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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, v. AXESSTEL, INC. et al., Defendants.

Case No.: 3:18-cv-01486-L

**ORDER GRANTING JOINT
MOTION [Doc. 10] FOR
JUDGMENT; AND ENTERING
CONSENT JUDGMENT**

FINAL JUDGMENT AS TO DEFENDANT HAROLD CLARK HICKOCK III

The Securities and Exchange Commission (“SEC” or “Commission”) having filed a Complaint and Defendant Harold Clark Hickock III (“Defendant”) having entered a general appearance; consented to the Court’s jurisdiction over Defendant and the subject matter of this action; consented to 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, ADJUDGED, AND DECREED that Defendant and Defendant's agents, servants, employees, attorneys, and all 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, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
- (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
- (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that 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

1 personal service or otherwise, and each of them, be and hereby are permanently
2 restrained and enjoined from violating Rule 13a-14 under the Exchange Act [17 C.F.R. §
3 240.13a-14] by, as a principal executive or principal financial officer of an issuer, or as a
4 person performing similar functions, falsely certifying any report filed under Section
5 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] (other than a report filed by an Asset-
6 Backed Issuer defined in 17 C.F.R. § 229.1101, or a report on Form 20-F under 17 C.F.R.
7 § 240.13a-19), including reports filed on Forms 10-Q, Forms 10-QSB, Forms 10-K, or
8 Forms 10-KSB.
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12 III.

13 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant, and
14 Defendant's agents, servants, employees, and attorneys, and those persons in active
15 concert or participation with them who receive actual notice of this Final Judgment, by
16 personal service or otherwise, and each of them, be and hereby are permanently
17 restrained and enjoined from violating Rule 13b2-2 [17 C.F.R. § 240.13b2-2]
18 promulgated under the Exchange Act, by, as an officer or director of an issuer, (a)
19 making or causing to be made a materially false or misleading statement or (b) omitting
20 to state, or causing another person to omit to state, any material fact necessary in order to
21 make the statements made, in light of the circumstances under which they were made, not
22 misleading, to an accountant in connection with: (1) any audit, review, or examination of
23 the financial statements of an issuer required to be made pursuant to Section 13 of the
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1 Exchange Act [15 U.S.C. § 78m]; or (2) the preparation or filing of any document or
2 report required to be filed with the Commission.

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4 IV.

5 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant, and
6 Defendant's agents, servants, employees, and attorneys, and those persons in active
7 concert or participation with them who receive actual notice of this Final Judgment, by
8 personal service or otherwise, and each of them, be and hereby are permanently
9 restrained and enjoined from aiding and abetting any violation of Section 13(a) of the
10 Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20,13a-1, and 13a-13 thereunder [17
11 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13] by knowingly or recklessly providing
12 substantial assistance to an issuer that has a class of securities registered pursuant to
13 Section 12 of the Exchange Act [15 U.S.C. § 781] or Section 15(d) of the Exchange Act
14 [15 U.S.C. § 78o(d)] in failing to file with the Commission such accurate and complete
15 information, reports, and documents as are required to be filed with the Commission
16 pursuant to Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and the Rules
17 thereunder, including but not limited to annual reports on Form 10-K [17 C.F.R. §
18 249.310] and quarterly reports on Form 10-Q [17 C.F.R. § 249.308a], and such further
19 material information, if any, as may be necessary to make the required statements, in
20 light of the circumstances under which they are made, not misleading.
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26 V.

27 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant, and
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1 Defendant's agents, servants, employees, and attorneys, and those persons in active
2 concert or participation with them who receive actual notice of this Final Judgment, by
3 personal service or otherwise, and each of them, be and hereby are permanently
4 restrained and enjoined from aiding and abetting any violation of Sections 13(b)(2)(A)
5 and 13(b)(2)(B) of the Exchange Act [15 U.S.C. §§ 78m(b)(2)(A) and 78m(b)(2)(B)] by
6 knowingly providing substantial assistance to an issuer which has a class of securities
7 registered pursuant to Section 12 of the Exchange Act [15 U.S.C. 781] or any company
8 which is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C.
9 78o(d)] that:

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- 13 (a) fails to make or keep books, records, or accounts which, in reasonable
14 detail, accurately and fairly reflect the transactions and dispositions of the
15 issuer's assets; or
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17 (b) fails to devise and maintain a system of internal accounting controls
18 sufficient to provide reasonable assurances that (i) transactions are executed
19 in accordance with management's general or specific authorization; (ii)
20 transactions are recorded as necessary (A) to permit preparation of financial
21 statements in conformity with generally accepted accounting principles or
22 any other criteria applicable to such statements, and (B) to maintain
23 accountability for assets; (iii) access to assets is permitted only in
24 accordance with management's general
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1 or specific authorization; and (iv) the recorded accountability for assets is
2 compared with the existing assets at reasonable intervals and appropriate
3 action is taken with respect to any differences.
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5 VI.

6 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to
7 Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], Defendant is prohibited,
8 following the date of entry of this Final Judgment, from acting as an officer or director of
9 any issuer that has a class of securities registered pursuant to Section 12 of the Exchange
10 Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the
11 Exchange Act [15 U.S.C. § 78o(d)].
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13 VIII.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
15 shall pay a civil penalty in the amount of \$25,000 to the Securities and Exchange
16 Commission pursuant to Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].
17 Defendant shall make this payment pursuant to the terms of the payment schedule set
18 forth in paragraph IX below after entry of this Final Judgment.
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20 Defendant may transmit payment electronically to the Commission, which will
21 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be
22 made directly from a bank account via Pay.gov through the SEC website at
23 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check,
24 bank cashier's check, or United States postal money order payable to the Securities and
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1 Exchange Commission, which shall be delivered or mailed to

2 Enterprise Services Center
3 Accounts Receivable Branch
4 6500 South MacArthur Boulevard
5 Oklahoma City, OK 73169

6 and shall be accompanied by a letter identifying the case title, civil action number, and
7 name of this Court; Harold Clark Hickock III as a defendant in this action; and specifying
8 that payment is made pursuant to this Final Judgment.

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

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16 Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28
17 USC § 1961.
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19 IX.

20 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Harold Clark
21 Hickock III shall pay the total penalty of \$25,000 in two (2) installments to the
22 Commission according to the following schedule: (a) a \$2,500 payment within 14 days
23 of entry of this Final Judgment; and (b) a \$22,500 payment within 360 days of entry of
24 this Final Judgment. Payments shall be deemed made on the date they are received by
25 the Commission and shall be applied first to post judgment interest, which accrues
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1 pursuant to 28 U.S.C. § 1961 on any unpaid amounts due after 14 days of the entry of this
2 Final Judgment. Prior to making the final payment set forth herein, Hickock shall contact
3 the staff of the Commission for the amount due for the final payment.
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5 If Hickock fails to make any payment by the date agreed and/or in the amount
6 agreed according to the schedule set forth above, all outstanding payments under this
7 Final Judgment, including post-judgment interest, minus any payments made, shall
8 become due and payable immediately at the discretion of the staff of the Commission
9 without further application to the Court.
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11 X.

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13 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is
14 incorporated herein with the same force and effect as if fully set forth herein, and that
15 Defendant shall comply with all of the undertakings and agreements set forth therein.
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17 XI.


18 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
19 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11
20 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and
21 further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts
22 due by Defendant under this Final Judgment or any other judgment, order, consent order,
23 decree or settlement agreement entered in connection with this proceeding, is a debt for
24 the violation by Defendant of the federal securities laws or any regulation or order issued
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1 under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.
2 §523(a)(19).
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4 X.

5 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall
6 retain jurisdiction of this matter for the purposes of enforcing the terms of this Final
7 Judgment.
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10 Dated: July 10, 2018

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12 Hon. M. James Lorenz
13 United States District Judge
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