund their creation and maintenance, Speight used debit cards linked to two different corporate bank accounts that he controlled, including an account held in the name of IST.

19. In April 2012, Speight paid for the creation of a website for GNS. On its website, GNS purported to be a Switzerland-based financial advisor. It also claimed that GNS had a “team of financial specialists” who would “develop a full investment plan, targeted to achieve our client’s financial goals.” These representations were false.

20. Months later, in early August 2012, the webhost disabled GNS’s website after being informed by the Swiss regulatory authorities that, contrary to the representations on the GNS website, GNS was not an authorized business in Switzerland.

21. Days after the GNS website was shut down, Speight paid for the creation of a new website, this time for a different unregistered financial advisor known as ACI.

22. ACI’s website claimed that “Over the years, ACI Private Wealth Management has proved to be the right investment manager for sophisticated investors” and assured the public that “We do what is right and ethical.” As with the GNS website, these representations were also false.

23. Starting in November 2012, Speight began funding multiple websites connected to an unregistered financial advisor called Mass Fidelity using the same IST debit card.

24. Mass Fidelity’s website claimed that it was a “diversified investment entity;” that it had “contracted with” many “national and international banking institutions;” that it “invests and co-manages full service banking companies;” and that “[t]he companies Mass Fidelity Inc. invests in are leaders in issuing, acquiring, as well as mergers, and acquisitions.” Each of these statements was false.

### **C. The Fraudulent Scheme**

25. Once Speight funded the creation of the unregistered purported financial advisory firm’s websites, each of those business names was used to sell counterfeit securities to members

of the investing public, including through internet advertising and through “cold calling.”

26. Speight, through IST, transferred over one million dollars of scheme proceeds to other scheme participants, including certain individuals and related entities that were responsible for managing a network of boiler room operatives (the “Cold Callers”) who solicited and sold the sham securities to investors.

27. Initially, the Cold Callers claimed to be associated with the purported Swiss financial advisory firm, GNS.

28. Later, after the webhost terminated the GNS website, the Cold Callers sold securities on behalf of a new financial advisory firm, ACI, which purported to be located in New York City.

29. Investors who had originally invested through GNS were told, via email from an ACI email address, that ACI had acquired GNS and its investments, including the investor’s investment.

30. In reality, there was no such acquisition, and Speight’s switch from using GNS to ACI to sell securities occurred because the Cold Callers could no longer direct investors to the disabled GNS website.

31. During the same time period, the Cold Callers also claimed to be calling on behalf of Mass Fidelity to sell securities.

32. When the Cold Callers succeeded in making a sale, they would direct investors to wire their money to one of two attorneys, typically by providing investors with wire instructions identifying bank accounts held in the name of the attorneys.

33. Speight used the two attorneys to add the appearance of legitimacy to the underlying transactions and conceal from investors that their money was being misappropriated.

34. When these investors sent their money to the attorneys' accounts, the attorneys did not transfer the investors' money to the GNS, ACI, or Mass Fidelity entities as some investors understood they would (at least one investor received documentation telling him that ACI Private Wealth had "custodial responsibility" over his account). Nor was money sent to the supposed issuers of the securities, as would be expected had the securities been legitimate.

35. Rather than providing any legitimate legal services, the attorneys (doing the bidding of Speight) simply acted as a conduit for investor money, obscuring the fact that investor funds were being misappropriated.

36. In exchange for this illicit service, the attorneys retained approximately two percent of the investment funds, which they took as a cut directly from funds received from the investors.

37. The attorneys then transferred the remainder of the investor money, by either wire or check, into bank accounts held by IST and controlled by Speight.

38. The attorneys typically only held investor funds in their accounts for a matter of days before transferring the balance less fees to bank accounts held by IST and controlled by Speight.

39. In an attempt to avoid raising red flags with their banking institutions and alerting criminal or civil regulators, the attorneys often broke up funds received from investors into a series of smaller dollar amount wire transfers to IST and Speight or issued personal checks to Speight.

40. Once IST and Speight received the money, they mailed counterfeit securities to the investors. IST and Speight concocted and sold at least three different fraudulent securities products.



41. IST mailed these counterfeit securities to investors using IST's FedEx account, which was paid for by IST and mailed using Speight's and IST's own names.

42. Speight was the only person with access to IST's blank certificates and bank accounts.

43. From at least May 2012 forward, through the efforts of the Cold Callers who claimed to be affiliated with the entities and websites funded by Speight and through other means, IST received more than \$3.3 million in investor monies from the sale of fraudulent securities to over 70 investors. Many of these investors are foreign investors, including residents of the United Kingdom, Australia, Ireland, and New Zealand. At least 11 investors are residents of the United States, including at least two investors who reside within this District.

44. The investor proceeds obtained by IST and Speight were derived from the sale of three different sham securities.

#### **The Offer and Sale of Sham "Altmark" Bonds**

45. One of the securities that the ACI and GNS Cold Callers sold to investors was a bond that promised a 14% annual rate of return, supposedly issued by a company called Altmark Holdings Limited ("Altmark").

46. Altmark is a Turks & Caicos entity that, since 2007, has created a series of high-yield bonds that have been held, in electronic form, in various accounts of Depository Trust Company ("DTC") participants. During the relevant time period, however, no interest payments were made through DTC to any holders of the electronic Altmark bonds.

47. From at least May 2012 forward, IST and Speight created paper Altmark bond certificates and mailed them to investors who were solicited by the Cold Callers, including individuals who claimed to be affiliated with GNS, ACI, and Mass Fidelity. The Cold Callers

promised the investors that the bonds were low risk and would pay a high rate of return.

48. Although these paper certificates bore a CUSIP number registered to Altmark, they did not match the Altmark bonds bearing the same CUSIP number held in electronic form by DTC participants and were outright sham securities. For example, the back of the IST-issued certificates reflect Altmark's incorporation in Turks & Caicos, but the front of the same certificates represent that Altmark was a Belize entity; the back of the certificates reference Altmark as having collateral consisting of "treasuries," "blue chip stocks," and an "investment portfolio," which was different from the mineral reserves collateral purportedly underlying the Altmark bonds held in electronic form; and contrary to how transfer agents typically operate, IST issued its investors certificates bearing numbers that were not in chronological order.

49. IST issued these mismatched paper certificates as Altmark's transfer agent, and Speight signed the certificates as a director of Altmark even though he was not an Altmark director.

50. Having promised a 14% rate of return, Speight and IST used some limited investor monies to pay purported periodic interest payments. However, in April 2013, IST mailed a letter to investors informing them that Altmark was suspending all interest payments. IST made no further "interest" payments thereafter.

#### **The Offer and Sale of Sham "PDL" Securities**

51. Speight and IST also fraudulently offered and sold stock certificates purportedly issued by a Belize entity called "PDL Portfolio (XIX) Ltd." ("PDL").

52. PDL is a corporate shell, not a real business entity. It never had any legitimate business operations, income producing assets, or employees.

53. Speight signed the certificates as President of PDL although he knew that PDL

was nothing more than a shell and that the investor money used to purchase such certificates would not be used to fund any legitimate PDL business.

54. As with IST's Altmark certificates, the PDL certificates are sham documents and were worthless: they contain an "ID No.," but no CUSIP; the certificates purport to be common stock certificates, but the offering materials inconsistently represent that the "shares" will receive a fixed interest rate of 20%; and the offering materials contain references to "Notes" rather than shares. The offering materials also represent that PDL had registered a global note in the name of a nominee with DTC, but, contrary to the representations in the offering materials, no such PDL note is held by DTC.

#### **The Offer and Sale of Sham "Adfitech" Securities**

55. Adfitech, Inc. is a Delaware incorporated entity whose common stock trades on the over the counter market under the symbol ADFT. Adfitech has no relationship with Speight, IST, or any of the entities selling the securities that IST issues. Nor has Adfitech ever authorized any of them to sell Adfitech shares on its behalf.

56. However, Cold Callers who claimed to be affiliated with ACI falsely told potential investors that ACI was a market maker authorized by Adfitech to sell its shares privately at a discount to the current market rate.

57. Investors who believed those misrepresentations and purchased shares received share certificates mailed to them by IST.

58. The certificates falsely show that IST is Adfitech's authorized transfer agent when in fact, it is not; Computershare Trust Company, N.A. is Adfitech's real transfer agent.

59. The Adfitech certificates that IST mailed to investors also misidentify Adfitech's state of incorporation as Florida but its real state of incorporation is Delaware.

60. The Adfitech certificates that IST mailed to investors contain an illegible signature over the title “Company Officer,” which does not represent the genuine signature of any authorized officer of Adfitech. Moreover, the counterfeit certificates look nothing like the genuine Adfitech certificates including with respect to the graphics, font, and boilerplate language contained in the certificates.

**D. Speight and IST’s Misuse of Investor Monies**

61. IST and Speight misappropriated and did not give issuers investor funds.

62. IST Cold Callers provided investors with wire instructions that directed investors funds to the attorneys’ accounts.

63. In connection with the offer and sale of Altmark and PDL securities, IST and Speight arranged for investors to wire their funds to the attorneys’ bank accounts.

64. All investor money that came into these two attorney accounts was transferred to IST, except for bank charges and amounts identified as attorney’s fees. Monies did not come into IST from any other source besides the two attorney accounts.

65. IST’s records (the “Altmark Spreadsheet”) show that IST received over \$2.9 million from at least 52 investors over approximately a one year time period in connection with the offer and sale of Altmark and PDL securities, and bank records corroborate that IST received money in approximately the same amount from the two attorney accounts during the same time period.

66. Of the over \$2.9 million in investor money that IST received as recorded in the Altmark Spreadsheet, none was paid to the purported issuers of the securities that were supposedly purchased by investors.

67. Another internal IST spreadsheet (the “Adfitech Spreadsheet”) shows that

investors wired funds to one of the attorney's bank account in connection with the offer and sale of Adfitech securities.

68. The Adfitech Spreadsheet identifies funds received from investors by transfer or "T" number. The transfer numbers, investor names, and investment amounts in the Adfitech Spreadsheet match the statements one of the attorneys emailed to IST following receipt of investor funds.

69. The Adfitech Spreadsheet records IST's receipt of over \$400,000 from at least 18 investors over approximately a one year time period in connection with the offer and sale of counterfeit Adfitech securities, and bank records corroborate that IST received money in approximately the same amount from the relevant attorney's bank account during the same time period.

70. Of the \$400,000 in investor money that IST received as recorded in the Adfitech Spreadsheet, none was paid to the purported issuer of the securities that were supposedly purchased by investors.

#### **So-Called "Interest Payments" to Investors**

71. IST and Speight paid investors at least \$100,000 in supposed "interest payments," from the IST account and from another Speight-related business account, Dunhill Investment Holdings, Inc. ("Dunhill"), into which IST had transferred investor money received from the attorney accounts.

72. Neither the IST account nor the Dunhill account received any monies from issuers with which to pay interest.

73. Instead, the "interest payments" made to investors by IST and Dunhill were funded by the investor monies that IST received from the two attorneys.

### **Other Expenditures of Investor Funds**

74. In addition to using investor monies to fund interest payments to other investors, Speight and IST wired investor monies to offshore accounts held in the names of companies owned or controlled by Speight; used investor monies to fund advertising costs, including internet advertising associated with the sale of “high yield” investments; and used investor money for personal expenses.

75. Of the approximately \$3.3 million that was transferred to the IST and Dunhill bank accounts from the attorney accounts between May 2012 and May 2013:

- a. At least \$1 million was transferred to other scheme participants, including certain individuals and related entities that were responsible for managing the Cold Callers;
- b. At least \$400,000 was withdrawn in cash;
- c. At least \$219,000 was spent on personal expenditures, including such things as automobiles (\$137,148); education expenses for children (\$22,931); retail store purchases (\$2,582); and medical bills and insurance expenses (\$6,551);
- d. At least \$216,200 was transferred to bank accounts in Belize that are associated with entities Speight controls; and
- e. At least \$210,000 was expended in advertising costs, including paying for websites and placement of advertisements.

In short, IST’s receipt and expenditure of investor monies are not consistent with the sale of legitimate securities.

### **E. The Examination of IST by the Staff**

76. On May 29, 2013, the Staff attempted to begin an on-site examination into the

business conducted by registered transfer agent IST. IST had not provided the Commission with any current contact information as it was required to do, and IST's office location was outdated. The Staff was nonetheless able to find IST's undisclosed office location.

77. Speight concealed his fraudulent misconduct from the Staff during the course of the exam, including by failing to produce certain required documents concerning his misconduct and lying to the Staff about his business activities (including those relating to his misconduct).

78. Although members of the Staff observed boxes labeled with IST's name when they first arrived at the office, and the Staff requested documents concerning IST's business activities, Speight failed to make a complete production of the records that the Staff requested, including documents concerning the issuance, transfer, and cancellation of certificates; agreements with issuers; due diligence documents; correspondence; and documentation for deposits and withdrawals from IST bank accounts.

79. In a letter to the Staff, Speight acknowledged that his record keeping was inadequate, stating "IST admits that has did [sic] an exceptionally poor job of maintaining the security of records, isolating the records os [sic] they were not co-mingled with boxes of other records, and the fact documents were inadvertently removed from the office and cannot be located."

80. In response to a request from the Staff for all documentation concerning securities purchases by investors listed in the Altmark Spreadsheet, Speight provided a written response on behalf of IST saying that IST had "maintained a file box with a file on each of these persons that included a Client Profile, International Accredited Investor Questionnaire, copies of wires sent. Those records were accidentally removed from the office and cannot be located."

81. Despite being requested to do so, Speight and IST failed to produce to the Staff

any electronic communications.

82. Speight also refused to answer any questions about IST's bank records that might be posed by the staff, asserting his Fifth Amendment right not to do so.

**IST's Withdrawal of its Registration**

83. After failing to provide the Staff with all of the records that IST was required to maintain and produce to the Commission upon request, and after asserting his Fifth Amendment right not to answer any questions concerning IST's bank records, Speight told the staff that he planned to shut down his transfer agent business and close IST's bank account (the one into which investor monies had flowed).

84. On June 14, 2013, Speight filed a Form TA-W with the Commission on behalf of IST, seeking to withdraw IST's registration as a transfer agent. The withdrawal was made effective by the Commission on August 13, 2013.

85. Although the Altmark Spreadsheet reflects ongoing 14% interest payments owed to dozens of investors who had been sold over \$2.7 million in Altmark bonds, Speight represented on the Form TA-W that IST was not aware of any potential claims against IST in connection with its performance of transfer agent functions for any security.

86. Although IST's name appears as the transfer agent on the Altmark certificates that IST mailed to investors, and over \$2.7 million of those certificates appear to be outstanding, Speight also represented on the Form TA-W that there would not be a successor transfer agent for any of the securities that IST handled.

87. Speight's failure to arrange for and disclose a successor transfer agent for the outstanding Altmark bonds, the PDL stock certificates, and the Adfitech stock certificates is consistent with the counterfeit nature of those securities.



88. In an email discussion with an investor subsequent to IST's filing of its Form TA-W, where the investor inquired of Speight about the status of his investment, Speight did not disclose that IST had sought to withdraw its registration and did not mention to the investor what the successor plan was for his investment.

**FIRST CLAIM FOR RELIEF**  
**(Violations of Sections 17(a) of the Securities Act)**

89. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 88 of this Complaint.

90. Defendants, directly or indirectly, singly or in concert, knowingly or recklessly, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails, in the offer or sale of securities, acting with the requisite state of mind, (a) employed devices, schemes and artifices to defraud; (b) obtained money or property by means of untrue statements of material fact or omissions to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged in transactions, practices, or a course of business which operated or would operate as a fraud or deceit upon purchasers.

91. By engaging in the conduct described above, Defendants Speight and IST have violated, and unless enjoined will again violate, Sections 17(a)(1), 17(a)(2), and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(1), 77q(a)(2), and 77q(a)(3).

**SECOND CLAIM FOR RELIEF**  
**(Violations of Section 10(b) of the Exchange Act and Rule 10b-5)**

92. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 88 of this Complaint.

93. Defendants, directly or indirectly, singly or in concert, by use of the means or

instruments of transportation or communication in interstate commerce, or of the mails, in connection with the purchase or sale of securities, knowingly or recklessly, have: (a) employed devices, schemes and artifices to defraud; (b) made untrue statements of material fact, or 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; and (c) engaged in transactions, acts, practices and courses of business which operated or would have operated as a fraud or deceit upon any person.

94. By reason of the foregoing, Defendants Speight and IST have violated, and unless enjoined will again violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b) and Rule 10b-5, 17 C.F.R. § 140.10b-5, promulgated thereunder.

**THIRD CLAIM FOR RELIEF**  
**(Violations of Section 17(a)(3) of the Exchange Act and  
Rules 17Ad-6 and 17Ad-7 thereunder, by IST)**

95. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 88 of this Complaint.

96. Defendant IST failed to make, keep, and furnish records as prescribed by rules governing registered transfer agents.

97. By reason of the foregoing, IST violated, and unless enjoined will again violate, Section 17(a)(3) of the Exchange Act, 15 U.S.C. § 78q(a)(3), and Rules 17Ad-6 and 17Ad-7, 17 C.F.R. §§ 240.17Ad-6 and 240.17Ad-7, promulgated thereunder.

**FOURTH CLAIM FOR RELIEF**  
**(Aiding and Abetting Violations of Section 17(a)(3) of the Exchange Act  
and Rules 17Ad-6 and 17Ad-7 thereunder, by Speight)**

98. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 88 of this Complaint.

99. Defendant Speight, acting with the requisite state of mind, caused IST to fail to make, keep, and furnish records as prescribed by rules governing registered transfer agents.

100. By reason of the foregoing, Speight aided and abetted a violation of, and unless enjoined will again aid and abet a violation of Section 17(a)(3) of the Exchange Act, 15 U.S.C. § 78q(a)(3), and Rules 17Ad-6 and 17Ad-7, 17 C.F.R. §§ 240.17Ad-6 and 240.17Ad-7, promulgated thereunder.

**PRAYER FOR RELIEF**

**WHEREFORE**, the Commission respectfully requests that the Court enter final judgments against the Defendants granting the following relief:

**I.**

Permanently, restraining and enjoining Defendant IST, its agents, servants, employees and attorneys and all persons in active concert or participation with it, who receive actual notice of the injunction by personal service or otherwise, and each of them, from future violations of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a); Sections 10(b) and 17(a)(3) of the Exchange Act, 15 U.S.C. § 78j(b), and 78q(a)(3), and Exchange Act Rules 10b-5, 17 C.F.R. § 240.10b-5, 17Ad-6 and 17Ad-7, 17 C.F.R. §§ 240.17Ad-6 and 240.17Ad-7.

**II.**

Permanently, restraining and enjoining Defendant Speight, his agents, servants, employees and attorneys and all persons in active concert or participation with him, who receive actual notice of the injunction by personal service or otherwise, and each of them, from future violations of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a); Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5, 17 C.F.R. § 240.10b-5, and from future violations of/and or aiding and abetting of violations of Section 17(a)(3) of the Exchange Act, 15 U.S.C. § 78q(a)(3), and Exchange Act Rules 17Ad-6 and 17Ad-7, 17 C.F.R. §§ 240.17Ad-6 and 240.17Ad-7.

**III.**

Ordering Defendants to disgorge their ill-gotten gains, plus prejudgment interest, and such other and further amount as the Court may find appropriate.

**IV.**

Ordering Defendants to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).

**V.**

Prohibiting Defendant Speight from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

**VI.**

Permanently barring Defendants from participating in an offering of penny stock, 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. § 78s(d)(6).

**VII.**

Such other and further relief as to this Court deems just and proper.

Dated: New York, New York  
July 23, 2014

By: 

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