

GRISA, J

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: 12/7/12

SECURITIES AND EXCHANGE COMMISSION,)
)
) Plaintiff,)
)
 v.)
)
 CARL N. DUNCAN,)
)
) Defendant.)

Case No. 12-CV-7261 (TPG)

AGREED FINAL JUDGMENT AGAINST CARL N. DUNCAN

The Securities and Exchange Commission ("Commission") having filed a complaint and Defendant Carl N. Duncan ("Defendant") having entered into a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to the entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUGED, AND DECREED that the Defendant and Defendant's agents, servants, employees, and attorneys and those persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a)(2) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)(2)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate

commerce or by use of the mails, directly or indirectly, to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

II.

IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Defendant and Defendant's agents, servants, employees, and attorneys and those persons in active concert or participation with him who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a

registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

III.

IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Defendant shall not participate in the preparation or issuance of any opinion letter in connection with the offer or sale of securities pursuant to, or claiming an exemption under Section 4(1) of the Securities Act [15 U.S.C. § 77d(1)], and Rule 144 or Rule 802 under the Securities Act [17 C.F.R. §§ 230.144 and 230.802], including without limitation, signing an opinion letter or preparing an opinion letter to be signed by another person, related to such offering.

IV.

IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Defendant is permanently barred from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock. A penny stock is an equity security that has a price of less than five dollars, except as provided in Rule 3a51-1 under the Securities Exchange Act of 1934 [17 C.F.R. 240.3a51-1].

v.

IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Defendant is liable for disgorgement of \$15,570.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$524.98, and a civil penalty in the amount of \$25,000.00 pursuant to Section 20(d) of the Securities Act. Defendant shall satisfy this obligation by paying \$41,094.98 to the Commission.

Duncan shall pay the total of disgorgement, prejudgment interest, and penalty due of \$41,094.98 in four installment payments to the Commission according to the following schedule: (1) \$11,094.98 within 14 days of the entry of this Final Judgment; (2) \$10,000 within 120 days of the entry of this Final Judgment; (3) \$10,000 within 240 days of the entry of this Final Judgment; and (4) \$10,000 within 364 days of the entry of this Final Judgment. Payments shall be deemed made on the date that they are received by the Commission and shall be applied first to post-judgment interest, which accrues pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after 14 days of the entry of Final Judgment. Prior to making the final payment set forth herein, Duncan shall contact the staff for the amount due for the final payment.

If Duncan fails to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth herein, all outstanding payments under this Final Judgment, including post-judgment interest, minus any payments made, shall become due and payable immediately without further application to the Court.

Defendant may transmit payments electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payments may also be made directly from a bank account via Pay.gov through the Commission's website at

<http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Carl N. Duncan as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of each installment payment and case identifying information to the Commission's counsel in this action. By making these payments, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

VI.

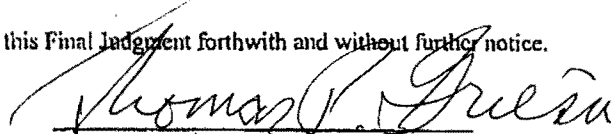
IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Consent of Defendant Carl N. Duncan is incorporated herein with the same force and effect as if fully set forth herein, and the Defendant shall comply with all of the undertakings and agreements set forth therein.

VII.

IT IS HEREBY ORDERED, ADJUGED AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VIII.

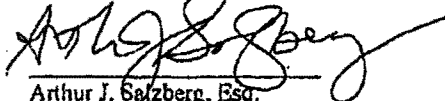
There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.



UNITED STATES DISTRICT JUDGE

Dated: 12/7, 2012

APPROVED AS TO FORM:



Arthur J. Salzberg, Esq.
Law Office of Arthur J. Salzberg
The Bethesda Office Center
4520 East-West Highway Suite 700
Bethesda, MD 30814
Attorney for Carl N. Duncan



Deana Bernstein
Attorney for Plaintiff
U.S. Securities and Exchange Commission
Boston Regional Office
33 Arch Street 23rd Floor
Boston, MA 02110

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v.
CARL N. DUNCAN,
Defendant.

Case No. 12-CV-7261 (TPG)

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I.

IT IS HEREBY ORDERED, ADJUGED, AND DECREED that the Defendant and Defendant's agents, servants, employees, and attorneys and those persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating Section 17(a)(2) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)(2)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate

commerce or by use of the mails, directly or indirectly, to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

II.

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- (a) unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a

registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

III.

IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Defendant shall not participate in the preparation or issuance of any opinion letter in connection with the offer or sale of securities pursuant to, or claiming an exemption under Section 4(1) of the Securities Act [15 U.S.C. § 77d(1)], and Rule 144 or Rule 802 under the Securities Act [17 C.F.R. §§ 230.144 and 230.802], including without limitation, signing an opinion letter or preparing an opinion letter to be signed by another person, related to such offering.

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v.

IT IS HEREBY FURTHER ORDERED, ADJUGED, AND DECREED that the Defendant is liable for disgorgement of \$15,570.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$524.98, and a civil penalty in the amount of \$25,000.00 pursuant to Section 20(d) of the Securities Act. Defendant shall satisfy this obligation by paying \$41,094.98 to the Commission.

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If Duncan fails to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth herein, all outstanding payments under this Final Judgment, including post-judgment interest, minus any payments made, shall become due and payable immediately without further application to the Court.

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<http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to:

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and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; Carl N. Duncan as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of each installment payment and case identifying information to the Commission's counsel in this action. By making these payments, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

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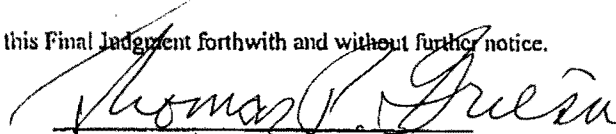
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IT IS HEREBY ORDERED, ADJUGED AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

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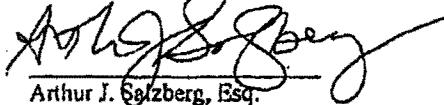
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UNITED STATES DISTRICT JUDGE

Dated: 12/7, 2012

APPROVED AS TO FORM:



Arthur J. Salzberg, Esq.
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The Bethesda Office Center
4520 East-West Highway Suite 700
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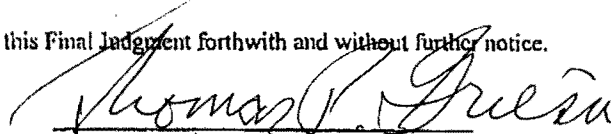
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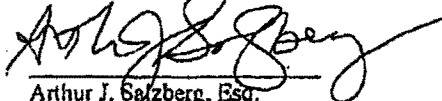
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