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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Petitioner,

v.

EQUAL EARTH, INC., ANDREW J.
DUGGAN; and GHASSAN HAMADE
(a/k/a MARK HAMADE),

Defendants.

Case No.: 19cv1138 JM(BGS)

**ORDER ON CONSENT MOTION
FOR ENTRY OF FINAL JUDGMENT
AS TO DEFENDANT ANDREW J.
DUGGAN**

Presently before the court is the Securities and Exchange Commission’s (the “Commission”) Consent Motion for Entry of Final Judgment against Defendant Andrew J. Duggan. (Doc. No. 4.)

I. BACKGROUND

On June 17, 2019, the Commission filed a Complaint against Defendants Andrew J. Duggan, Ghassan Hamade, also known as Mark Hamade, and Equal Earth, Inc. alleging violations of the federal securities laws. (Doc. No. 1.)

On June 18, 2019, the Commission submitted a Consent Motion to the court requesting entry of final judgment in accordance with the terms of the parties’ settlement. (Doc. No. 4.)

1 In the consent agreement Defendant Andrew J. Duggan: entered a general
2 appearance; consented to the court's jurisdiction over him and the subject matter of this
3 action; consented to entry of this Final Judgment without admitting or denying the
4 allegations of the Complaint (except as to jurisdiction and except as otherwise provided
5 herein); waived findings of fact and conclusions of law; waived any right to appeal; and
6 acknowledged that the agreement was entered into voluntarily.

7 **II. DISPOSITION**

8 Consistent with the foregoing with the terms of the parties' settlement, it is hereby
9 ORDERED as follows:

10 1. Duggan is permanently restrained and enjoined from violating Section 10(b) of
11 the Securities Exchange Act of 1934 (the "Exchange Act"), 15 U.S.C. §78j(b),
12 and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5, by using any
13 means or instrumentality of interstate commerce, or of the mails, or of any facility
14 of any national securities exchange, in connection with the purchase or sale of
15 any security:

16 (a) to employ any device, scheme, or artifice to defraud;

17 (b) to make any untrue statement of a material fact or to omit to state a
18 material fact necessary in order to make the statements made, in the
19 light of the circumstances under which they were made, not misleading;
20 or

21 (c) to engage in any act, practice, or course of business which operates or
22 would operate as a fraud or deceit upon any person.

23 As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph
24 also binds the following who receive actual notice of this Final Judgment by
25 personal service or otherwise: (a) Defendant's officers, agents, servants,
26 employees, and attorneys; and (b) other persons in active concert or participation
27 with Defendant or with anyone described in (a).
28

1 **2.** Duggan is permanently restrained and enjoined from violating Section 17(a) of
2 the Securities Act of 1933 (the “Securities Act”), 15 U.S.C. §77q(a), in the offer
3 or sale of any security by the use of any means or instruments of transportation
4 or communication in interstate commerce or by use of the mails, directly or
5 indirectly:

6 (a) to employ any device, scheme, or artifice to defraud;

7 (b) to obtain money or property by means of any untrue statement of a
8 material fact or any omission of a material fact necessary in order to
9 make the statements made, in light of the circumstances under which
10 they were made, not misleading; or

11 (c) to engage in any act, practice, or course of business which operates or
12 would operate as a fraud or deceit upon any person.

13 As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph
14 also binds the following who receive actual notice of this Final Judgment by
15 personal service or otherwise: (a) Defendant’s officers, agents, servants,
16 employees, and attorneys; and (b) other persons in active concert or participation
17 with Defendant or with anyone described in (a).

18 **3.** Duggan is permanently restrained and enjoined from violating Section 5 of the
19 Securities Act, 15 U.S.C. § 77e, by directly or indirectly, in the absence of any
20 applicable exemption:

21 (a) Unless a registration statement is in effect as to a security, making use
22 of any means or instruments of transportation or communication in
23 interstate commerce or of the mails to sell such security through the use
24 or medium of any prospectus or otherwise;

25 (b) Unless a registration statement is in effect as to a security, carrying or
26 causing to be carried through the mails or in interstate commerce, by
27 any means or instruments of transportation, any such security for the
28 purpose of sale or for delivery after sale; or

1 (c) Making use of any means or instruments of transportation or
2 communication in interstate commerce or of the mails to offer to sell or
3 offer to buy through the use or medium of any prospectus or otherwise
4 any security, unless a registration statement has been filed with the SEC
5 as to such security, or while the registration statement is the subject of
6 a refusal order or stop order or (prior to the effective date of the
7 registration statement) any public proceeding or examination under
8 Section 8 of the Securities Act, 15 U.S.C. § 77h.

9 As provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph
10 also binds the following who receive actual notice of this Final Judgment by
11 personal service or otherwise: (a) Defendant's officers, agents, servants,
12 employees, and attorneys; and (b) other persons in active concert or participation
13 with Defendant or with anyone described in (a).

- 14 **4.** In accordance with Section 21(d)(20 of the Exchange Act, 15 U.S.C. §78(u) and
15 Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), Duggan is prohibited from
16 acting as an officer or director of any issuer that has a class of securities registered
17 pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 781, or that is required
18 to file reports pursuant to Section 15(d) of the Exchange Act ,15 U.S.C. § 78o(d).
- 19 **5.** Duggan is permanently restrained and enjoined from directly or indirectly,
20 including, but not limited to, through any entity owned or controlled by
21 Defendant, participating in the issuance, purchase, offer, or sale of any securities
22 in an unregistered offering by an issuer, provided, however, that such injunction
23 shall not prevent Defendant from purchasing or selling securities for his own
24 personal account).
- 25 **6.** Duggan is liable for disgorgement of **\$657,690**, representing profits gained as a
26 result of the conduct alleged in the Complaint, together with prejudgment interest
27 thereon in the amount of **\$148,715.12**, and a civil penalty in the amount of
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1 **\$167,500** under Section 20(d) of the Securities Act, 15 U.S.C. §77t(d), and
2 Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3).

3 Duggan shall satisfy this obligation by paying **\$973,905.12** to the Securities and
4 Exchange Commission within 14 days after entry of this Final Judgment.

5 Duggan may transmit payment electronically to the Commission, which will
6 provide detailed ACH transfer/Fedwire instructions upon request. Payment may
7 also be made directly from a bank account via Pay.gov through the SEC website
8 at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by
9 certified check, bank cashier's check, or United States postal money order
10 payable to the Securities and Exchange Commission, which shall be delivered or
11 mailed to:

12 Enterprise Services Center
13 Accounts Receivable Branch
14 6500 South MacArthur Boulevard
15 Oklahoma City, OK 73169

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

19 Duggan shall simultaneously transmit photocopies of evidence of payment and
20 case identifying information to the Commission's counsel in this action. By
21 making this payment, Duggan relinquishes all legal and equitable right, title, and
22 interest in such funds and no part of the funds shall be returned to him. The
23 Commission shall send the funds paid pursuant to this Final Judgment to the
24 United States Treasury.

25 The Commission may enforce the Court's judgment for disgorgement and
26 prejudgment interest by moving for civil contempt (and/or through other
27 collection procedures authorized by law) at any time after 14 days following entry
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1 of this Final Judgment. Duggan shall pay post judgment interest on any
2 delinquent amounts pursuant to 28 U.S.C. § 1961.

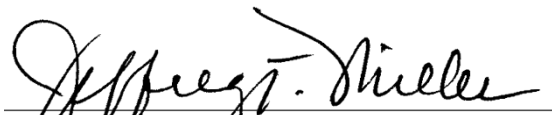
3 **7.** For purposes of exceptions to discharge set forth in Section 523 of the
4 Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and
5 admitted by Duggan. Any debt for disgorgement, prejudgment interest, civil
6 penalty or other amounts due by Duggan under this Final Judgment or any other
7 judgment, order, consent order, decree or settlement agreement entered in
8 connection with this proceeding, is a debt for the violation by Duggan of the
9 federal securities laws or any regulation or order issued under such laws, as set
10 forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

11 **8.** The Consent is incorporated herein with the same force and effect as if fully set
12 forth herein, and Duggan shall comply with all of the undertakings and
13 agreements set forth therein.

14 **9.** This Court shall retain jurisdiction of this matter for the purposes of enforcing
15 the terms of this Final Judgment.

16 **IT IS SO ORDERED.**

17 Dated: August 2, 2019

18 
19 Hon. Jeffrey T. Miller
20 United States District Judge