

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 81724 / September 26, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-18218

In the Matter of
Cecil Franklin Speight

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 17A(c)(4)(C)
OF THE SECURITIES EXCHANGE ACT
OF 1934 MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 17A(c)(4)(C) of the Securities Exchange Act of 1934 (“Exchange Act”) against Franklin Cecil Speight (“Speight” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.2. and III.4. below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 17A(c)(4)(C) of the Exchange Act Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that

1. Between October 25, 2011 and July 12, 2013, Speight was the president and sole owner and proprietor of International Stock Transfer, Inc. (“IST”), a transfer agency registered with the Commission.

2. On July 28, 2014, a judgment was entered by consent against Speight permanently enjoining him from future violations of Sections 17(a) of the Securities Act of 1933 (“Securities Act”) and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and aiding and abetting violations of Section 17(a)(3) of the Exchange Act and Rules 17Ad-6 and 17Ad-7 thereunder; prohibiting him from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act; permanently barring him from participating in an offering of a 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; and ordering him to pay disgorgement of all ill-gotten gains, prejudgment interest thereon, and civil penalties pursuant to Section 20(d) of the Securities Act and Section 21(d) of the Exchange Act, with the amounts of the disgorgement and civil penalties to be determined by the court upon motion of the Commission in the civil action entitled Securities and Exchange Commission v. International Stock Transfer, Inc. et al., Civil Action Number 14-CV-4435 (ADS), in the United States District Court for the Eastern District of New York.

3. The Commission’s complaint alleged, *inter alia*, that, in connection with the offer and sale of fictitious securities of Altmark Holdings (“Altmark”), PDL Portfolio (XIX) Ltd. (“PDL”), and Adfitech, Inc. (“Adfitech”), Speight and IST engaged in a variety of conduct which operated as a fraud and deceit on investors, including paying for the creation of offering websites, printing and distributing fake share and bond certificates, and making some periodic interest payments using investor monies.

4. On July 23, 2014, Speight pled guilty to one count of a criminal information for conspiracy to commit mail and securities fraud before the United States District Court for the Eastern District of New York in United States v. Speight, 14-CR-379 (RRM). On February 10, 2016, Speight was sentenced to 42 months of incarceration followed by 3 years of supervised release, and ordered to pay restitution in the amount of \$3.3 million.

5. The count of the criminal information to which Speight pled guilty alleged, *inter alia*, that Speight in his capacity as president of IST, working with others, defrauded investors and obtained money and property by means of materially false and misleading statements and employing manipulative and deceptive devices and contrivances in connection with the sale of fictitious Altmark bonds and Adfitech stock. In furtherance of this conspiracy, Speight used the United States’ mails and interstate carriers to send packages and checks to investors.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent’s Offer.

Accordingly, it is hereby ORDERED pursuant to Section 17A(c)(4)(C) of the Exchange Act that Respondent Speight be, and hereby is barred from association with any broker, dealer,

investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Any reapplication for association by the Respondent Speight will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields
Secretary