

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

Civil No.

CYBERKEY SOLUTIONS, INC., and
JAMES E. PLANT,

Defendants.

COMPLAINT

For its complaint against defendants, James E. Plant and CyberKey Solutions, Inc., plaintiff the Securities and Exchange Commission alleges as follows:

SUMMARY

1. Starting in November 2005 and continuing through March 19, 2007, CyberKey, a company that purportedly sells Universal Serial Bus (“USB”) flash memory drives and other electronic devices, and its Chief Executive Officer (“CEO”), James E. Plant, engaged in an elaborate scheme to publicize a fictitious \$25 million purchase order from the U.S. Department of Homeland Security (“DHS”) and other false claims to attract interest in CyberKey. Contemporaneously with the publication of the false claims, CyberKey issued hundreds of millions of shares of the company’s stock to associated individuals and entities who then sold those shares into the public market. These individuals and entities paid CyberKey at least \$1.5 million for these shares.

2. As set forth below, CyberKey and Plant falsely stated, among other things, that: (a) CyberKey had received a \$25 million purchase order from the United States

Department of Homeland Security; (b) CyberKey had actually delivered flash memory devices to DHS; and (c) CyberKey had received millions of dollars in payments pursuant to the order.

3. Also, beginning not later than July 28, 2006 and continuing through January 2007, CyberKey repeatedly made false public statements that it was in the process of preparing audited financial statements for public release “in the near future.” In truth, during the relevant time period, no audit of CyberKey’s financial statements had even been started.

4. Before, and concurrently with, the dissemination of this false information, and without being covered by any applicable registration statement, CyberKey and Plant issued hundreds of millions of shares of the company’s stock to associated individuals and entities who then sold those shares into the public market.

5. By virtue of their conduct, CyberKey and Plant have engaged in violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)], and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5].

6. Unless enjoined, CyberKey and Plant are likely to commit such violations in the future. They should be enjoined from doing so, ordered to disgorge any ill-gotten gains or benefits derived as a result of their violations (whether realized, unrealized or received) and prejudgment interest thereon, and ordered to pay appropriate civil money penalties. In addition, defendant Plant should be prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Exchange Act

Section 12 [15 U.S.C. § 781] or that is required to file reports pursuant to Exchange Act Section 15(d) [15 U.S.C. § 78o(d)].

JURISDICTION AND VENUE

7. This Court has jurisdiction over this action pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Sections 21(d), 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e) and 78aa]. In connection with the acts, practices, and courses of business alleged herein, Defendants, directly or indirectly, made use of the means and instruments of transportation and communication in interstate commerce, and of the mails.

8. Certain of the transactions, acts, practices or courses of business alleged herein took place in the Eastern District of Pennsylvania. Venue is therefore proper 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].

DEFENDANTS

9. Defendant CyberKey is a Nevada corporation headquartered in St. George, Utah. The company purportedly sells USB flash memory storage drives and other electronic devices. Prior to February 5, 2007, the common stock of CyberKey was quoted on the Pink Sheets LLC, a provider of pricing and financial information for the over-the-counter securities markets. CyberKey's stock has never been registered with the Commission or listed on any national exchange.

10. Defendant Plant is CyberKey's CEO and Chairman of the company's Board of Directors. Plant founded CyberKey in 2001 and made it a public company in 2003 when he engineered CyberKey's reverse merger into Thin Express, Inc., a publicly traded shell corporation. As CEO and Chairman of the Board of CyberKey, since 2001

