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*PRO HAC VICE* APPLICATION PENDING

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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**vs.**

**ALEX DUAIN FORESTER, an  
individual; MICHAEL ROBERT  
HICKS, an individual; YARDEN  
MOSHE MONY KRAMPF, an  
individual; CHRISTOPHER  
BYUNGIN LEE, an individual;  
SEAN ANDREW O'NEAL, an  
individual; MICHAEL ROY  
RAYNOR, an individual; and, LEE  
SOBEL, an individual,**

**Defendants.**

**Case No.:**

**COMPLAINT**

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

3 **JURISDICTION AND VENUE**

4 1. The Commission brings this action pursuant to Sections 21(d) and (e)  
5 of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78u(d)  
6 and (e)] to enjoin such acts, practices, and courses of business, and to obtain civil  
7 money penalties and such other and further relief as this Court may deem just and  
8 appropriate.

9 2. Defendants Alex Duain Forester, Michael Robert Hicks, Yarden  
10 Moshe Mony Krampf, Christopher Byugin Lee, Sean Andrew O’Neal, Michael  
11 Roy Raynor, and Lee Sobel were, collectively, involved in the offer and sale of the  
12 common stock of numerous companies, with each such stock a “security” as that  
13 term is defined under Section 3(a)(10) of the Exchange Act [15 U.S.C. §  
14 78c(a)(10)].

15 3. Each Defendant, directly or indirectly, made use of the mails or the  
16 means or instrumentalities of interstate commerce in connection with the conduct  
17 alleged in this Complaint.

18 4. This Court has subject matter jurisdiction over this action pursuant to  
19 Sections 21(d) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d) and 78a(a)] and  
20 28 U.S.C. § 1331.

21 5. Venue in this District is proper because each Defendant is found in,  
22 inhabits, and/or transacted business in the Central District of California and  
23 because one or more acts or transactions constituting the violations occurred in the  
24 Central District of California.

25 **SUMMARY OF THE ACTION**

26 6. At various points between at least October 2015 and at least  
27 November 2019 (the “Relevant Period”), Alex Duain Forester, Michael Robert

1 Hicks, Yarden Moshe Mony Krampf, Christopher Byungin Lee, Sean Andrew  
2 O’Neal, Michael Roy Raynor, and Lee Sobel (“Defendants”) were each  
3 individually engaged in the solicitation of numerous investors to purchase various  
4 securities.

5 7. In aggregate, during the Relevant Period, Defendants earned,  
6 collectively and in gross, over \$2.8 million in illicit commissions from their  
7 securities solicitation work.

8 8. While engaged in these solicitations, each Defendant was neither  
9 registered with the Commission as a broker or dealer nor associated with a broker  
10 or dealer registered with the Commission.

11 9. By engaging in this conduct, as further described herein, each  
12 Defendant violated and, unless restrained and enjoined by this Court, may continue  
13 to violate Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)].

14 **DEFENDANTS**

15 10. **Alex Duain Forester (f/k/a Duain Vincent Preitz)**, age 69, is a  
16 resident of Simi Valley, California. Forester was the subject of a 2012 “Desist and  
17 Refrain Order” issued by the California Business, Transportation and Housing  
18 Agency, Department of Corporations for selling unregistered stock. Forester  
19 solicited investors to purchase various securities and received commissions  
20 thereby. When called to appear for investigative testimony, Forester admitted to his  
21 solicitation conduct.

22 11. **Michael Robert Hicks (a/k/a Mike Rosen)**, age 48, is a resident of  
23 Fountain Valley, California. Hicks, who operated through 2 Tone Marketing LLC,  
24 solicited investors to purchase various securities and received commissions  
25 thereby. When called to appear for investigative testimony, Hicks admitted to his  
26 solicitation conduct.

1           12.   **Yarden Moshe Mony Krampf (a/k/a Jordan Field)**, age 34, is a  
2 resident of Santa Monica, California. Krampf, who operated through Advantage  
3 Marketing Associates Inc., directly and indirectly through others solicited investors  
4 to purchase various securities and received commissions thereby. When called to  
5 appear for investigative testimony, Krampf invoked his Fifth Amendment privilege  
6 against self-incrimination.

7           13.   **Christopher Byungin Lee (a/k/a Christopher Walters)**, age 27, is a  
8 resident of Walnut, California. Lee, who sometimes operated through J.C. Margin,  
9 LLC, directly and indirectly through others solicited investors to purchase various  
10 securities and received commissions thereby. When called to appear for  
11 investigative testimony, Lee invoked his Fifth Amendment privilege against self-  
12 incrimination in response to most of the questions posed to him.

13           14.   **Sean Andrew O’Neal (a/k/a Sean Sipos, Andrew Sipos, Sean**  
14 **Ryan)**, age 58, is currently incarcerated at FCI Lompoc with a scheduled release  
15 date of July 5, 2023, arising from his prosecution and conviction for wire fraud.  
16 O’Neal was the subject of a 2018 “Desist and Refrain Order” issued by the  
17 California Business, Consumer Services and Housing Agency, Department of  
18 Business Oversight for fraudulently selling unregistered securities. O’Neal, who  
19 operated through Penny Pros, LLC and Vanguard Equities, LLC (among others),  
20 solicited investors to purchase various securities and received commissions  
21 thereby.

22           15.   **Michael Roy Raynor**, age 58, is a resident of West Hollywood,  
23 California. Raynor, who operated through Martel Marketing Inc., solicited  
24 investors to purchase various securities and received commissions thereby. When  
25 called to appear for investigative testimony, Raynor invoked his Fifth Amendment  
26 privilege against self-incrimination in response to most of the questions posed to  
27 him.



- 1           b. The solicitors cold called prospective investors and inquired if the  
2           prospective investor had an active brokerage account with online  
3           order-entry functionality and, if so, advised the prospective  
4           investor about the attractiveness of the security.
- 5           c. If the prospective investor was swayed and decided to purchase the  
6           promoted shares, the solicitor inquired of the prospective investor  
7           how much money he or she would like to invest.
- 8           d. The solicitor then alerted the boiler room operator as to the  
9           prospective investor's interest, and the boiler room operator then  
10          contacted the selling shareholder or his or her agent and  
11          communicated the total dollar amount that the investor wanted to  
12          invest. The selling shareholder or his or her agent then checked the  
13          then current level II quotation for the subject security and provided  
14          the boiler room operator with a limit order price at or below the  
15          then current share price, which was then communicated, through  
16          the solicitor, to the prospective investor.
- 17          e. The prospective investor then entered a purchase limit order online  
18          in his or her brokerage account at the price provided by the  
19          solicitor. Nearly simultaneously, the selling shareholder or his or  
20          her agent entered a sale limit order for the same amount of shares  
21          at the same price. Via these means, the investor's order and the  
22          selling shareholder's order were likely, at least in part, to match  
23          with the effect that the selling shareholder was able to liquidate his  
24          or her position in the subject security, piecemeal, into a market  
25          with ready purchasers while concomitantly increasing the trading  
26          volume in the security, which may attract other purchasers.
- 27

1 f. The selling shareholder and the boiler room operator then  
2 communicated about how many shares were matched between the  
3 investor and the selling shareholder, and the selling shareholder  
4 then paid the boiler room operator a commission payment that was  
5 generally between 25% and 50% of the invested funds. The boiler  
6 room operator then paid a portion of these commissions to the  
7 solicitor responsible for producing the transaction, such as the  
8 Defendants.

9 18. During the time that Defendants were involved as solicitors in the  
10 above-discussed scheme, none was registered with the Commission as a broker,  
11 nor were the Defendants associated with any registered broker-dealers.

### 12 **Defendants' Participation In The Matched-Trading Scheme**

#### 13 **Alex Duain Forester**

14 19. Defendant Alex Duain Forester first became involved in matched-  
15 trading securities solicitation work, as described above, in or around July 2015  
16 when he accepted employment as a solicitor for a boiler room business operated by  
17 David Alan Wolfson with offices located in the Los Angeles area.

18 20. Forester received commission payments from Wolfson through at  
19 least November 2017 for soliciting investors to purchase securities through  
20 matched trades.

21 21. In addition to working in Wolfson's boiler room operation, Forester  
22 engaged in securities solicitation work for various other boiler room operators.

23 22. Most notably, between June 2018 and March 2019, Forester worked  
24 as a solicitor for a securities solicitation business operated by Defendant Yarden  
25 Moshe Mony Krampf and earned commissions totaling at least \$139,719 thereby.

26 23. While working as a solicitor for the Wolfson operation, the Krampf  
27 operation, and other boiler rooms, Forester cold called prospective investors, used

1 scripts to pitch them on one or more investment opportunities, and, under the  
2 direction of the boiler room operator, instructed investors to place purchase limit  
3 orders at designated prices and volumes.

4 24. Forester received commissions on the securities purchases he was  
5 responsible for obtaining.

6 25. Forester also received occasional commission payments on the  
7 securities purchases others were responsible for obtaining (known as a commission  
8 “override”).

9 26. Between October 9, 2015, and July 19, 2019, Forester received at  
10 least \$349,875 in commission payments arising from his securities solicitation  
11 activities, matched trading and otherwise.

12 **Michael Robert Hicks**

13 27. Beginning as early as 2011 and ending in or around November 2019,  
14 Defendant Michael Robert Hicks worked as a solicitor for various boiler room  
15 operations engaged in the matched-trading scheme described above.

16 28. While working as a solicitor, Hicks sometimes operated under the  
17 pseudonym “Mike Rosen.”

18 29. Among the boiler room operations Hicks worked for was the David  
19 Wolfson operation, in which Hicks periodically worked as a solicitor from at least  
20 October 2015 through at least February 2018.

21 30. While working as a solicitor for the Wolfson operation and other  
22 boiler rooms, Hicks cold called prospective investors, used scripts to pitch them on  
23 one or more investment opportunities, and, under the direction of the boiler room  
24 operator, instructed investors to place purchase limit orders at designated prices  
25 and volumes.

26 31. Hicks received commissions on the securities purchases he was  
27 responsible for obtaining.



1           32. Hicks also acted as an intermediary by passing commissions on to  
2 another solicitor who worked under him.

3           33. Between October 16, 2015, and December 20, 2019, Hicks and his  
4 business received \$180,570 in commission payments arising from his securities  
5 solicitation activities, matched trading and otherwise.

6           **Yarden Moshe Mony Krampf**

7           34. Sometime towards the end of 2017, Defendant Yarden Moshe Mony  
8 Krampf was introduced to the securities solicitation business and set up his own  
9 boiler room operation that was engaged in securities solicitation activities, and  
10 specifically in the matched-trading scheme described above in paragraph 17.

11           35. Krampf recruited solicitors to work in his operation by posting  
12 recruiting advertisements on Craigslist. Krampf provided his solicitors with lead  
13 lists that he had purchased, and he and his solicitors used those lists to cold call  
14 prospective investors.

15           36. During the time that he ran his securities solicitation operation,  
16 Krampf promoted multiple securities, including, principally, a deal promoting the  
17 sale of SanSal Wellness Holdings, Inc., which later changed its name to Veritas  
18 Farms, Inc.

19           37. Between December 2, 2017, and October 31, 2019, Krampf and his  
20 operation received \$345,739 in commission payments. Krampf retained a portion  
21 of these commissions and used the remainder to pay the solicitors working for him.

22           **Christopher Byugin Lee**

23           38. Defendant Christopher Byugin Lee operated as a securities solicitor  
24 from at least February 2016 through at least May 2019.

25           39. Among the boiler room operations Lee worked for was the David  
26 Wolfson operation, where he worked as an investor solicitor from at least June  
27 2016 through at least February 2018.

1 40. While working as a solicitor in the Wolfson operation and other boiler  
2 rooms, Lee cold called prospective investors, used scripts to pitch them on an  
3 investment opportunity, and, under the direction of the boiler room operator,  
4 instructed investors to place purchase limit orders at designated prices and  
5 volumes.

6 41. Although Lee never operated his own physical boiler room, he  
7 recruited others to work remotely for him as securities solicitors.

8 42. To recruit these solicitors, Lee posted Craigslist advertisements which  
9 stated, for example, “We are an investor relations firm seeking experienced closers  
10 and I.S.O.’s<sup>1</sup> to help raise money for publicly traded companies. You must have  
11 market knowledge and sales experience, you will be talking to savvy investors and  
12 asking for big money.”

13 43. Another Craigslist advertisement posted by Lee stated, “I am looking  
14 for remote investment sales pros that have experience in selling stocks, private  
15 placements, real estate, REITs, gold/silver, oil/gas, movie deals, or any other  
16 investments. You must be comfortable speaking to and negotiating with high net  
17 worth individuals. I will provide leads, ...”

18 44. Between February 22, 2016, and May 25, 2019, Lee received  
19 \$1,160,817 in commission payments arising from his securities solicitation  
20 activities, matched trading and otherwise, a portion of which he used to pay the  
21 solicitors working under him.

22 **Andrew O’Neal**

23 45. Defendant Andrew O’Neal worked as a securities solicitor for at least  
24 two boiler room operations between March 2016 and June 2017.

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26 <sup>1</sup> I.S.O., in this context, is believed to mean independent sales organization or  
27 independent sales office.

1           46. Specifically, during this period, O’Neal received commission  
2 payments from Conrad Cane, who ran a boiler room operation in the Los Angeles  
3 area, and Scott Messier and Jay Scoratow, who jointly ran a boiler room operation  
4 from the San Diego area.

5           47. Both the Cane and Messier/Scoratow operations engaged in the  
6 matched-trading scheme described above in paragraph 17.

7           48. While working as a solicitor in the Cane and Messier/Scoratow  
8 operations, O’Neal cold called prospective investors, used scripts to pitch them on  
9 an investment opportunity, and, under the direction of the boiler room operators,  
10 instructed investors to place purchase limit orders at designated prices and  
11 volumes.

12           49. O’Neal received commissions on the securities purchases he was  
13 responsible for obtaining.

14           50. Between March 4, 2016, and June 22, 2017, O’Neal received \$99,276  
15 in commission payments arising from his securities solicitation activities, matched  
16 trading and otherwise.

17           **Michael Roy Raynor**

18           51. Defendant Michael Roy Raynor worked as a solicitor for various  
19 boiler room operations between at least October 2015 and November 2019.

20           52. Among the boiler room operations Raynor worked for are the  
21 Wolfson operation and the Cane operation.

22           53. While working as a securities solicitor, Raynor cold called prospective  
23 investors, used scripts to pitch them on an investment opportunity, and, under the  
24 direction of the boiler room operators, instructed investors to place purchase limit  
25 orders at designated prices and volumes.

26

27

1           54. As evinced by a document produced by an issuer of a private real  
2 estate investment, which listed Raynor as one of its solicitors, Raynor also solicited  
3 investments in at least one private securities placement.

4           55. Raynor received commissions on the securities purchases he was  
5 responsible for obtaining.

6           56. Between October 16, 2015, and November 12, 2019, Raynor received  
7 \$660,898.76 in commission payments arising from his securities solicitation  
8 activities, matched trading and otherwise.

9           **Lee Sobel**

10          57. Defendant Lee Sobel worked as a securities solicitor in at least three  
11 boiler room operations between February 2016 and October 2017.

12          58. Specifically, Sobel worked as a solicitor in the boiler room operations  
13 of Wolfson and Cane as well as another operation based in the Los Angeles area  
14 and managed by Gregory Drake, which also engaged in the matched-trading  
15 scheme described above in paragraph 17.

16          59. While working as a securities solicitor in each of these operations,  
17 Sobel, at minimum, cold called prospective investors, pitched them on one or more  
18 investment opportunities, and received commissions on the securities purchases his  
19 cold calls resulted in.

20          60. Between February 8, 2016, and October 26, 2017, Sobel received  
21 \$103,252 in commission payments arising from his securities solicitation activities,  
22 matched trading and otherwise.

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1 **CLAIM FOR RELIEF**

2 **Violations of Section 15(a)(1) of the Exchange Act [15 U.S.C. § 78o(a)(1)]**  
3 ***(Against each Defendant)***

4 61. The Commission re-alleges and incorporates by reference each and  
5 every allegation in paragraphs 10–60, inclusive, as if they were fully set forth  
6 herein.

7 62. By engaging in the conduct described above, each Defendant:

8 a. engaged in the business of effecting transactions in securities for  
9 the account of others; and

10 b. directly or indirectly, made use of the mails or the means or  
11 instrumentalities of interstate commerce to effect transactions in,  
12 or to induce or attempt to induce the purchase or sale of, securities  
13 without being registered as a broker or dealer with the Commission  
14 or associated with a broker or dealer registered with the  
15 Commission.

16 63. By reason of the foregoing, each Defendant violated and, unless enjoined,  
17 will continue to violate Sections 15(a)(1) of the Exchange Act [15 U.S.C.  
18 § 78o(a)(1)].

19 **PRAYER FOR RELIEF**

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

22 **I.**

23 Permanently restraining and enjoining each Defendant from, directly or  
24 indirectly, engaging in conduct in violation of Section 15(a)(1) of the Exchange  
25 Act [15 U.S.C. § 78o(a)(1)];  
26  
27

1 **II.**

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

5 **III.**

6 Ordering each Defendant to pay civil monetary penalties pursuant to Section  
7 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)];

8 **IV.**

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

14 **V.**

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

18  
19 Dated: October 26, 2020

20  
21 */s/ Amy J. Longo* \_\_\_\_\_

22 Amy J. Longo

23 Attorney for Plaintiff

24 Securities and Exchange Commission  
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27

# Complaints and Other Initiating Documents

[2:20-cv-09813 Securities and Exchange Commission v. Forester et al](#)

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

## Notice of Electronic Filing

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**Case Number:** [2:20-cv-09813](#)

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### Docket Text:

**COMPLAINT No Fee Required - US Government, filed by Plaintiff Securities and Exchange Commission. (Attorney Amy J Longo added to party Securities and Exchange Commission(pty:pla))(Longo, Amy)**

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Amy J Longo longoa@sec.gov, irwinma@sec.gov, kassabguir@sec.gov, LAROFiling@sec.gov

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