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10 UNITED STATES DISTRICT COURT  
11 FOR THE DISTRICT OF ARIZONA

12 SECURITIES AND EXCHANGE  
13 COMMISSION,

14 Plaintiff,

15 vs.

16 DAVID B. STOCKER, and  
17 CARRERA CAPITAL, INC.,

18 Defendants.

19 ) No.

20 ) COMPLAINT

21 Plaintiff Securities and Exchange Commission ("Commission") alleges as  
22 follows:

23 **I. INTRODUCTION**

24 1. This complaint concerns multiple instances of corporate identity theft  
25 perpetrated by David B. Stocker, an attorney in Phoenix, Arizona, and Carrera Capital,  
26 Inc., a Texas corporation that Stocker controls. Beginning in early 2006, Stocker found  
27 several companies whose stock had once traded in the public markets, but that had  
28 become defunct corporations and were no longer operating. Such companies have value  
in the market as public shell companies. When he found such a company, he  
incorporated a new company under the same name in the same State and, using his

1 authority to act for the new company, purported to act on behalf of the old company.  
2 Specifically, Stocker and Carrera Capital caused stock in the old companies to be  
3 exchanged for stock in the new companies under the false pretense that the old company  
4 was undergoing a reverse stock split. These exchanges constituted sales of securities by  
5 Stocker and Carrera Capital, and such sales were not registered with the Commission.  
6 Stocker then caused the new companies to issue large blocks of stock to Carrera Capital  
7 or to other persons, such that he or the other persons beneficially held 99% of the stock  
8 in the new companies. Through this scheme, Stocker and Carrera Capital were able to  
9 gain control of public shells without having to pay for them or otherwise deal with their  
10 former control persons. Stocker and Carrera Capital profited from the scheme by  
11 selling the shells.

12 2. Between April 2006 and July 2006, Defendant David B. Stocker  
13 employed a device, scheme, or artifice to defraud shareholders of at least seven  
14 corporations by acquiring control of each corporate entity through untrue statements  
15 about his relationship with each corporation, and then using his control to sell each  
16 corporation to third parties in exchange for money or property. He made untrue  
17 statements or omissions of material facts about the true identity of the corporate entity  
18 that was offering to sell or purchase shares of seven corporations. He engaged in acts,  
19 practices and courses of conduct that operated as a fraud on the purchasers of the seven  
20 corporations. Through these actions, discussed in more detail below, Stocker violated  
21 the anti-fraud provisions of Section 17(a) of the Securities Act of 1933 as amended  
22 (Securities Act) [15 U.S.C. § 77q(a)], Section 10(b) of the Securities Exchange Act of  
23 1934, as amended, (Exchange Act) [15 U.S.C. § 78j(b)] and Rule 10b-5 adopted under  
24 the Exchange Act [17 C.F.R. § 240.10b-5].

25 3. Defendant Stocker and a corporation that he controlled, defendant Carrera  
26 Capital, Inc., directly and indirectly, offered to sell and sold shares of the seven  
27 corporations when no registration statement had been filed or was in effect with the  
28 Commission to register the defendants' transactions. The defendants' offers and sales

1 of these securities violated the securities registration provisions of Sections 5(a) and (c)  
2 of the Securities Act [15 U.S.C. § 77e (a) and (c)].

3 4. Defendant David B. Stocker is an attorney admitted to the practice of law  
4 before the bar of the State of Arizona. During all times material to this complaint,  
5 Stocker lived, worked, and effected the transactions at issue in or from Phoenix,  
6 Arizona.

7 5. Defendant Carrera Capital, Inc. was a corporation formed in Texas on  
8 June 21, 2005, and during all times material to this complaint, effected the transactions  
9 from its principal place of business, the law offices of David B. Stocker, located in  
10 Phoenix, Arizona. Carrera Capital acted through and is responsible for the acts of, its  
11 officers, directors, employees, or agents.

12 6. Stocker was the president and sole director of Carrera Capital, Inc. during  
13 all times material to this complaint. Stocker, directly or indirectly, controlled Carrera  
14 Capital, Inc. and induced the act or acts constituting the violations or causes of action  
15 alleged in this complaint.

16 7. Stocker, directly and indirectly, has engaged in and unless restrained and  
17 enjoined by this Court will in the future engage in, transactions, acts, practices, and  
18 courses of business that violate Sections 5(a), 5(c), and 17(a) of the Securities Act,  
19 Section 10(b) of the Exchange Act, and Rule 10b-5.

20 8. Carrera Capital, directly and indirectly, has engaged in and unless  
21 restrained and enjoined by this Court will in the future engage in, transactions, acts,  
22 practices, and courses of business that violate Sections 5(a) and 5(c) of the Securities  
23 Act.

24 9. In connection with the transactions, acts, practices, and courses of  
25 business described in this Complaint, each of the defendants, directly and indirectly,  
26 have made use of the means or instrumentalities of interstate commerce, of the mails, or  
27 of the means and instruments of transportation or communication in interstate  
28 commerce.



1                                   **III. STOCKER ENGAGED IN SECURITIES FRAUD**

2           **A. Stocker Engaged in Securities Fraud By Creating a New Corporation,**  
3           **Ergonomic Enterprises Inc., which Fraudulently Assumed the**  
4           **Identity of an Existing Inactive Shell, Avalon Stores, Inc.**

5           16. Upon information and belief, Stocker knew in April 2006 that a public  
6 company named Avalon Stores, Inc. had been previously incorporated in the State of  
7 Minnesota, that the company's shares had been publicly traded in the over-the-counter  
8 market under the trading symbol "AVNS" with the unique CUSIP number 053479101,  
9 and that the company's shares were no longer actively trading. This pre-existing public  
10 company is referred to in this complaint as "Avalon Stores Old." A CUSIP number is a  
11 unique number assigned to a particular security by Standard & Poor's.

12           17. With knowledge of the pre-existing company, Stocker incorporated a new  
13 company with the same name, Avalon Stores Inc., with the State of Minnesota. He  
14 signed articles of incorporation and, using the means of interstate commerce or the  
15 mails, caused the articles of incorporation to be filed with the State of Minnesota on  
16 April 17, 2006. This new company is referred to in this complaint as "Avalon Stores  
17 New."

18           18. Stocker was the sole officer and director of Avalon Stores New.

19           19. On April 21, 2006, Stocker, acting as the sole officer and director of  
20 Avalon Stores New and also as the president of its purported majority shareholder,  
21 Carrera Capital, signed a Unanimous Written Consent of the Board of Directors and  
22 Majority Shareholder in Lieu of Special Meeting (Avalon Consent) that changed the  
23 name of Avalon Stores New to Ergonomic Enterprises Inc. and authorized the company  
24 to conduct a 1 share for 100 share reverse split of its common stock. In the Avalon  
25 Consent, Stocker falsely represented that Carrera Capital was the majority shareholder  
26 of Avalon Stores, Inc. However, contrary to the representation, Carrera Capital did not  
27 own any shares of Avalon Stores New or Avalon Stores Old as of this date.

28

1           20.     In furtherance of his scheme, Stocker caused amended articles of  
2 incorporation to be filed with the State of Minnesota on April 20, 2006, changing the  
3 name of the company from Avalon Stores, Inc. to Ergonomic Enterprises, Inc.

4           21.     On April 25, 2006, Stocker contracted with Manhattan Transfer Registrar  
5 Company (Manhattan Transfer), located in Miller Place, New York, to serve as the  
6 transfer agent for Ergonomic Enterprises and provide transfer services including the  
7 issuance and transfer of new stock certificates.

8           22.     On May 3, 2006, Stocker sent a letter to The Nasdaq Stock Market, Inc.,  
9 with a copy to Manhattan Transfer, in which he represented that Avalon Stores Inc.,  
10 which traded under the symbol "AVNS" with CUSIP number 053479101, was changing  
11 its name to Ergonomic Enterprises, Inc. and conducting a reverse split of 1 share for 100  
12 shares. He also represented that shareholder approval had been obtained, and submitted  
13 a copy of the Avalon Consent.

14           23.     Stocker's statements to The Nasdaq Stock Market, Inc. and Manhattan  
15 Transfer in the May 3, 2006 letter were false and misleading. Avalon Stores New had  
16 never traded under the symbol "AVNS." The common stock of Avalon Stores Old had  
17 been assigned the unique CUSIP number 053479101. Stocker omitted to disclose the  
18 material fact that Avalon Stores New and Avalon Stores Old, while sharing the same  
19 name, were different entities. He omitted to disclose that he was not an officer or  
20 director, and Carrera Capital was not a shareholder, of Avalon Stores Old on May 3,  
21 2006. He misrepresented that the Avalon Consent was from the shareholders of Avalon  
22 Stores Old. He did not possess a board of directors' resolution and shareholder consent  
23 from Avalon Stores Old. In fact, Avalon Stores Old had not authorized a name change  
24 or reverse split.

25           24.     Stocker knew that his statements to The Nasdaq Market, Inc. and  
26 Manhattan Transfer in the May 3, 2006 letter were untrue and that he had omitted  
27 material facts necessary to make the statements he had made not misleading. He knew  
28 from his participation in the incorporation of Avalon Stores New on April 17, 2006, that

1 he was the president and director of Avalon Stores New rather than the pre-existing  
2 company known as Avalon Stores Old, which had traded under the symbol "AVNS" or  
3 CUSIP number 053479101. He also knew that Avalon Stores New was the entity that  
4 was changing its name and offering to sell shares under the guise of a reverse split  
5 rather than Avalon Stores Old as he represented to Manhattan Transfer and The Nasdaq  
6 Stock Market, Inc. He knew that Carrera Capital did not own any shares of Avalon  
7 Stores Old or Avalon Stores New on May 3, 2006.

8 25. Based on Stocker's May 3, 2006 letter, The Nasdaq Stock Market, Inc.  
9 posted an announcement on its Daily List on May 14, 2006, that Avalon Stores Old was  
10 changing its name to Ergonomic Enterprises Inc. and conducting a 1 for 100 reverse  
11 split. The Daily List was republished on the Internet at <http://www.otcbb.com/dailylist> .

12 26. Stocker caused Manhattan Transfer to submit a Transfer Agent  
13 Verification Form on May 4, 2006 to The Nasdaq Stock Market, Inc., that falsely  
14 represented that Avalon Stores Old, with CUSIP number 053479101, was changing its  
15 name effective May 15, 2006, and conducting a reverse split to reduce its outstanding  
16 shares from 830,000 to 8,300.

17 27. Stocker caused Manhattan Transfer to send a notice to the Depository  
18 Trust & Clearing Company that Avalon Stores Old was changing its name to  
19 Ergonomic Enterprises, Inc. and conducting a reverse split of 1 share for 100 shares  
20 effective on May 15, 2006. Manhattan Transfer's communication with the Depository  
21 Trust & Clearing Company was in effect an offer by Stocker and Carrera Capital to  
22 purchase Avalon Stores Old shares in exchange for new shares in Ergonomic  
23 Enterprises, Inc.

24 28. The Depository Trust & Clearing Company is a central securities  
25 repository where stock certificates are exchanged. The Depository Trust & Clearing  
26 Company holds stock certificates on behalf of shareholders and brokerage firms, and  
27 records exchanges of ownership through entries on its books and records. When a  
28 reverse split is announced The Depository Trust & Clearing Company submits the stock

1 certificates that it holds, on behalf of shareholders and brokerage firms, for exchange  
2 into the new certificates.

3 29. In response to Stocker's offer, the Depository Trust & Clearing Company  
4 sent by means of interstate commerce stock certificates for 107,313 shares of Avalon  
5 Stores Old to Manhattan Transfer to be exchanged for 1,075 shares of Ergonomic  
6 Enterprises. This transaction constituted the purchase or sale of securities, in that a  
7 security of one company was exchanged for a security of another company.

8 30. Stocker obtained property, the 107,313 shares of Avalon Stores Old from  
9 the Depository Trust & Clearing Company, by means of untrue statements that Avalon  
10 Stores Old was changing its name to Ergonomic Enterprises and conducting a 1 share  
11 for 100 share reverse split.

12 31. Stocker's transaction, practice, and course of business in creating a new  
13 corporation with the same name as Avalon Stores Old, and fraudulently taking over the  
14 identity of the pre-existing company, operated as a fraud or deceit upon the Depository  
15 Trust & Clearing Company and other shareholders, because Depository Trust &  
16 Clearing Company exchanged the Avalon Stores Old shares it held on behalf of various  
17 public shareholders for Ergonomic Enterprises shares under the false belief that it was  
18 receiving shares in the same company, when in fact it was receiving shares in a new and  
19 unrelated company.

20 32. On or about June 13, 2006, Stocker instructed Manhattan Transfer to issue  
21 50,000,000 shares of Ergonomic Enterprises to Carrera Capital. After this transaction,  
22 Carrera Capital owned over 99 percent of the shares of Ergonomic Enterprises.

23 33. Through the actions described above, Stocker created the false appearance  
24 that he had taken over Avalon Stores Old and changed its name to Ergonomic  
25 Enterprises. He then offered the company for sale as a publicly traded shell.

26 34. On or about June 13, 2006, Stocker, acting as the director of Ergonomic  
27 Enterprises and as the sole principal of Carrera Capital, sold 50,000,000 shares and  
28 control of Ergonomic Enterprises, to a third party for approximately \$150,000. Stocker

1 and Carrera obtained the \$150,000 by means of untrue statements that Ergonomic  
2 Enterprises was the successor to the publicly traded Avalon Stores Old.

3 **B. Stocker Engaged in Securities Fraud By Creating a New Corporation,**  
4 **Viking Consolidated Inc., which Fraudulently Assumed the Identity**  
5 **of an Existing Inactive Shell, Westmark Group Holdings Inc.**

6 35. Upon information and belief, Stocker knew in April 2006 that a public  
7 company named Westmark Group Holdings, Inc. had been previously incorporated in  
8 the State of Delaware, that the company had filed periodic reports with the Commission,  
9 that the company's shares had been publicly traded in the over-the-counter market under  
10 the trading symbol "WGHI" with CUSIP number 960577401, and that the company's  
11 shares were no longer actively trading. This pre-existing public company is referred to  
12 in this complaint as "Westmark Old."

13 36. With knowledge of the pre-existing company, Stocker incorporated a new  
14 company with the same name, Westmark Group Holdings, Inc., with the State of  
15 Delaware. He signed a certificate of incorporation and, using the means of interstate  
16 commerce or the mails, caused the certificate to be filed with the State of Delaware on  
17 April 17, 2006. This new company is referred to in this complaint as "Westmark  
18 New."

19 37. Stocker was the sole officer and director of Westmark New.

20 38. On April 18, 2006, Stocker, acting as the sole officer and director of  
21 Westmark New and also as the president of its purported majority shareholder, Carrera  
22 Capital, signed a Unanimous Written Consent of the Board of Directors and Majority  
23 Shareholder in Lieu of Special Meeting (Amended) (Westmark Consent) that changed  
24 the company's name to Viking Consolidated, Inc. and authorized the company to  
25 conduct a 1 share for 100 shares reverse split of Westmark common stock on the  
26 effective date of May 15, 2006. In the Westmark Consent, Stocker falsely represented  
27 that Carrera Capital was the majority shareholder of Westmark Group Holdings, Inc. In  
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