

ADMINISTRATIVE PROCEEDING
FILE NO. 3-18422

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

COPY

In the Matter of

JOSHUA D. MOSSHART,

Respondent.

**Chief Administrative Law Judge
Brenda P. Murray**

**DIVISION OF ENFORCEMENT'S
MOTION FOR SUMMARY DISPOSITION**

May 21, 2018

Division of Enforcement
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I.e **INTRODUCTIONe**

In 2011, respondent Joshua D. Mosshart was working as a registered representative at LPL Financial LLC (“LPL”), a securities brokerage firm. That May, and unbeknownst to LPL, Mosshart began raising money for Enviro Board Corporation (“Enviro Board”). He eventually referred 18 individuals, including several of his existing LPL brokerage and advisory clients, to the purported “green technology” company, where they purchased nearly \$5 million in Enviro Board securities. For his efforts, Mosshart was paid hundreds of thousands of dollars in transaction-based compensation. Because he was “selling way” from LPL, Mosshart was barred, in a 2014 FINRA disciplinary action, from associating with any FINRA member in any capacity.

In 2016, the Commission charged Enviro Board with engaging in a fraudulent and unregistered securities offering; in light of his role in that course of events, the Commission also sued Mosshart for violations of the securities and broker-dealer registration provisions of the federal securities laws. Mosshart never answered the SEC’s complaint, and after considering and denying a spate of serial motions from Mosshart seeking to avoid the consequences of his default – specifically, a motion to set aside default, a motion for reconsideration, a motion for relief under Rule 59(e) of the Federal Rules of Civil Procedure, and a request for extension for legal representation – the district court enjoined Mosshart from future violations of the federal securities laws, ordered disgorgement, and imposed a civil penalty on March 21, 2018.

The Division of Enforcement now requests that Mosshart be permanently barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, and nationally recognized statistical rating organization.

II.o PROCEDURAL HISTORY AND FACTUAL BACKGROUND

A.o The Commission's Civil Injunctive Actiono

On August 26, 2016, the Commission filed a civil injunctive action against Mosshart, Enviro Board, and two other Enviro Board principals in the U.S. District Court for the Central District of California, charging Mosshart with violations of Section 5 of the Securities Act of 1933 ("Securities Act") and Section 15(a) of the Securities Exchange Act of 1934 ("Exchange Act"). See *SEC v. Enviro Board Corporation, et al.*, Case No. 2:16-cv-06427 (C.D. Cal.); Declaration of Gary Y. Leung In Support of the Division of Enforcement's Motion for Summary Disposition ("Leung Decl.") at ¶ 3, Ex. 1 (SEC Complaint).

Once Mosshart failed to answer the Commission's complaint, the clerk entered a default against him on October 7, 2016. Leung Decl. at ¶ 4, Ex. 2 (civil injunctive action docket). The Commission then moved for a default judgment; in response, Mosshart opposed the Commission's motion and affirmatively moved the district court to set aside his default. *Id.* On May 10, 2017, the district court granted the Commission's default judgment motion, finding that "Mosshart fails to meet his burden to show a meritorious defense," and that Mosshart was culpable for his failure to respond to the Commission's complaint. *Id.* at ¶ 5, Ex. 3 (5/10/17 district court order).

On June 16, Mosshart filed a motion for reconsideration that the district judge denied on August 16. *Id.* at ¶ 6, Ex. 4 (8/16/17 district court order). On August 23, Mosshart filed another motion, styled as one seeking relief under Rule 59(e) and also requesting that the district court grant him additional time to secure representation. *Id.* at ¶ 4, Ex. 2 (docket). The district court denied Mosshart's August 23 motion on October 11. *Id.* at ¶ 7, Ex. 5 (10/11/17 district court order). After the SEC moved for monetary remedies against Mosshart on December 19, the district court entered a final judgment against Mosshart on March 22, 2018 permanently

enjoining Mosshart from future violations of the federal securities laws, ordering Mosshart to disgorge ill-gotten gains of \$293,655 together with prejudgment interest, and imposing a civil penalty in the amount of \$293,655. *Id.* at ¶¶ 8-9, Ex. 6 (3/22/18 district court order); and Ex. 7 (final judgment).

B.e Mosshart's Securities Law Violationse

Enviro Board is a Delaware corporation formed on March 27, 1997, that has been controlled by Camp and Peiffer from its inception. *Id.* at ¶ 10, Ex. 8 (Camp Inv. Test.) at 96:22-25.eMosshart was hired to raise capital for Enviro Board. *Id.* at ¶¶ 10-11, Ex. 8 (Camp Inv.e Test.) at 110:10-115:24; Ex. 9 (Peiffer Inv. Test.) at 258:1-23. From 2011 to 2014, Enviro Board, Camp and Mosshart offered and sold investments to nearly 40 investors residing in several states. *Id.* at ¶¶ 11-12, Ex. 9 (Peiffer Inv. Test.) at 553:1-19, 565:9-568:6; Group Ex. 10 (EBC investor lists). These investments took the form of common stock, secured or unsecured bonds, and promissory notes that at times called for interest to be paid in the form of Enviro Board stock. *Id.* In all, Enviro Board raised approximately \$6 million from investors from 2011 to 2014. *Id.* Yet, Enviro Board's mill technology has never advanced past the prototype stage and no significant progress has been made to commercialize the technology. *Id.* at ¶¶ 13-14, Ex. 11 (Peiffer Depo. Tr.) at 23:20-33:16, 33:17-34:15; Ex. 12 (Camp Depo. Tr.) at 15:2-24:23

Mosshart referred to Enviro Board at least 18 individuals who purchased nearly \$5 million of the company's securities, beginning in May 2011. *Id.* at ¶ 15, Ex. 13 (12/19/16 Fiske Decl.) at ¶¶ 10-12. Mosshart solicited Enviro Board investors, provided those investors with Enviro Board offering materials, and/or participated in taking investors' orders. *Id.* Mosshart and Camp engaged in direct solicitation via e-mail, by telephone, and through in-person meetings. *See, e.g., id.* at ¶ 16, Ex. 14 (Declaration of Tina P. Brodie). Mosshart provided prospective investors with copies of Enviro Board's private placement memorandum, business

plan, a subscription agreement, an investor questionnaire, and/or other marketing materials, including brochures, corporate updates, and PowerPoint presentations on Enviro Board's business. *See, e.g., id.* at ¶ 17, Group Ex. 15 (Mosshart investor communications). For his efforts, Mosshart was paid transaction-based compensation in the form of commissions. *Id.* at ¶¶ 10-11, Ex. 8 (Camp Inv. Test.) at 110:10-115:24; Ex. 9 (Peiffer Inv. Test.) at 258:1-23. Enviro Board's securities, however, were not registered with the Commission.

In addition, during the relevant period, Mosshart was associated with LPL Financial LLC ("LPL"), a registered broker-dealer. *Id.* at ¶ 15, Ex. 13 (Fiske Decl.) at Ex. 4. He was not, however, acting within the scope of his employment at LPL when he participated in the offer and sale of Enviro Board securities. *Id.* at ¶ 18, Ex.16 (1/7/14 FINRA finding). LPL was unaware of and did not approve of Mosshart's conduct, and was not supervising him for purposes of his sale of Enviro Board's securities. *Id.* Mosshart consequently engaged in the offer and sale of unregistered securities.

C. Mosshart's Follow-On Administrative Proceeding

The Division instituted this proceeding with an Order Instituting Proceedings ("OIP") on April 5, 2018, pursuant to Section 15(b) of the Exchange Act and Section 203(f) of the Advisers Act, Mosshart timely answered the OIP on April 25, and at the April 30 prehearing conference, Mosshart acknowledged service of the OIP. On May 7, the Presiding Judge issued an order granting the Division leave to file the instant Rule 250 motion for summary disposition.

III. ARGUMENT

A. Summary Disposition Is Warranted Here

This matter is ripe for summary disposition. Rule 250(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.250(b), provides that after a respondent's answer has been filed and documents have been made available to the respondent for inspection and copying, a party may

move for summary disposition of any or all allegations of the OIP. A hearing officer may grant the motion for summary disposition if the “undisputed pleaded facts, declarations, affidavits, documentary evidence or facts officially noted pursuant to Rule 323 show that there is no genuine issue with regard to any material fact and that the movant is entitled to summary disposition as a matter of law.” SEC Rule of Practice Rule 250(b), 17 C.F.R. § 201.250(b).

Summary disposition is “generally proper in ‘follow-on’ proceedings like this one, where the administrative proceeding is based on a criminal conviction or a civil injunction.” *George Charles Cody Price*, Initial Dec. Rel. 1018, 2016 WL 3124675 (June 3, 2016); *accord Omar Ali Rizvi*, Initial Dec. Rel. No. 479, 2013 WL 64626 (Jan. 7, 2013) (the “Commission has repeatedly upheld use of summary disposition in cases where the respondent has been enjoined and the sole determination concerns the appropriate sanction.”), *notice of finality*, 105 S.E.C. Docket 3126, 2013 WL 772514 (Mar. 1, 2013); *Daniel E. Charboneau*, Initial Dec. Rel. No. 276, 84 S.E.C. Docket 3476, 2005 WL 474236 (Feb. 28, 2005) (summary disposition granted and penny stock bar issued based on injunction), *notice of finality*, 85 S.E.C. Docket 157, 2005 WL 701205 (Mar. 25, 2005); *Currency Trading Int’l Inc.*, Initial Dec. Rel. No. 263, 83 SEC Docket 3008, 2004 WL 2297418 (Oct. 12, 2004) (same), *notice of finality*, 84 S.E.C. Docket 440, 2004 WL 2624637 (Nov. 18, 2004).

B.o Mosshart Should Be Permanently Barred

The sole sanction the Division seeks here – a permanent bar from the securities industry – is well justified. Section 15(b) of the Exchange Act and Section 203(f) of the Advisers Act, as amended by Section 925(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Pub. L. No. 111-203, § 925(b), 124 Stat. 1376 (2010) [codified at 15 U.S.C. § 80b-3(f)] (“Dodd-Frank”), provide that the Commission may bar a person from being associated with a “broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer

agent, or nationally recognized statistical rating organization,” if the Commission finds, on the record after notice and opportunity for a hearing, that such a bar “is in the public interest” and that the person is enjoined from certain violations of the federal securities laws, including, for the purposes of this proceeding, violations of the antifraud provisions. *See* 15 U.S.C. § 78o(b); 15 U.S.C. § 80b-3(f). Accordingly, to prevail on this proceeding, the Division must establish that: (i) Mosshart has been enjoined from violating the federal securities laws; and (ii) it is in the public interest to impose a bar against him.

1.e Mosshart has been permanently enjoined

The first requirement of this test is easily satisfied. On March 22, 2018, the district court entered an order and final judgment against Mosshart in the case, *SEC v. Enviro Board Corporation, et al.*, permanently enjoining him from violations of Section 5 of the Securities Act and Section 15(a) of the Exchange Act. Mosshart cannot dispute the entry of these injunctions.

2.e An associational bar is in the public interest

Second, permanently barring Mosshart from the securities industry would advance the public interest. Whether an administrative sanction based upon an injunction is in the public interest turns on the egregiousness of the respondent’s actions, the isolated or recurrent nature of the infraction, the degree of scienter involved, the sincerity of the respondent’s assurances against future violations, recognition of the wrongful conduct, and the likelihood that the respondent’s occupation will present future opportunities for violations. *See Steadman v. SEC*, 603 F.2d 1126, 1140 (5th Cir. 1979), *aff’d on other grounds*, 450 U.S. 91 (1981); *Lonny S. Bernath*, Initial Dec. Rel. No. 993 at 4, 2016 SEC LEXIS 1222 *10-11 (April 4, 2016) (*Steadman*) factors used to determine whether a bar is in the public interest, in a case where sanctions were imposed by summary disposition). The Commission also considers the age of the violation and the degree of harm to investors and the marketplace resulting from the violation,

and the deterrent effect of administrative sanctions. *Id.* at **4, 11. “[N]o one factor is dispositive.” *Michael C. Pattison, CPA*, No. 3-14323, 2012 WL 4320146, at *8 (Comm. Op. Sept. 20, 2012); *ZPR Investment Management, Inc.*, No. 3-15263, 2015 WL 6575683, at *27 (Comm. Op. Oct. 30, 2015) (inquiry into the public interest is “flexible”). Here, every one of the considerations articulated in *Steadman* weighs in favor of a permanent industry bar.

a. Mosshart’s actions were egregious

To begin with, Mosshart acted with scienter when he either deliberately or recklessly disregarded the securities and broker-dealer registration requirements. Because he was long-associated with a registered broker-dealer and investment adviser, Mosshart was a sophisticated market participant who was well aware of the federal securities laws’ registration requirements. Mosshart nonetheless referred 18 individuals to Enviro Board who made a combined investment of nearly \$5 million in unregistered securities – a group that included several of his brokerage and/or advisory clients at LPL – and was paid more than half a million dollars for that work. Mosshart never told LPL that he was selling away, and so LPL could neither approve of nor supervise his conduct in soliciting investments in Enviro Board. Indeed, in January 2014, Mosshart consented to a FINRA bar for his conduct. There should be little doubt that Mosshart acted in deliberate or reckless disregard of the federal securities laws.

b. Mosshart’s misconduct was not isolated, it was recurrent

Mosshart’s violations were not isolated; they were recurrent. His conduct spanned a multi-year period and impacted the lives of more than a dozen investors. As just one example, a recently-widowed mother of two hired Mosshart to act as her financial advisor. Leung Decl., Ex. 14 (Brodie Decl. at ¶¶ 2-4. She had received about ██████████ in life insurance ██████████ ██████████. *Id.* at ¶ 3. Mosshart urged her to invest all ██████████ of those proceeds in Enviro Board securities, assuring his client that the investment was safe, stable, and appropriate

for her needs as a recent widow, someone who now needed a fixed income stream to meet her family's financial obligations. *Id.* at ¶¶ 3, 15. The client decided to invest \$400,000 in a collaterally-secured bond instrument issued by Enviro Board. *Id.* at ¶ 5. She was never told that LPL hadn't given Mosshart permission to market Enviro Board investments to his advisory clients, nor did Mosshart disclose to her the fact that he was being paid a 10% commission on her \$400,000 investment. *Id.* at ¶ 6. In time, Enviro Board defaulted on the bond and Mosshart's client has never recovered all \$400,000 of her investment. *Id.* at ¶ 14. That Mosshart's violations of the federal securities laws had a concrete, tangible, and lasting harm on the investing public is not subject to serious dispute.

c.e Mosshart does not recognize his wrongful conducte

Mosshart will no doubt provide a *mea culpa* and assurances against future violations. But even if this Court were to find them sincere, this factor should not outweigh the Commission's concern that Mosshart will present a threat if he returns to the securities industry. *See In the Matter of Gary Kornman*, Exchange Act Rel. No. 59403, 2009 WL 367635, *7 (finding that sincere expressions of remorse and assurances against future violations insufficient to preclude permanent bar given need for high ethical standards in securities industry); *Batemen Eichler, Hill Richards, Inc. v. Berner*, 472 U.S. 299, 315 (1985) ("The primary objective of the federal securities laws [is the] protection of the investing public and the national economy through the promotion of 'a high standard of business ethics ... in every facet of the securities industry.'" (quoting *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 186-87 (1963))).

Most significantly, Mosshart has exhibited no remorse for his conduct, nor offered any sincere assurances against future violations. In the district court action alone, Mosshart claimed that he "never handled monies of investors," "only provided arms[-]length referrals," "did not sell securities," and lied about his failure to answer the SEC's complaint as owing to the fact that

he has never been in a lawsuit before. Compare *SEC v. Enviro Board Corp., et al.*, Case No. 2:16-cv-06427-R-SS (C.D. Cal.) at Dkt. No. 27 at 3 with Dkt. No. 24-1, Ex. 1 at 8, ¶15. Having committed no wrong in his own mind, Mosshart instead complains of “experiencing defamation of character due to SEC and FINRA disclosures.” *Id.* at Dkt. No. 27 at 3. These assertions are all inconsonant with the notion that Mosshart has any appreciation of the consequences of his misconduct, or any commitment to not violating the law in the future.

d.i It is likely that if employed in the industry, Mosshart will have future opportunities for violations

The final *Steadman* factor also supports this Court’s imposition of a permanent associational bar. “The securities industry presents continual opportunities for dishonest and abuse and depends heavily on the integrity of its participants and on investors’ confidence.” *Kornman*, 2009 WL 367635, *7. “The securities business is ‘a field where opportunities for dishonesty recur constantly.’” *In the Matter of Evelyn Litwok*, Advisers Act Release No. 3838, 2011 WL 3345861, *5 (quoting *Ahmed Mohamed Soliman*, 52 S.E.C. 227, 231 (1995) (imposing permanent bar based on misdemeanor conviction for submitting false documents to the IRS)). Mosshart is in his forties and remains in the prime of his professional career. Consequently, there is a strong likelihood that any employment by Mosshart in the securities industry will present future opportunities for violations.

* * *

On the balance of the *Steadman* factors, Mosshart should be permanently barred from the industry. *See, e.g., In the Matter of Gregory John Tuthill*, Admin. Proc. File No. 3-18421, SEC Rel. No. 83090, 2018 WL 1907133 (Apr. 23, 2018) (ordering associational bar against respondent enjoined from violating Section 5 and Section 15(a) registration provisions); *In the Matter of Robert L. Baker, et al.*, Admin. Proc. File No. 3-17716, SEC Rel. No. 10471, 2018 WL

1419478 (Mar. 22, 2018) (same); *In the matter of Wilfred R. Blum, et al.*, Admin. Proc. File No. 3-14961, SEC Rel. No. 30269, 2012 WL 5936761 (Nov. 19, 2012) (same).

IV. CONCLUSION

For all the reasons stated, the Division respectfully requests that its motion for summary disposition be granted, and that Mosshart be permanently barred pursuant to Section 15(b) of the Exchange Act and Section 203(f) of the Advisers Act.

Dated: May 21, 2017

Respectfully submitted,

DIVISION OF ENFORCEMENT



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Counsel for the Division of Enforcement

Certificate of Service

I certify that on May 21, 2018, I caused the foregoing to be served on the following persons by the method of delivery indicated below.

Brent J. Fields, Secretary
Securities and Exchange Commission
100 F. Street, N.E., Mail Stop 1090
Washington, D.C. 20549

(by facsimile to (703) 813-9793
and United Parcel Service)

(original and three copies)

Honorable Brenda P. Murray
Chief Administrative Law Judge
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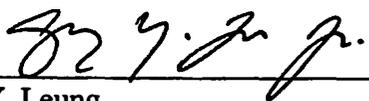
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Pro Se Respondent



Gary Y. Leung



ADMINISTRATIVE PROCEEDING
FILE NO. 3-18422

COPY

**UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION**

In the Matter of

JOSHUA D. MOSSHART,

Respondent.

**Chief Administrative Law Judge
Brenda P. Murray**

**DECLARATION OF GARY Y. LEUNG
IN SUPPORT OF MOTION FOR SUMMARY DISPOSITION**

May 21, 2018

Division of Enforcement
Gary Y. Leung
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Los Angeles, California 90071
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DECLARATION OF GARY Y. LEUNG

I, Gary Y. Leung, hereby declare, pursuant to 28 U.S.C. § 1746, as follows:

1. I am an attorney at law admitted to practice law in the State of California and before the United States District Court for the Central District of California. I am employed as Senior Trial Counsel for the Los Angeles Regional Office of the U.S. Securities and Exchange Commission (“Commission”), 444 Fifth Street, 9th Floor, Los Angeles, California 90071, Telephone: (323) 965-3998.
2. I am the trial counsel assigned to litigate this matter on behalf of the Division of Enforcement. I have personal knowledge of the facts set forth in this Declaration, and, if called and sworn as a witness, could and would competently testify thereto.
3. A true and correct copy of the complaint filed by the Commission in the Central District of California in the civil action, *SEC v. Enviro Board Corporation, et al.*, Case No. 2:16-cv-06427-R (C.D. Cal.) (“Enviro Board district court action”) is attached hereto as **Exhibit 1**.
4. A true and correct copy of the district court docket sheet in the Enviro Board district court action is attached hereto as **Exhibit 2**.
5. A true and correct copy of the May 10, 2017 order issued by the court in the Enviro Board district court action is attached hereto as **Exhibit 3**.
6. A true and correct copy of the August 16, 2017 order issued by the court in the Enviro Board district court action is attached hereto as **Exhibit 4**.
7. A true and correct copy of the October 11, 2017 order issued by the court in the Enviro Board district court action is attached hereto as **Exhibit 5**.
8. A true and correct copy of the March 21, 2018 order issued by the court in the Enviro Board district court action is attached hereto as **Exhibit 6**.
9. A true and correct copy of the March 21, 2018 order issued by the court in the Enviro Board district court action is attached hereto as **Exhibit 7**.
10. A true and correct copy of excerpts from the transcript of Glenn Camp’s investigative testimony, taken on June 25-26 and October 19-21, 2015 is attached hereto as **Exhibit**

8.

11. A true and correct copy of excerpts from the transcript of William Peiffer's investigative testimony, taken on October 27-29, 2015 is attached hereto as **Exhibit 9.**

12. A true and correct copy of a document produced during the Commission's investigation by Enviro Board, bates-labeled at EBC 0089950-958, and marked as Exhibit 201 at William Peiffer's October 29, 2015 investigative testimony, is attached hereto as **Exhibit 10.**

13. A true and correct copy of excerpts from the transcript of William Peiffer's deposition, taken on August 9, 2017, is attached hereto as **Exhibit 11.**

14. A true and correct copy of excerpts from the transcript of Glenn Camp's deposition, taken on August 10, 2017, is attached hereto as **Exhibit 12.**

15. A true and correct copy of the December 19, 2016 Declaration of William S. Fiske In Support of Plaintiff Securities and Exchange Commission's Motion for Default Judgment Against Defendant Joshua D. Mosshart, filed at Dkt. No. 22-2 in the Enviro Board district court action, is attached hereto as **Exhibit 13.**

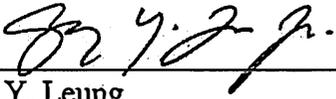
16. A true and correct copy of the Declaration of Tina Brodie, filed at Dkt. No. 61-3 in the Enviro Board district court action, is attached hereto as **Exhibit 14.**

17. A true and correct copy of email correspondence produced during the Commission's investigation by Enviro Board, bates-labeled at EBC 0761303, EBC 0785861, EBC 0644901-903 and EBC 0386624, is attached hereto as **Group Exhibit 15.**

18. A true and correct copy of Joshua Daniel Mosshart's FINRA BrokerCheck report, downloaded on May 21, 2018 from <https://brokercheck.finra.org/individual/summary/3174050>, is attached hereto as **Exhibit 16.**

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 21, 2018 in Los Angeles, California.



Gary Y. Leung

IN THE MATTER OF JOSHUA D. MOSSHART

**Administrative Proceeding File No. 3-18422
Service List**

Pursuant to Commission Rule of Practice 151 (17 C.F.R. § 201.151), I certify that the attached:

**DECLARATION OF GARY Y. LEUNG
IN SUPPORT OF MOTION FOR SUMMARY DISPOSITION**

was filed with the Office of the Secretary of the Commission and served by electronic mail and UPS Overnight Mail on May 21, 2018, upon the following parties as follows:

Brent J. Fields, Secretary
Securities and Exchange Commission
100 F. Street, N.E., Mail Stop 1090
Washington, DC 20549-1090

(By UPS)
(Original and three copies)

Honorable Brenda Murray
Chief Administrative Law Judge
Securities and Exchange Commission
100 F Street, N.E., Mail Stop 2557
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Email: alj@sec.gov

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Dated: May 21, 2018


Sarah Mitchell

EXHIBIT 1

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8
9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **Western Division**

12
13 **SECURITIES AND EXCHANGE**
COMMISSION,

14 **Plaintiff,**

15 **vs.**

16
17 **ENVIRO BOARD CORPORATION,**
GLENN B. CAMP, WILLIAM J.
18 **PEIFFER, and JOSHUA D.**
MOSSHART,

19 **Defendants.**
20

Case No.

COMPLAINT

21
22 Plaintiff Securities and Exchange Commission (“SEC”) alleges:

23 **JURISDICTION AND VENUE**

24 1. The Court has jurisdiction over this action pursuant to Sections 20(b),
25 20(d)(1) and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§
26 77t(b), 77t(d)(1) & 77v(a), and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27(a) of the
27 Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §§ 78u(d)(1),
28 78u(d)(3)(A), 78u(e) & 78aa(a).

1 was remotely likely. Second, that Enviro Board would be able to quickly earn money
2 by selling millions of dollars in federal tax credits through a complex transaction that
3 depended on third-party financing which the company could never realistically obtain
4 because, among other things, it had to be secured by Enviro Board mills that did not
5 even exist at the time. For these reasons, Enviro Board's near-term projections of
6 millions of dollars in illusory operating profits were fraudulent, false and misleading.

7 6. In addition to these fraudulent projections, Enviro Board's offering
8 materials represented that the company had previously designed and installed a viable
9 production line, that its panels were available in two sizes, already in use in
10 residential and commercial construction projects and "mass produced," and that the
11 company had secured \$161 million in "vendor financing." These statements were all
12 false. The company had never placed a commercially-viable production line in
13 operation. No customer had ever used Enviro Board's building materials for any
14 construction project. And the purported "vendor financing" was actually to be
15 provided by a related-entity Peiffer had created and controlled, and which in any case
16 lacked the financial wherewithal to make such a large loan.

17 7. Enviro Board has never generated any meaningful operating revenue.
18 Notwithstanding this, Defendants personally profited from their fraud. Of the
19 approximately \$6 million raised by Enviro Board from 2011-2014, Camp, Peiffer and
20 Mosshart took as much as \$2.6 million for themselves in purported compensation.

21 8. As a result of the conduct alleged herein, Defendants Camp, Peiffer, and
22 Enviro Board have violated the antifraud provisions of the Securities Act and the
23 Exchange Act; Defendants Camp, Mosshart and Enviro Board have violated the
24 securities registration provisions of Section 5 of the Securities Act; and Defendant
25 Mosshart has violated the broker-dealer registration provisions of Section 15 of the
26 Exchange Act.

27 9. With this complaint, the SEC seeks permanent injunctive relief against
28 Defendants from violations of the antifraud and registration provisions of the federal

1 securities laws, disgorgement of ill-gotten gains along with prejudgment interest, civil
2 penalties, and an officer and director bar against Defendants Camp and Peiffer.

3 **THE DEFENDANTS**

4 10. Enviro Board is a Delaware corporation formed on March 27, 1997, and
5 is the successor of Enviro Board International, Inc., which Camp formed in 1992.
6 During the relevant period, Enviro Board maintained offices in Westlake Village and
7 Thousand Oaks, California. Since its inception, the company has been controlled by
8 Camp and Peiffer.

9 11. Glenn B. Camp, 59, is the co-founder, co-chairman, and co-chief
10 executive officer of Enviro Board. He resides in Thousand Oaks, California. He has
11 never been registered with the SEC in any capacity.

12 12. William J. Peiffer, 62, is the co-founder, co-chairman, co-chief executive
13 officer, and general counsel of Enviro Board. He resides in Haddonfield, New
14 Jersey. He has never been registered with the SEC in any capacity.

15 13. Joshua D. Mosshart, 43, began to raise money for Enviro Board in May
16 2011, became the company's titular president in or about January 2012, and resigned
17 from Enviro Board in April 2013. Mosshart resides in Malibu, California. He held
18 Series 7, 24, 63 and 66 licenses until January 2014, when he consented to a FINRA
19 regulatory action barring him from associating with any FINRA member in any
20 capacity. The FINRA regulatory action arose from his conduct in referring investors
21 to Enviro Board.

22 **THE ALLEGATIONS**

23 **A. Enviro Board's Long-Standing Inability to Commercialize Its Technology**

24 14. Camp formed Enviro Board's corporate predecessor in 1992.

25 15. Enviro Board, as did its predecessor, planned to develop a technology
26 that would allow it to manufacture low-cost, environmentally-friendly building panels
27 out of straw and other agricultural waste fiber.

28 16. Enviro Board called these building panels "E-Board." The company

1 also planned to develop technology to manufacture a drywall substitute called “E-
2 Wall.”

3 17. The plan was to design and construct large machines, called fiber
4 extrusion mills, which would manufacture E-Boards and later E-Wall using Enviro
5 Board’s technology.

6 18. Although the effort began in 1992, Enviro Board has never designed and
7 constructed a mill capable of commercial manufacturing operations.

8 19. Over the course of nearly 20 years of development work, Enviro Board
9 only constructed prototype mills, but none of those prototypes met the operational
10 specifications required for commercial production.

11 20. Specifically, Enviro Board’s prototype mills suffered from serious “in-
12 service” problems – *e.g.*, issues with paper tracking, glue adhesion, and panel density
13 – that required them to be shut down or slowed to make corrective adjustments. As a
14 result, the prototypes were incapable of maintaining a production rate of five feet per
15 minute, as required for commercial operations.

16 21. By early 2011, development of Enviro Board’s mill had been suspended,
17 and its only existing prototype placed in storage, where some components were
18 exposed to the elements and rusted.

19 22. Over the next year, Defendants failed to reverse this protracted history of
20 commercial failure.

21 23. In March 2011, Camp signed an agreement with a third-party
22 manufacturing firm which called for the delivery of ten commercially-viable mills by
23 November 1, 2011.

24 24. Enviro Board also hired a project manager to oversee its 2011 push to
25 commercialize.

26 25. Camp, however, quickly learned that building ten commercially-viable
27 mills by November was not a realistic goal and, under the circumstances, neither he
28 nor Peiffer had a reasonable basis to believe that this goal could be achieved.

1 26. In May 2011, Enviro Board amended the agreement to push back
2 delivery to December 31, 2011; shortly thereafter, Enviro Board decided to revise the
3 number of mills to be constructed from 10 to only two; and then in early June,
4 changed its plans once more to focus on building just one commercially-viable mill.

5 27. Even that objective proved too much. Assembly work by the third-party
6 manufacturing firm did not begin until fall 2011. By year-end 2011, Enviro Board
7 had failed to design and construct a mill capable of commercial manufacturing
8 operations.

9 28. Enviro Board fired its project manager on December 31, 2011.

10 29. With the project manager's departure, Enviro Board's development work
11 slowed dramatically.

12 30. Since then, Enviro Board's mill technology has not advanced past the
13 prototype stage at any point in time, and no significant progress has been made to
14 commercialize the technology.

15 31. During the relevant time, Enviro Board had never designed, constructed,
16 or operated a commercially-viable mill.

17 **B. The Enviro Board Offering**

18 32. From 2011 to 2014, Enviro Board, Camp and Mosshart offered and sold
19 investments to nearly 40 investors residing in several states.

20 33. These investments took the form of common stock, secured or unsecured
21 bonds, and promissory notes that at times called for interest to be paid through the
22 issuance of Enviro Board stock and included the issuance of additional shares as a
23 bonus or incentive to invest.

24 34. In all, Enviro Board raised approximately \$6 million from investors
25 during 2011 to 2014 through its sale of about \$3 million in common stock, \$2 million
26 in bonds purportedly secured by Enviro Board's claimed interest in state tax credits,
27 \$1 million in unsecured bonds, and \$50,000 in promissory notes.

28 35. Camp and Mosshart directly solicited the majority of Enviro Board's

1 investors via e-mail, by telephone, and through in-person meetings.

2 36. Camp and Mosshart typically provided prospective investors with copies
3 of Enviro Board's private placement memorandum, business plan, a subscription
4 agreement, an investor questionnaire, and/or other marketing materials, including
5 brochures, corporate updates, and PowerPoint presentations on Enviro Board's
6 business.

7 37. The stock, bond, and promissory note investments offered by Enviro
8 Board were securities. In fact, defendants' private placement memorandum
9 repeatedly referred to these investments as securities, and stressed that they had not
10 been registered with the SEC.

11 38. The investments in Enviro Board were investments of money. Investors
12 purchased bonds and promissory notes by providing money that was deposited into
13 the company's bank account over which Peiffer was sole signatory.

14 39. The investments in Enviro Board were also investments in a common
15 enterprise. Investor money was pooled for the purpose of funding Enviro Board's
16 mill development project and operations. Returns of investors' investments were
17 dependent on Enviro Board's ability to profitably commercialize its technology.
18 Finally, investors were dependent on the efforts of Camp and Peiffer, who controlled
19 Enviro Board.

20 40. Further, the bonds and promissory notes offered by Enviro Board
21 typically provided that investors would receive cash interest payments in the range of
22 10-12% annually, which far exceeded rates of return available on investments in CDs
23 or money market accounts. Those bonds and promissory notes were also marketed
24 and sold by Enviro Board, Camp, and Mosshart to approximately 20 accredited and
25 unaccredited investors who would benefit from the protections provided by the
26 federal securities laws. There is no alternative regulatory scheme that would render
27 the application of the federal securities laws to the Enviro Board offering
28 unnecessary.

1 41. A reasonable investor would consider the company's bonds and
2 promissory notes to be securities since Enviro Board's PPMs repeatedly referred to
3 those instruments as an "investment."

4 **C. Defendants' Misrepresentations and Omissions to Investors**

5 42. When soliciting investors in Enviro Board, Defendants Enviro Board,
6 Camp, and Peiffer made materially false and misleading statements and omissions
7 concerning the company's financial projections and about the true status of its
8 commercialization efforts.

9 43. Camp and Peiffer drafted, reviewed, and/or approved the use of the
10 Enviro Board private placement memoranda ("PPMs"), business plans, and other
11 marketing materials that were provided to prospective investors from 2011 to 2014.

12 44. Camp and Peiffer each had ultimate authority over the statements
13 contained in those offering materials, including their content and whether or how to
14 communicate them to potential investors.

15 **1. False and misleading revenue projections**

16 45. The PPMs and/or business plans distributed by Defendants to potential
17 investors typically contained three years of projected financial information, including
18 an income statement, balance sheet, and cash flow statement.

19 46. Peiffer prepared the Enviro Board financial projections.

20 47. Camp reviewed and approved the Enviro Board financial projections.

21 48. Defendants distributed several versions of the Enviro Board financial
22 projections to potential investors.

23 49. Although Enviro Board had no history of operating revenues or profits,
24 each version of the company's financial projections forecasted immediate, eight-
25 figure revenues that would occur in the company's very first year of operation.

26 50. Defendants distributed PPMs and business plans to investors containing
27 financial projections whose figures differed, depending on when these materials were
28 distributed. They sent one set of financial projections to investors from about

1 February 2011 to January 2012; they sent another set from about June 2012 to
2 September 2013; and they circulated a third set of financial projections from about
3 October 2013 and thereafter. The differences in the PPMs' and business plan's
4 financial projections were not significant, from the standpoint of a reasonable
5 investor, because in spite of those differences, they all forecasted immediate, eight-
6 figure revenues occurring in the company's first year of operation.

7 51. The PPMs and business plans distributed to investors by Defendants
8 from about February 2011 to January 2012 contained financial projections for Enviro
9 Board that forecasted approximately \$42.8 million in revenue and \$30.8 million in
10 net income during the company's first year of operation. The PPMs and business
11 plans further projected approximately \$31 million, \$18 million, and \$44 million in
12 earnings during the company's first, second, and third years of operation,
13 respectively.

14 52. The PPMs and business plans distributed to investors by Defendants
15 from about June 2012 to September 2013 contained financial projections that
16 forecasted approximately \$58.8 million in revenue and \$32.3 million in net income
17 during the company's first year of operation. The PPMs and business plans further
18 projected approximately \$32 million, \$50 million, and \$94 million in earnings during
19 the company's first, second, and third years of operation, respectively.

20 53. The PPMs and business plans distributed to investors by Defendants in
21 October 2013 and thereafter contained financial projections that forecasted
22 approximately \$56.3 million in revenue and \$15.5 million in net income during the
23 company's first year of operation. The PPMs and business plans further projected
24 approximately \$18 million, \$28 million, and \$49 million in earnings during the
25 company's first, second, and third years of operation, respectively.

26 54. Enviro Board's projected revenues were derived from three sources: (a)
27 the sale of certain tax credits that Peiffer and Camp claimed Enviro Board would be
28 qualified to receive once it successfully commercialized its technology; (b) the sale of

1 E-Board and E-Wall products; and (c) the sale of mills and associated royalty
2 payments.

3 55. Enviro Board's projected revenues were based on two key assumptions:
4 the company could actually make and sell commercially-viable products by
5 developing a mill capable of commercial production, and the company could actually
6 obtain and then sell huge tax credits.

7 **a. The unreasonable assumption regarding sales**

8 56. The first assumption – described in the PPMs as management's
9 “reasonable” assumption – was that the company would be able to place mills in
10 commercial production in a short amount of time and would then be able to sell
11 commercially-viable E-Boards and E-Walls. For example, in the offering materials
12 given to investors in mid-2011, the projections assumed that ten mills would be in
13 place and operating in less than a year-and-a-half; in subsequent offering materials in
14 the fall of 2013, the projections assumed that one E-Board mill would be in
15 production within six months.

16 57. In the financial projections distributed to investors from about February
17 2011 to January 2012, approximately \$15 million in revenue was projected to come
18 from the sale of E-Board and E-Wall products in Enviro Board's first year of
19 operation.

20 58. In the financial projections distributed to investors from about June 2012
21 to September 2013, approximately \$12.5 million in revenue was projected to come
22 from the sale of E-Board and E-Wall products, and \$30 million from the sale of mills,
23 all in the first year of operation.

24 59. In the financial projections distributed to investors from October 2013
25 and after, approximately \$26 million in revenue was projected to come from the sale
26 of E-Board products and \$15 million in royalties from licensing its mill technology,
27 all in the first year of operation.

28 60. Unless Enviro Board took the initial step of commercializing its

1 technology and placing mills in production, it was impossible for Enviro Board to
2 meet any of these eight-figure revenue forecasts from the sale of E-Board and E-Wall
3 products, or from the sale or licensing of entire mills.

4 61. At the time the Defendants provided these financial projections to
5 potential investors, however, Enviro Board, Camp and Peiffer knew, or were at least
6 reckless in not knowing, that the company had been attempting to commercialize its
7 technology without success for nearly twenty years, and that as things then stood, its
8 prototype mill suffered from serious deficiencies that had yet to be resolved.

9 62. Even in 2011, it was apparent no later than that spring that building ten
10 mills in the near term was not a realistic goal. Most significantly, the company's
11 December 31, 2011 termination of the project manager overseeing the development
12 effort rendered the defendants' goal of ten mills – or even one commercially-viable
13 mill – exceedingly remote, if not an impossibility.

14 63. By 2013, the prospect of successfully commercializing the company's
15 technology and placing one mill in service by the second quarter of 2014 – which is
16 what the projections were assuming at that point – was equally unrealistic.

17 **b. The unreasonable assumption regarding tax credits**

18 64. The second assumption was that Enviro Board would be able to
19 complete a complicated tax transaction that would make it eligible to receive the tax
20 credits that the company planned to sell.

21 65. In the financial projections distributed to investors from about February
22 2011 to January 2012, approximately \$22.8 million was forecasted from the sale of
23 federal New Market Tax Credits, in its first year of operation.

24 66. In the financial projections distributed to investors from about June 2012
25 to September 2013, approximately \$11.4 million was forecasted from the sale of
26 federal New Market Tax Credits, in its first year of operation.

27 67. In financial projections distributed to investors in October 2013 and
28 thereafter, approximately \$12.5 million was forecasted from the sale of federal New

1 Market Tax Credits, in its first year of operation.

2 68. A PPM described these federal New Market Tax Credits, or “NMTCs,”
3 as follows:

4 NMTCs are intended by the Federal Government to spur Qualified
5 Low Income Community Investments and jobs. The investor is
6 permitted to take a credit against Federal Income Taxes in the
7 amount of 39% of the qualified investment.

8 69. Enviro Board, Camp and Peiffer claimed that once Enviro Board made
9 plans to acquire land and construct a manufacturing plant that would run its mills in
10 an economically-disadvantaged area, that “qualified investment” under the federal
11 NMTC program would be entitled to certain tax credits, which the company could
12 then sell to banks through syndicators. Specifically, the PPMs stated that “[t]here are
13 significant Federal and State Tax credits available to the Company relating to certain
14 investments, including environmental investments.”

15 70. With respect to their progress in effectuating those transactions, the
16 PPMs and/or business plans at times claimed that the company qualified for the
17 federal tax program, and had “engaged legal counsel, an accounting firm, and a tax
18 syndicator to process and sell \$55 million of such tax credits beginning in 2012.”

19 71. However, to meet its projections of \$11.4 million, \$12.5 million, or
20 \$22.8 million in revenue from the sale of federal NMTCs in year one, Enviro Board
21 needed a “qualified investment” in the range of \$100 million. It did not.

22 72. For example, financial projections in PPMs and/or business plans
23 distributed to investors from February 2011 to at least January 2012 forecasted \$45.7
24 million in federal NMTCs in the first quarter of year one, with the company realizing
25 \$22.87 million in revenue net of selling costs and discounts. Because under the
26 federal NMTC program, qualified investments are entitled to a 39% tax credit, the
27 forecasted \$45.7 million credit required a \$117.2 million qualified investment ($.39 \times$
28 \$117.2 million = \$45.7 million).

1 73. To be a qualified investment, Enviro Board’s proposed plant and mill
2 equipment had to be located and operated in an economically-disadvantaged region.

3 74. Under the Defendants’ plan, the more than \$100 million qualified
4 investment in their business would have to be primarily financed by third-party
5 capital loans.

6 75. However, in order to obtain capital financing of more than \$100 million,
7 Enviro Board had to provide collateral in the form of the plant and equipment. And
8 that collateral would not be acceptable to any potential lender without an independent
9 valuation or *bona fide* sales contract establishing the economic viability of Enviro
10 Board’s proposed mill operation.

11 76. At no time when the Defendants were providing investors with their
12 financial projects did Enviro Board have anywhere near sufficient collateral to secure
13 such a large financing. Nor did they have the needed independent valuation of that
14 collateral or *bona fide* sales contract.

15 77. As of June 2011, Defendants Enviro Board, Camp, and Peiffer no longer
16 had any reasonable expectation of being able to place ten commercially-viable mills
17 in service by the end of 2011, and thereafter, Enviro Board’s development work
18 slowed dramatically.

19 78. Without a working mill, Enviro Board did not have sufficient collateral,
20 and could not obtain the independent valuation or enter into a *bona fide* sales contract
21 required to secure third-party financing, either. Without financing, Enviro Board
22 could not establish a “qualified investment” under the federal NMTC program. And
23 without a “qualified investment,” there was no possibility of Enviro Board meeting
24 its projections of \$11.4 million, \$12.5 million, or \$22.8 million in revenue from the
25 sale of federal NMTCs in year one.

26 79. Peiffer was further advised by a third-party tax credit consultant that the
27 company’s alternative plan – Enviro Board would instead place the value of ten mills
28 at more than \$100 million through a related-party transaction with an affiliated entity

1 at a marked-up price – would never work to secure the necessary capital financing.

2 80. In dealing with Enviro Board and Peiffer, that third-party tax credit
3 consultant was never able to understand the company’s plan for financing, and
4 ultimately concluded that Enviro Board’s business “was all vapor.”

5 **c. False and misleading, and no reasonable basis**

6 81. As a result, the financial projections provided investors were false and
7 misleading, and Defendants Enviro Board, Peiffer and Camp had no reasonable basis
8 to believe in the accuracy of those projections.

9 82. Defendants Enviro Board, Peiffer, and Camp had no reasonable basis to
10 believe in the accuracy of their two assumptions about the projected sale of
11 commercially-viable products or about the tax credits. Instead, they were aware of
12 facts never disclosed to investors that tended to seriously undermine the accuracy of
13 the company’s financial projections.

14 83. Specifically, Defendants Enviro Board, Camp and Peiffer failed to
15 disclose to potential investors facts relevant to the company’s inquiry into or
16 knowledge concerning its financial projections, which investors needed to know in
17 order to evaluate the Enviro Board financial projections in context, including that: (a)
18 throughout its history of operations, the company had only managed to design
19 prototype E-Board mills, all of which suffered from serious in-service issues that
20 made their use in commercial operations unworkable; (b) the basic assumption on
21 which Enviro Board’s financial projections were all based – that the company would
22 be able to place ten commercially-viable E-Board mills in service in the near term –
23 would not occur given the failure of Enviro Board’s commercialization efforts at the
24 end of 2011; and (c) Enviro Board had engaged in only preliminary, unproductive
25 discussions with a third-party tax credit consultant about its plan to achieve eight-
26 figure revenues from the sale of federal NMTCs.

27 84. A reasonable investor in the offerings would have considered it
28 important in making their investment to know, among other things, the foregoing

1 undisclosed facts.

2 **2. False and misleading statements concerning the status of Enviro**
3 **Board's commercialization efforts**

4 85. The Enviro Board offering materials sent to investors also contained
5 further false and misleading statements about the state of its commercialization
6 efforts.

7 86. Defendants' offering materials falsely claimed that the company had
8 "successfully designed and installed its first production line," and that it had
9 "developed" a green manufacturing process. In truth, its prototype mills were wholly
10 incapable of commercial operations.

11 87. Defendants' offering materials falsely claimed that it had previously
12 designed and installed a production line, when in fact the company had only
13 developed prototypes with serious "in-service" issues which precluded their
14 commercial use.

15 88. Defendants' offering materials falsely claimed that its E-Board panels
16 "are used" in construction, panels "are available" in two sizes (namely, E-Board and
17 E-Wall panels), "are mass produced," and were in every way superior to traditional
18 construction materials. None of these assertions was true. Moreover, Defendants
19 failed to disclose that the company had never fabricated a mill capable of
20 manufacturing E-Wall, or that the manufacturing process for E-Wall was completely
21 different than the one used to produce E-Board panels.

22 89. Defendants' offering materials falsely claimed that it had a track record
23 of using its panels to "build residentially and commercially," and featured a model
24 home and warehouse that were purportedly built using E-Board or from "straw
25 panels." To the contrary, Defendants failed to disclose that the model home and
26 warehouse were in fact constructed with similar materials purchased from another
27 manufacturer.

28 90. Defendants' offering materials falsely claimed that the company had

1 plans to “expand production”; yet, the company failed to disclose that commercial
2 production had not even begun, given the commercial unsuitability of its existing
3 prototype mills.

4 91. Defendants at times disseminated a 2007 History Channel video clip that
5 showed Enviro Board’s mill in operation, claimed the mill could manufacture 600
6 panels a day, and asserted that Enviro Board had “perfected” the technology. All of
7 these representations were false.

8 **3. False and misleading statements concerning Enviro Board’s access to**
9 **financing**

10 92. Defendants’ offering materials falsely claimed to have secured \$161
11 million in “vendor financing” with off-balance sheet partnerships.

12 93. Investors, however, were never told by Defendants that the “vendor”
13 was a related-party that Peiffer had created and controlled which in any event lacked
14 the financial ability to loan any significant amount of funds to Enviro Board.

15 **4. False and misleading statements concerning Enviro Board’s secured**
16 **bonds**

17 94. Enviro Board issued bonds in 2011 to 2014 which Defendants falsely
18 claimed to be secured by a state tax credit issued by the Oregon Department of
19 Energy.

20 95. No such tax credit had been issued, as Enviro Board had only received a
21 preliminary certificate.

22 96. Defendant Enviro Board, Camp, and Peiffer’s statements concerning the
23 status of Enviro Board’s commercialization effort, the efficacy and marketability of
24 its technology, its access to available financing, and whether certain state tax credits
25 had in fact been issued were materially false and misleading. A reasonable investor
26 in the offerings would have considered it important in making their investment to
27 know, among other things, that the company had never constructed a working mill
28 capable of meeting the production specifications required for commercial

1 deployment, that the building materials created by Enviro Board's technology had
2 never been widely distributed and used in the construction of residential and
3 commercial buildings or used to construct its model home and warehouse, that Enviro
4 Board's claimed \$161 million in available capital was illusory, and that state tax
5 credits that the company offered as security for its bonds had not been given final
6 approval.

7 **D. Defendants' Roles in the Fraud**

8 97. At all relevant times, Camp and Peiffer knew, or were reckless in not
9 knowing, that the foregoing statements were false and misleading when made.

10 98. At all relevant times, Camp and Peiffer were negligent in making the
11 foregoing false and misleading statements.

12 99. As the co-founders, co-chairmen, and co-chief executive officers of
13 Enviro board, Camp and Peiffer's states of mind are imputed to Enviro Board.

14 100. Camp and Peiffer each had intimate knowledge and familiarity with
15 Enviro Board's operations and the state of its technology through the relevant period.
16 Both Camp and Peiffer knew of manufacturing problems that persisted for years,
17 which needed to be corrected before Enviro Board would be able to place a
18 commercially-viable mill in service. Both Camp and Peiffer knew, were reckless in
19 not knowing, or acted negligently when failing to disclose, that without a mill in
20 commercial production, Enviro Board's financial projections had no reasonable basis
21 and were therefore false and misleading, and that the various statements in the
22 company's offering materials touting the commercial progress made by Enviro Board
23 and the extent to which its products were already in use were false and misleading.

24 **E. Enviro Board Spends Almost Half of Investor Proceeds on Executive**
25 **Compensation and Commissions**

26 101. Despite raising approximately \$6 million from investors between 2011
27 and 2014, capital flow was a recurring issue for the company, which failed to make
28 required payments to employees, outside vendors crucial to its commercialization

1 efforts, and the company's bond and note holders.

2 102. Instead, Camp, Peiffer and Mosshart received about \$2.6 million in
3 compensation and commission payments in 2011 and 2012 alone.

4 103. In 2011 and 2012, Camp received as much as \$1.125 million in
5 compensation, paid from investor proceeds.

6 104. In 2011 and 2012, Peiffer received as much as \$940,000 in
7 compensation, paid from investor proceeds.

8 105. In 2011 and 2012, Mosshart received approximately \$540,000 in
9 commissions and salary, paid from investor proceeds.

10 106. Because Enviro Board used a large share of all investor proceeds raised
11 from 2011 to 2014 to enrich the individual defendants, the company's difficulties in
12 commercializing its technology were exacerbated. The company operated in a near-
13 continual cash crunch in that time period. For example, at various points in its
14 development effort, Enviro Board failed to make required payments to the third-party
15 manufacturing firm it had retained to construct the necessary mills, and in May 2012,
16 the firm suspended work on the project for almost four months.

17 **F. Defendants' Offer and Sale of Securities Without Registration or**
18 **Exemption**

19 107. Defendants did not register with the SEC any of the transactions or
20 securities Enviro Board, Camp and Mosshart offered or sold for the company.

21 108. Defendants Enviro Board, Camp and Mosshart engaged in the offer and
22 sale of investments without Enviro Board registering those transactions or securities
23 with the SEC, and the offers and sales were not exempt from registration.

24 109. Camp and Mosshart personally solicited most of Enviro Board's
25 investors, spoke with offerees via telephone, met them in person, and sent them
26 offering materials and other information by e-mail.

27 110. By directly soliciting investors who purchased securities offered by
28 Enviro Board, Defendants Enviro Board, Camp and Mosshart were necessary

1 participants and each played a substantial factor in the offer and sale of Enviro Board
2 securities.

3 **G. Mosshart's Illegal Broker-Dealer Activities**

4 111. Mosshart was hired to raise capital for Enviro Board.

5 112. Beginning in May 2011, Mosshart referred at least 18 individuals to
6 Enviro Board, who then purchased nearly \$5 million of the company's securities.

7 113. Mosshart solicited Enviro Board investors, provided those investors with
8 Enviro Board's offering materials, and/or participated in taking investors' orders,
9 thereby inducing the purchase or sale of securities.

10 114. Mosshart was paid transaction-based compensation in the form of
11 commissions on sales of Enviro Board securities.

12 115. Accordingly, Mosshart regularly participated in Enviro Board's offer
13 and sale of securities at key points in the chain of distribution.

14 116. Although Mosshart was associated with LPL Financial LLC ("LPL"), a
15 registered broker-dealer, in the relevant period, he was not acting within the scope of
16 his employment with LPL because the firm was unaware and did not approve of
17 Mosshart's conduct, and was not supervising him for purposes of his sale of Enviro
18 Board's securities.

19 117. Indeed, Mosshart was ultimately barred by FINRA from association with
20 any FINRA member in any capacity, for his conduct in raising capital for Enviro
21 Board.

22 **FIRST CLAIM FOR RELIEF**

23 **Fraud in the Connection with the Purchase and Sale of Securities**

24 **Violations of Section 10(b) of the Exchange Act and Rule 10b-5**

25 **(against Defendants Enviro Board, Camp and Peiffer, and, alternatively, against**

26 **Camp and Peiffer as control persons under Section 20(a) of the Exchange Act)**

27 118. The SEC realleges and incorporates by reference paragraphs 1 through
28 117 above.

1 119. By engaging in the conduct described above, Defendant Enviro Board,
2 Camp and Peiffer, and each of them, directly or indirectly, in connection with the
3 purchase or sale of a security, by the use of means or instrumentalities of interstate
4 commerce, of the mails, or of the facilities of a national securities exchange: made
5 untrue statements of a material fact or omitted to state a material fact necessary in
6 order to make the statements made, in the light of the circumstances under which they
7 were made, not misleading.

8 120. Defendants Enviro Board, Camp and Peiffer, and each of them, knew, or
9 was reckless in not knowing, that he or it made untrue statements of a material fact or
10 omitted to state a material fact necessary in order to make the statements made, in the
11 light of the circumstances under which they were made, not misleading.

12 121. By engaging in the conduct described above, Defendants Enviro Board,
13 Camp, and Peiffer violated, and unless restrained and enjoined will continue to
14 violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5(b)
15 thereunder, 17 C.F.R. § 240. 10b-5(b).

16 122. Defendant Camp is a control person of Defendant Enviro Board, because
17 he possesses, directly or indirectly, the power to direct or cause the direction of the
18 management and policies of Enviro Board. Accordingly, pursuant to Section 20(a) of
19 the Exchange Act, 15 U.S.C. § 78t(a), Defendant Camp is liable to the SEC to same
20 extent as Defendant Enviro Board would be liable for its respective violations of
21 Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

22 123. Defendant Peiffer is a control person of Defendant Enviro Board,
23 because he possesses, directly or indirectly, the power to direct or cause the direction
24 of the management and policies of Enviro Board. Accordingly, pursuant to Section
25 20(a) of the Exchange Act, 15 U.S.C. § 78t(a), Defendant Peiffer is liable to the SEC
26 to same extent as Defendant Enviro Board would be liable for its respective
27 violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

SECOND CLAIM FOR RELIEF

Fraud in the Offer or Sale of Securities

Violations of Section 17(a) of the Securities Act

(against Defendants Enviro Board, Camp and Peiffer)

124. The SEC realleges and incorporates by reference paragraphs 1 through 117 above.

125. By engaging in the conduct described above, Defendants Enviro Board, Camp and Peiffer, and each of them, directly or indirectly, in the offer or sale of securities, and by the use of means or instruments of transportation or communication in interstate commerce or by use of the mails directly or indirectly, obtained money or property by means of untrue statements of a material fact or by omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

126. Each of Defendants Enviro Board, Camp and Peiffer knew that he or it, or was reckless in not knowing that he or it, or with negligence, obtained money or property by means of untrue statements of a material fact or by omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

127. By engaging in the conduct described above, each of Defendants Enviro Board, Camp and Peiffer violated, and unless restrained and enjoined will continue to violate, Section 17(a)(2) of the Securities Act, 15 U.S.C. § 77q(a)(2).

THIRD CLAIM FOR RELIEF

Unregistered Offer and Sale of Securities

Violations of Sections 5(a) and 5(c) of the Securities Act

(against Defendants Enviro Board, Camp and Mosshart)

128. The SEC realleges and incorporates by reference paragraphs 1 through 117 above.

129. By engaging in the conduct described above, Defendants Enviro Board,

1 Camp and Mosshart, and each of them, directly or indirectly, singly and in concert
2 with others, has made use of the means or instruments of transportation or
3 communication in interstate commerce, or of the mails, to offer to sell or to sell
4 securities, or carried or caused to be carried through the mails or in interstate
5 commerce, by means or instruments of transportation, securities for the purpose of
6 sale or for delivery after sale, when no registration statement had been filed or was in
7 effect as to such securities, and when no exemption from registration was applicable.

8 130. By engaging in the conduct described above, each of Defendants Enviro
9 Board, Camp and Mosshart has violated, and unless restrained and enjoined, is
10 reasonably likely to continue to violate, Sections 5(a) and 5(c) of the Securities Act,
11 15 U.S.C. §§ 77e(a) & 77e(c).

12 **FOURTH CLAIM FOR RELIEF**

13 **Unregistered Broker-Dealer**

14 **Violation of Section 15(a) of the Exchange Act**

15 **(against Defendant Mosshart)**

16 131. The SEC realleges and incorporates by reference paragraphs 1 through
17 117 above.

18 132. By engaging in the conduct described above, Defendant Mosshart made
19 use of the mails and means or instrumentalities of interstate commerce to effect
20 transactions in, and induced and attempted to induce the purchase or sale of,
21 securities (other than exempted securities or commercial paper, bankers' acceptances,
22 or commercial bills) without being registered with the SEC in accordance with
23 Section 15(b) of the Exchange Act, 15 U.S.C. § 78o(b), and without complying with
24 any exemptions promulgated pursuant to Section 15(a)(2), 15 U.S.C. § 78o(a)(2).

25 133. By engaging in the conduct described above, Defendant Mosshart has
26 violated, and unless restrained and enjoined, is reasonably likely to continue to
27 violate, Section 15(a) of the Exchange Act, 15 U.S.C. § 78o(a).

PRAYER FOR RELIEF

WHEREFORE, the SEC respectfully requests that the Court:

I.

Issue findings of fact and conclusions of law that Defendants committed the alleged violations.

II.

Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently enjoining Defendants Enviro Board, Camp and Peiffer, and their agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, who receive actual notice of the judgment by personal service or otherwise, and each of them, from violating Section 17(a) of the Securities Act [15 U.S.C. §77q(a)], and Section 10(b) of the Exchange Act [15 U.S.C. §§ 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

III.

Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently enjoining Defendants Enviro Board, Camp and Mosshart, and their agents, servants, employees, and attorneys, and those persons in active concert or participation with any of them, who receive actual notice of the judgment by personal service or otherwise, and each of them, from violating Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c)].

IV.

Issue judgments, in forms consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently enjoining Defendant Mosshart and his agents, servants, employees, and attorneys, and those persons in active concert or participation with him, who receive actual notice of the judgment by personal service or otherwise, and each of them, from violating Section 15(a) of the Exchange Act [15 U.S.C. §§ 78o(a)].

V.

Order Defendants to disgorge all funds received from their illegal conduct, together with prejudgment interest thereon.

VI.

Order Defendants to pay civil penalties under Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].

VII.

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

VIII.

Enter an order against Defendants Camp and Peiffer pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), prohibiting them 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, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

IX.

Grant such other and further relief as this Court may determine to be just and necessary.

Dated: August 26, 2016

/s/ Gary Y. Leung

GARY Y. LEUNG

WILLIAM S. FISKE

Attorneys for Plaintiff

Securities and Exchange Commission

Complaints and Other Initiating Documents

[2:16-cv-06427 Securities and Exchange Commission v. Enviro Board Corporation et al](#)

UNITED STATES DISTRICT COURT for the CENTRAL DISTRICT OF CALIFORNIA

Notice of Electronic Filing

The following transaction was entered by Leung, Gary on 8/26/2016 at 10:29 AM PDT and filed on 8/26/2016

Case Name: Securities and Exchange Commission v. Enviro Board Corporation et al

Case Number: [2:16-cv-06427](#)

Filer: Securities and Exchange Commission

Document Number: [1](#)

Docket Text:

COMPLAINT No Fee Required - US Government, filed by Plaintiff Securities and Exchange Commission. (Attorney Gary Y Leung added to party Securities and Exchange Commission(pty:pla))(Leung, Gary)

2:16-cv-06427 Notice has been electronically mailed to:

Gary Y Leung LeungG@sec.gov, berryj@sec.gov, irwinma@sec.gov, larofiling@sec.gov

2:16-cv-06427 Notice has been delivered by First Class U. S. Mail or by other means BY THE FILER to :

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:J:\ENF\LA-04379\LITIGATION FILES\DRAFTS\COURT PAPER DRAFTS\Complaint\Enviro Board Complaint (FINAL - for filing).pdf

Electronic document Stamp:

[STAMP cacdStamp_ID=1020290914 [Date=8/26/2016] [FileNumber=22075743-0] [09026f29c96b49a556859ab7435aa73a75f2bfa992a756b6e5dfddf6d2b737363beb303531866619a92c0daf5e363456c7a09ad192bc25e526f262c8dc89283]]

EXHIBIT 2

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA (Western Division - Los Angeles)
CIVIL DOCKET FOR CASE #: 2:16-cv-06427-R-SS**

Securities and Exchange Commission v. Enviro Board
Corporation et al
Assigned to: Judge Manuel L. Real
Referred to: Magistrate Judge Suzanne H. Segal
Case in other court: 9th Circuit, 17-55838
Cause: 15:78m(a) Securities Exchange Act

Date Filed: 08/26/2016
Date Terminated: 12/05/2017
Jury Demand: Defendant
Nature of Suit: 850
Securities/Commodities
Jurisdiction: U.S. Government Plaintiff

Plaintiff

Securities and Exchange Commission

represented by **David J Van Havermaat**
US Securities and Exchange
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LEAD ATTORNEY
ATTORNEY TO BE NOTICED

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V.

Defendant

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ATTORNEY TO BE NOTICED

Defendant

Glenn B. Camp

represented by **David J Aveni**
(See above for address)
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Marty B Ready
(See above for address)
ATTORNEY TO BE NOTICED

Michael P McCloskey
(See above for address)
ATTORNEY TO BE NOTICED

Defendant

William J. Peiffer

represented by **David J Aveni**
(See above for address)
LEAD ATTORNEY
ATTORNEY TO BE NOTICED

Marty B Ready
(See above for address)
ATTORNEY TO BE NOTICED

Michael P McCloskey
(See above for address)
ATTORNEY TO BE NOTICED

Defendant

Joshua D. Mosshart
TERMINATED: 05/09/2017

represented by **Joshua D. Mosshart**
[REDACTED]
Malibu, CA [REDACTED]
[REDACTED]
PRO SE

Date Filed	#	Docket Text
08/26/2016	<u>1</u>	COMPLAINT No Fee Required - US Government, filed by Plaintiff Securities and Exchange Commission. (Attorney Gary Y Leung added to party Securities and Exchange Commission(pty:pla))(Leung, Gary) (Entered: 08/26/2016)
08/26/2016	<u>2</u>	CIVIL COVER SHEET filed by Plaintiff Securities and Exchange Commission. (Leung, Gary) (Entered: 08/26/2016)
08/26/2016	<u>3</u>	Request for Clerk to Issue Summons on Complaint (Attorney Civil Case Opening) <u>1</u> filed by Plaintiff Securities and Exchange Commission. (Leung, Gary) (Entered: 08/26/2016)
08/26/2016	<u>4</u>	NOTICE OF ASSIGNMENT to District Judge Manuel L. Real and Magistrate Judge Suzanne H. Segal. (esa) (Entered: 08/26/2016)
08/26/2016	<u>5</u>	NOTICE OF DEFICIENCIES in Request to Issue Summons. The following error(s) was found: Summons is not directed to the defendant(s). The defendants name must appear in the To:section of the summons. The summons cannot be issued until this defect has been corrected. Please correct the defect and re-file your request. (esa) (Entered: 08/26/2016)
08/29/2016	<u>6</u>	Request for Clerk to Issue Summons on Complaint (Attorney Civil Case Opening) <u>1</u> filed by Plaintiff Securities and Exchange Commission. (Leung, Gary) (Entered: 08/29/2016)
08/30/2016	<u>7</u>	21-Day Summons Issued re Complaint <u>1</u> as to Defendants Enviro Board Corporation, Glenn B. Camp, William J. Peiffer, and Joshua D. Mosshart. (gk) (Entered: 08/30/2016)

08/31/2016	8	ORDER RE: NOTICE TO COUNSEL upon filing of the complaint by Judge Manuel L. Real. READ CAREFULLY - FAILURE TO COMPLY MAY LEAD TO SANCTIONS. SEE ORDER FOR DETAILS. (iv) (Entered: 08/31/2016)
09/12/2016	9	PROOF OF SERVICE Executed by Plaintiff Securities and Exchange Commission, upon Defendant Glenn B. Camp served on 9/6/2016, answer due 9/27/2016. Service of the Summons and Complaint were executed upon Ryan Camp, son in compliance with Federal Rules of Civil Procedure by substituted service at home address and by also mailing a copy.Original Summons returned. (Leung, Gary) (Entered: 09/12/2016)
09/12/2016	10	PROOF OF SERVICE Executed by Plaintiff Securities and Exchange Commission, upon Defendant Enviro Board Corporation served on 9/6/2016, answer due 9/27/2016. Service of the Summons and Complaint were executed upon Glenn B. Camp, in his capacity as owner of Enviro Board Corporation in compliance with Federal Rules of Civil Procedure by substituted service on a domestic corporation, unincorporated association, or public entity and by also mailing a copy.Original Summons returned. (Leung, Gary) (Entered: 09/12/2016)
09/14/2016	11	PROOF OF SERVICE Executed by Plaintiff Securities and Exchange Commission, upon Defendant William J. Peiffer served on 9/2/2016, answer due 9/23/2016. Service of the Summons and Complaint were executed upon Stephanie Peiffer as wife/co-resident of William J. Peiffer in compliance with Federal Rules of Civil Procedure by personal service.Original Summons returned. (Leung, Gary) (Entered: 09/14/2016)
09/14/2016	12	PROOF OF SERVICE Executed by Plaintiff Securities and Exchange Commission, upon Defendant Joshua D. Mosshart served on 9/9/2016, answer due 9/30/2016. Service of the Summons and Complaint were executed upon Arlene Mosshart as wife/co-resident of Joshua D. Mosshart in compliance with Federal Rules of Civil Procedure by personal service.Original Summons returned. (Leung, Gary) (Entered: 09/14/2016)
09/23/2016	13	STIPULATION Extending Time to Answer the complaint as to William J. Peiffer answer now due 10/27/2016; Glenn B. Camp answer now due 10/27/2016; Enviro Board Corporation answer now due 10/27/2016, filed by Defendants William J. Peiffer; Glenn B. Camp; Enviro Board Corporation. (Attachments: # 1 Declaration of Michael P. McCloskey, # 2 Proposed Order, # 3 Proof of Service)(Attorney Michael P McCloskey added to party Glenn B. Camp(pty:dft), Attorney Michael P McCloskey added to party Enviro Board Corporation(pty:dft), Attorney Michael P McCloskey added to party William J. Peiffer(pty:dft))(McCloskey, Michael) (Entered: 09/23/2016)
10/04/2016	14	REQUEST for Clerk to Enter Default against Defendant Joshua D. Mosshart filed by Plaintiff Securities and Exchange Commission. (Attachments: # 1 Declaration of Gary Y. Leung) (Leung, Gary) (Entered: 10/04/2016)
10/07/2016	15	DEFAULT BY CLERK F.R.Civ.P.55(a) as to Joshua D. Mosshart. (gk) (Entered: 10/07/2016)
10/27/2016	16	

		ANSWER to Complaint (Attorney Civil Case Opening) <u>1</u> with JURY DEMAND. (Attachments: # <u>1</u> Certificate of Interested Parties, # <u>2</u> Proof of Service)(Attorney Marty B Ready added to party Glenn B. Camp(pty:dft), Attorney Marty B Ready added to party Enviro Board Corporation(pty:dft), Attorney Marty B Ready added to party William J. Peiffer(pty:dft))(Ready, Marty) (Entered: 10/27/2016)
10/28/2016	<u>17</u>	PROOF OF SERVICE filed by Plaintiff Securities and Exchange Commission, re Initial Order upon Filing of Complaint - form only <u>8</u> upon Counsel for Defendants Enviro Board Corporation, Glenn B. Camp, and William J. Peiffer served on October 27, 2016, by email, and October 28, 2016, by U.S. mail. (Leung, Gary) (Entered: 10/28/2016)
11/07/2016	<u>18</u>	NOTICE TO FILER OF DEFICIENCIES in Electronically Filed Documents RE: Defendants' Answer to Complaint filed 10/27/2016 <u>16</u> . The following error (s) was found: Notice of Interested Parties submitted as a separate PDF attachment to this entry, and should have been docketed separately. In response to this notice the court may order (1) an amended or correct document to be filed (2) the document stricken or (3) take other action as the court deems appropriate. You need not take any action in response to this notice unless and until the court directs you to do so. (gk) (Entered: 11/07/2016)
11/18/2016	<u>19</u>	JOINT REPORT Rule 26(f) Discovery Plan by Plaintiff Securities and Exchange Commission and Defendants Enviro Board Corporation, Glenn B. Camp, and William J. Peiffer Pursuant to Fed. R. Civ. P. 26(f)(2) ; estimated length of trial 3-5 court days. filed by Plaintiff Securities and Exchange Commission.. (Leung, Gary) (Entered: 11/18/2016)
12/06/2016	<u>20</u>	(IN CHAMBERS) ORDER TO SHOW CAUSE RE DISMISSAL FOR LACK OF PROSECUTION by Judge Manuel L. Real. Plaintiff(s) is ordered to show cause in writing no later than December 20, 2016 why this action should not be dismissed for lack of prosecution. In accordance with Rule 78 of the Federal Rules of Civil Procedure and Local Rule 7-15, no oral argument on this Order to Show Cause will be heard unless ordered by the Court. The Order will stand submitted upon the filing of the response to the Order to Show Cause. Failure to respond to the Court's Order may result in the dismissal of the action. (iv) (Entered: 12/06/2016)
12/08/2016	<u>21</u>	ORDER (IN CHAMBERS) SETTING PRE-TRIAL & TRIAL DATES by Judge Manuel L. Real. COUNSEL ARE NOTIFIED that this action is hereby placed on calendar for FINAL PRE-TRIAL CONFERENCE on OCTOBER 2, 2017 AT 11:00 A.M. Memoranda of Contentions of Fact and Law, Exhibit Lists and Witness Lists shall be filed and served on or before SEPTEMBER 11, 2017, which date will also serve as the discovery cut-off date in this action. There is no Motion Cut-Off Date set. PRE-TRIAL CONFERENCE ORDER shall be lodged with this Court on or before SEPTEMBER 25, 2017. JURY TRIAL DATE is set as OCTOBER 31, 2017 AT 9:00 A.M. IT IS SO ORDERED. (cch) (Entered: 12/08/2016)
12/19/2016	<u>22</u>	NOTICE OF MOTION AND MOTION for Default Judgment against Defendant Joshua D. Mosshart filed by Plaintiff Securities and Exchange Commission. Motion set for hearing on 2/6/2017 at 10:00 AM before Judge

		Manuel L. Real. (Attachments: # 1 Memorandum of Points and Authorities, # 2 Declaration of William S. Fiske, # 3 Declaration of Gary Y. Leung, # 4 [Proposed] Final Judgment) (Fiske, William) (Entered: 12/19/2016)
12/22/2016	23	(IN CHAMBERS) ORDER DISCHARGING ORDER TO SHOW CAUSE by Judge Manuel L. Real. The Court has reviewed and considered the parties response to the Order to Show Cause 22 . Good cause appearing, the OSC is hereby DISCHARGED. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (iv) TEXT ONLY ENTRY (Entered: 12/22/2016)
01/23/2017	24	REPLY in Support of NOTICE OF MOTION AND MOTION for Default Judgment against Defendant Joshua D. Mosshart 22 filed by Plaintiff Securities and Exchange Commission. (Attachments: # 1 Declaration of Gary Y. Leung) (Leung, Gary) (Entered: 01/23/2017)
01/26/2017	25	SCHEDULING NOTICE TAKING MOTION UNDER SUBMISSION ON THE PAPERS WITHOUT NEED OF ORAL ARGUMENT by Judge Manuel L. Real. The Court has determined that Plaintiffs Motion for Default Judgment 22 set for hearing on February 6, 2017 at 10:00 A.M., is suitable for a decision on the papers as filed by all parties, without the need for oral argument; therefore, the said Motion is taken UNDER SUBMISSION on the papers as filed, and the hearing date of February 6, 2017 is VACATED and TAKEN OFF CALENDAR. The Court will issue its ruling on the matter in due course. IT IS SO ORDERED. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (iv) TEXT ONLY ENTRY (Entered: 01/26/2017)
02/06/2017	26	NOTICE OF MOTION AND MOTION to Set Aside Default and Opposition to Motion for Default Judgment filed by Defendant Joshua D. Mosshart. Motion set for hearing on 3/20/2017 at 10:00 AM before Judge Manuel L. Real. (mrgo) (Entered: 02/07/2017)
02/06/2017	27	MEMORANDUM OF POINTS AND AUTHORITIES in Support of NOTICE OF MOTION AND MOTION to Set Aside Default 26 filed by Defendant Joshua D. Mosshart. (mrgo) (Entered: 02/07/2017)
02/06/2017	28	DECLARATION of defendant in support of his NOTICE OF MOTION AND MOTION to Set Aside Default 26 filed by Defendant Joshua D. Mosshart. (mrgo) (Entered: 02/07/2017)
02/06/2017	29	NOTICE of Interested Parties filed by Defendant Joshua D. Mosshart. (mrgo) (Entered: 02/07/2017)
02/06/2017	30	PROOF OF SERVICE filed by Defendant Joshua D. Mosshart, re Memorandum in Support of Motion 27 , Certificate/Notice of Interested Parties 29 , Declaration (Motion related) 28 , NOTICE OF MOTION AND MOTION to Set Aside Default 26 served on 2/6/17. (mrgo) (Entered: 02/07/2017)
02/08/2017	31	NOTICE TO PARTIES by District Judge Manuel L. Real. Effective February 13, 2017, Judge Real will be located at the Roybal Federal Building and U.S. Courthouse, COURTROOM 880 on the 8th floor, located at 255 East Temple Street, Los Angeles, California 90012. All Court appearances shall be made in Courtroom 880 of the Roybal Federal Building and U.S. Courthouse. All mandatory chambers copies shall be placed in the courtesy copy in-box outside

		of and adjacent to the courtroom, or mailed to the Court via overnight mail within 12 court business hours of the time the document was e-filed. The location for filing civil documents in paper format exempted from electronic filing and for viewing case files and other records services remains at the United States Courthouse, 312 North Spring Street, Room G-8, Los Angeles, California 90012. The location for filing criminal documents in paper format exempted from electronic filing remains at Edward R. Roybal Federal Building and U.S. Courthouse, 255 East Temple Street, Room 178, Los Angeles, California 90012. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (rrp) TEXT ONLY ENTRY (Entered: 02/08/2017)
02/27/2017	<u>32</u>	OPPOSITION to NOTICE OF MOTION AND MOTION to Set Aside Default <u>26</u> filed by Plaintiff Securities and Exchange Commission. (Attachments: # <u>1</u> Declaration of Gary Y. Leung)(Leung, Gary) (Entered: 02/27/2017)
03/08/2017	<u>34</u>	CERTIFICATE OF SERVICE BY MAIL filed by Defendant Joshua D. Mosshart, re Defendant's Answer, Certificate and Notice of Interested Parties, Reply Brief in Support of Motion to Set Aside Entry of Default. Joseph Mavilia Affidavits, served on 3/7/2017. (gk) (Entered: 03/16/2017)
03/15/2017	33	TEXT ONLY SCHEDULING ORDER TAKING MOTION UNDER SUBMISSION ON THE PAPERS WITHOUT NEED OF ORAL ARGUMENT by Judge Manuel L. Real. The Court has determined that Defendant's Motion to Set Aside Entry of Default Pursuant to Fed.R.Civ.P. 55(c) and Opposition to Motion for Default Judgment (Dckt. No. <u>26</u>) set for hearing on March 20, 2017 at 10:00 A.M. is suitable for a decision on the papers as filed by all parties without the need for oral argument. Therefore, the said Motion is taken UNDER SUBMISSION on the papers as filed and the hearing date of March 20, 2017 is VACATED and TAKEN OFF CALENDAR. The Court will issue its ruling on the matter in due course. IT IS SO ORDERED. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (clee) TEXT ONLY ENTRY (Entered: 03/15/2017)
05/09/2017	<u>35</u>	ORDER DENYING DEFENDANT JOSHUA D. MOSSHART'S MOTION TO SET ASIDE ENTRY OF DEFAULT AND GRANTING PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S MOTION FOR DEFAULT JUDGMENT by Judge Manuel L. Real: IT IS HEREBY ORDERED that Defendant Joshua D. Mosshart's Motion to Set Aside Entry of Default <u>26</u> is DENIED. IT IS FURTHER ORDERED that Plaintiff's Motion for Default Judgment <u>22</u> is GRANTED. Mosshart is ordered to pay the total amount of disgorgement (\$553,355) and prejudgment interest (\$56,984.14) in the amount of \$610,339.14. Lastly, because the Court finds that Mosshart violated the Securities Act and the Exchange Act, he is also liable for penalties under Section 20(d)(1) and Section 21(d)(3)(A) of those acts, respectively. The Court will assess the appropriate amount of the civil penalty to be paid when Plaintiff submits its separate motion detailing its position on the issue. (gk) (Entered: 05/10/2017)
05/25/2017	<u>36</u>	NOTICE of Change of address by Michael P McCloskey attorney for Defendants Glenn B. Camp, Enviro Board Corporation, William J. Peiffer. Changing attorneys address to 401 West A Street, Suite 1900, San Diego, CA

		92101. Filed by Defendants Glenn B. Camp, Enviro Board Corporation, William J. Peiffer. (Attachments: # 1 Proof of Service)(McCloskey, Michael) (Entered: 05/25/2017)
06/12/2017	37	NOTICE OF APPEAL to the 9th CCA filed by defendant Joshua D. Mosshart. Appeal of Order on Motion for Default Judgment, Order on Motion to Set Aside Default, 35 Filed On: 5/9/17; Entered On: 5/10/17; Filing fee \$ 505 billed. (mat) (Entered: 06/13/2017)
06/12/2017	40	NOTICE OF MOTION AND MOTION to Appeal for Relief of Disgorgement and Penalties 35 filed by Defendant Joshua D. Mosshart. Motion set for hearing on 7/17/2017 at 10:00 AM before Judge Manuel L. Real. (lom) (Additional attachment(s) added on 6/15/2017: # 1 Proof of Service) (lom). (Entered: 06/15/2017)
06/12/2017	41	MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION 40 filed by Defendant Joshua D. Mosshart. (Attachments: # 1 Part 2) (lom) (Entered: 06/15/2017)
06/12/2017	42	PROOF OF SERVICE BY MAIL filed by Defendant Joshua D. Mosshart, re Notice of Motion and Motion 40 , Memorandum of Points 41 , Notice of Appeal 37 , served on 6/12/2017. (gk) (Entered: 06/16/2017)
06/13/2017	38	FILING FEE LETTER issued, re Notice of Appeal to 9th Circuit Court of Appeals, 37 as to Joshua D. Mosshart. (mat) (Entered: 06/13/2017)
06/14/2017	39	NOTIFICATION from Ninth Circuit Court of Appeals of case number assigned and briefing schedule. Appeal Docket No. 17-55838 assigned to Notice of Appeal to 9th Circuit Court of Appeals, 37 as to Defendant Joshua D. Mosshart. (shb) (Entered: 06/14/2017)
06/16/2017	43	Notice of Appearance or Withdrawal of Counsel: for attorney David J Van Havermaat counsel for Plaintiff Securities and Exchange Commission. Adding David J. Van Havermaat as counsel of record for Securities and Exchange Commission for the reason indicated in the G-123 Notice. Filed by Plaintiff Securities and Exchange Commission. (Attorney David J Van Havermaat added to party Securities and Exchange Commission(pty:pla))(Van Havermaat, David) (Entered: 06/16/2017)
06/26/2017	44	OPPOSITION in opposition to re: NOTICE OF MOTION AND MOTION for Reconsideration re Order on Motion for Default Judgment... .Order on Motion to Set Aside Default... 35 40 filed by Plaintiff Securities and Exchange Commission. (Leung, Gary) (Entered: 06/26/2017)
07/07/2017		APPEAL FEE PAID: re Notice of Appeal to 9th Circuit Court of Appeals 37 as to Defendant Joshua D. Mosshart: Receipt Number: LA156982 in the amount of \$505. (cma) (Entered: 07/07/2017)
07/12/2017	45	SCHEDULING NOTICE TAKING MOTION UNDER SUBMISSION ON THE PAPERS WITHOUT NEED OF ORAL ARGUMENT by Judge Manuel L. Real. The Court has determined that Defendant's Motion to Appeal for Relief of Disgorgement and Penalties 40 set for hearing on July 17, 2017 at 10:00 A.M., is suitable for a decision on the papers as filed by all parties, without the need

		for oral argument; therefore, the said Motion is taken UNDER SUBMISSION on the papers as filed, and the hearing date of July 17, 2017 is VACATED and TAKEN OFF CALENDAR. The Court will issue its ruling on the matter in due course. IT IS SO ORDERED. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (iv) TEXT ONLY ENTRY (Entered: 07/12/2017)
08/01/2017	46	ORDER from Ninth Circuit Court of Appeals filed re: Notice of Appeal to 9th Circuit Court of Appeals. 37 filed by Joshua D. Mosshart. CCA # 17-55838. This appeal is dismissed for failure to prosecute. This order served on the district court shall, 21 days after the date of the order, act as the mandate of this court. (mat) (Entered: 08/02/2017)
08/14/2017	47	ORDER DENYING DEFENDANT JOSHUA D. MOSSHART'S MOTION FOR RELIEF OF DISGORGEMENT AND PENALTIES 40 by Judge Manuel L. Real. IT IS HEREBY ORDERED that Defendant Joshua D. Mossharts Motion for Relief of Disgorgement and Penalties is DENIED. (lom) (Entered: 08/14/2017)
08/23/2017	48	Joint STIPULATION to Vacate Trial Date and All Pretrial Hearings and Deadlines filed by Plaintiff Securities and Exchange Commission. (Attachments: # 1 Proposed Order)(Leung, Gary) (Entered: 08/23/2017)
08/23/2017	50	NOTICE OF MOTION AND MOTION for Relief Under Rule 59(e) and REQUEST for Extension for Legal Representation and Consideration of Enviro Board Settlement filed by Defendant Joshua D. Mosshart. Motion set for hearing on 9/18/2017 at 10:00 AM before Judge Manuel L. Real. (gk) (Entered: 08/29/2017)
08/28/2017	49	MEMORANDUM of Points and Authorities in Opposition filed by Plaintiff Securities and Exchange Commission. <i>to Defendant Joshua D. Mosshart's August 21, 2017 Motion for Relief under Rule 59(e)</i> (Attachments: # 1 Declaration Gary Y. Leung)(Leung, Gary) (Entered: 08/28/2017)
08/29/2017	51	ORDER OF DISMISSAL by Judge Manuel L. Real. THE COURT having been advised by the counsel for the parties that the above-entitled action has been settled; IT IS THEREFORE ORDERED that this action is hereby dismissed without costs and without prejudice to the right, upon good cause shown within 120 days, to reopen the action if the settlement is not consummated. IT IS FURTHER ORDERED that all dates set in this action are hereby vacated. The Court reserves its jurisdiction for the purpose of enforcing the settlement. (Case Terminated. Made JS-6). (clee) (Entered: 08/30/2017)
09/12/2017	52	ORDER REOPENING CASE by Judge Manuel L. Real: The Court hereby ORDERS this matter re-opened to allow the proposed settlement to be reviewed and approved by the Commissioners of the SEC and for the parties to submit the proposed final judgments. As set forth in the Stipulation to Vacate Trial Date and All Pretrial Hearings and Deadlines filed by the parties on 8/23/2017 48 , the Court furthers ORDERS that all dates remain vacated. The Court further ORDERS that counsel for Plaintiff Securities and Exchange Commission ("SEC") notify the Court and defense counsel within seven days after the SEC

		Commissioners have acted on the proposed settlement documents. (Case reopened. MD JS-5.) (gk) (Entered: 09/13/2017)
09/14/2017	53	TEXT ONLY ORDER (IN CHAMBERS) TAKING MOTION UNDER SUBMISSION ON THE PAPERS WITHOUT NEED OF ORAL ARGUMENT PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 78 by Judge Manuel L. Real. The Court has determined that Joshua D. Mosshart's Motion for Relief Under Rule 59(3) and Request for Extension for Legal Representation and Consideration of EnviroBoard Settlement 50 set for hearing on September 18, 2017 at 10:00 A.M. is suitable for a decision on the papers as filed by all parties without the need for oral argument. Therefore, the said Motion is taken UNDER SUBMISSION on the papers as filed and the hearing date of September 18, 2017 is VACATED and TAKEN OFF CALENDAR. The Court will issue its ruling on the matter in due course. IT IS SO ORDERED. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (cch) TEXT ONLY ENTRY (Entered: 09/14/2017)
10/10/2017	54	ORDER DENYING DEFENDANT JOSHUA D. MOSSHART'S MOTION FOR RELIEF UNDER RULE 59(e) AND REQUEST FOR EXTENSION FOR LEGAL REPRESENTATION AND CONSIDERATION OF ENVIROBOARD SETTLEMENT by Judge Manuel L. Real: Mosshart fails to meet his burden under Rule 59(e). IT IS HEREBY ORDERED that Defendant Joshua D. Mosshart's Motion for Relief Under Rule 59(e) and Request for Extension for Legal Representation and Consideration of EnviroBoard Settlement 50 is DENIED. (gk) (Entered: 10/11/2017)
11/30/2017	55	STIPULATION for Judgment as to Defendant Enviro Board Corporation filed by Plaintiff Securities and Exchange Commission. (Attachments: # 1 [Proposed] Final Judgment)(Leung, Gary) (Entered: 11/30/2017)
11/30/2017	56	STIPULATION for Judgment as to Defendant Glenn B. Camp filed by Plaintiff Securities and Exchange Commission. (Attachments: # 1 [Proposed] Final Judgment)(Leung, Gary) (Entered: 11/30/2017)
11/30/2017	57	STIPULATION for Judgment as to Defendant William J. Peiffer filed by Plaintiff Securities and Exchange Commission. (Attachments: # 1 [Proposed] Final Judgment)(Leung, Gary) (Entered: 11/30/2017)
12/05/2017	58	FINAL JUDGMENT AS TO DEFENDANT WILLIAM J. PEIFFER by Judge Manuel L. Real: Upon Stipulation 57 , IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant William J. Peiffer is permanently restrained and enjoined, etc. Defendant is liable for disgorgement of \$343,200.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$16,898.93, and a civil penalty in the amount of \$175,000.00 pursuant to Section 20(e) of the Securities Act, 15 U.S.C. Section 77t(e) and Section 21(d) (2) of the Exchange Act, 15 U.S.C. Section 78u(d)(2). Defendant shall satisfy this obligation by paying \$535,098.93 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment. See document for further details. (gk) (Entered: 12/06/2017)
12/05/2017	59	

		<p>FINAL JUDGMENT AS TO DEFENDANT ENVIRO BOARD CORPORATION by Judge Manuel L. Real: Upon Stipulation 55, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Enviro Board Corporation is permanently restrained and enjoined, etc. Defendant is liable for disgorgement of \$3,481,831.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$171,442.91, and a civil penalty in the amount of \$750,000.00 pursuant to Section 20(e) of the Securities Act, 15 U.S.C. Section 77t(e) and Section 21(d)(2) of the Exchange Act, 15 U.S.C. Section 78u(d)(2). Defendant's disgorgement and prejudgment interest obligation shall be credited by any amounts paid to the Commission by codefendants Glenn B. Camp, William J. Peiffer, and Joshua D. Mosshart as either disgorgement or prejudgment interest in connection with the above-captioned matter. Defendant shall satisfy this obligation by paying \$4,403,273.91 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment. See document for further details. (gk) (Entered: 12/06/2017)</p>
12/05/2017	60	<p>FINAL JUDGMENT AS TO DEFENDANT GLENN B. CAMP by Judge Manuel L. Real: Upon Stipulation 56, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Glenn B. Camp is permanently restrained and enjoined, etc. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$476,550.00, representing profits gained as a result of the conduct alleged in the Complaint, together with prejudgment interest thereon in the amount of \$23,464.98, and a civil penalty in the amount of \$175,000.00 pursuant to Section 20(e) of the Securities Act, 15 U.S.C. Section 77t(e) and Section 21(d)(2) of the Exchange Act, 15 U.S.C. Section 78u(d)(2). Defendant shall satisfy this obligation by paying \$675,014.98 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment. See document for further details. (MD JS-6, Case Terminated). (gk) (Entered: 12/06/2017)</p>
12/19/2017	61	<p>NOTICE OF MOTION AND MOTION for Order for to Set a Civil Penalty, Order an Adjusted Disgorgement Amount, and Enter Final Judgment against Defendant Joshua D. Mosshart filed by Plaintiff Securities and Exchange Commission. Motion set for hearing on 2/5/2018 at 10:00 AM before Judge Manuel L. Real. (Attachments: # 1 Memorandum of Points and Authorities, # 2 Declaration of Gary Y. Leung, # 3 Declaration of Tina Brodie, # 4 [Proposed] Final Judgment) (Leung, Gary) (Entered: 12/19/2017)</p>
01/22/2018	62	<p>REPLY in Support of NOTICE OF MOTION AND MOTION for Order for to Set a Civil Penalty, Order an Adjusted Disgorgement Amount, and Enter Final Judgment against Defendant Joshua D. Mosshart 61 filed by Plaintiff Securities and Exchange Commission. (Leung, Gary) (Entered: 01/22/2018)</p>
01/31/2018	63	<p>TEXT ONLY ORDER (IN CHAMBERS) TAKING MOTION UNDER SUBMISSION ON THE PAPERS WITHOUT NEED OF ORAL ARGUMENT PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 78 by Judge Manuel L. Real. The Court has determined that Plaintiff's Motion to Set a Civil Penalty Order and Adjusted Disgorgement Amount and Enter Final Judgment 61 set for hearing on February 5, 2018 at 10:00 A.M. is suitable for a decision on the papers as filed by all parties without the need for oral argument. Therefore,</p>

		the said Motion is taken UNDER SUBMISSION on the papers as filed and the hearing date of February 5, 2018 is VACATED and TAKEN OFF CALENDAR. The Court will issue its ruling on the matter in due course. IT IS SO ORDERED. THERE IS NO PDF DOCUMENT ASSOCIATED WITH THIS ENTRY. (cch) TEXT ONLY ENTRY (Entered: 01/31/2018)
03/21/2018	64	ORDER GRANTING PLAINTIFF'S MOTION TO SET A CIVIL PENALTY, ORDER AN ADJUSTED DISGORGEMENT AMOUNT, AND ENTER FINAL JUDGMENT AGAINST DEFENDANT MOSSHART 61 by Judge Manuel L. Real. See document for details. (gk) (Entered: 03/22/2018)
03/21/2018	65	FINAL JUDGMENT AS TO DEFENDANT JOSHUA D. MOSSHART by Judge Manuel L. Real: IT IS HEREBY ORDERED that the Securities and Exchange Commission's ("SEC") Motion for Entry of Default Judgment against Defendant Joshua D. Mosshart 26 and the SEC's Motion To Set a Civil Penalty, Order an Adjusted Disgorgement Amount, and Enter Final Judgment Against Defendant Joshua D. Mosshart 61 are GRANTED. IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is liable for disgorgement of \$293,655.00, representing ill-gotten gains obtained as a result of the conduct alleged in the Complaint, plus prejudgment interest thereon in the amount of \$30,240.41, and a civil penalty amount of \$293,655.00 pursuant to Section 20(d)(2)(A) of the Securities Act and Section 21(d)(3)(B) of the Exchange Act, for a total of \$617,550.41. Defendant shall satisfy this obligation by paying \$617,550.41 to the SEC within 14 days after entry of this Judgment. See document for injunctive relief and other details. (gk) (Entered: 03/22/2018)
03/27/2018	66	ABSTRACT of Judgment issued in favor of Plaintiff Securities and Exchange Commission and against William J. Peiffer for Civil Penalty in the amount of \$175,000.00. (lwag) (Entered: 04/02/2018)
03/27/2018	67	ABSTRACT of Judgment issued in favor of Plaintiff Securities and Exchange Commission and against William J. Peiffer for Disgorgement in the amount of \$343,200.00 Plus Pre Judgment Interest in the amount of \$16,898.93. (lwag) (Entered: 04/02/2018)

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EXHIBIT 3

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE)	CASE NO. CV 16-6427-R
COMMISSION,)	
	)	ORDER DENYING DEFENDANT
Plaintiff,	)	JOSHUA D. MOSSHART'S MOTION TO
	)	SET ASIDE ENTRY OF DEFAULT AND
v.	)	GRANTING PLAINTIFF SECURITIES
	)	AND EXCHANGE COMMISSION'S
ENVIRO BOARD CORPORATION,	)	MOTION FOR DEFAULT JUDGMENT
GLENN B. CAMP, WILLIAM J. PEIFFER,)	
and JOSHUA D. MOSSHART,)	
)	
Defendants.)	
)	

Before the Court is Defendant Joshua D. Mosshart's ("Mosshart") Motion to Set Aside Entry of Default, which was filed on February 6, 2017 (Dkt. No. 26), and Plaintiff Securities and Exchange Commission's ("Plaintiff" or "SEC") Motion for Default Judgment (Dkt. No. 22). Having been briefed by both parties, this Court took these matters under submission on December 19, 2016 and March 15, 2017.

The instant lawsuit concerns securities offerings of Enviro Board Corporation ("Enviro Board"), which Plaintiff alleges were fraudulent and unregistered. Plaintiff filed the Complaint against Mosshart and Co-Defendants Enviro Board, Glenn B. Camp, and William J. Peiffer on August 26, 2016. (Dkt. No. 1). The Complaint alleges that Mosshart violated Sections 5(a) and

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1 5(c) of the Securities Act and Section 15(a) of the Exchange Act when he referred to Enviro Board
2 at least 18 individuals who purchased approximately \$5 million of the company's securities.
3 Plaintiff served Mosshart with copies of the Summons and Complaint on September 9, 2016.
4 Mosshart failed to timely respond to the lawsuit. Subsequently, on October 4, 2016, Plaintiff filed
5 a Request for the Clerk to Enter Default Against Defendant Joshua D. Mosshart. (Dkt. No. 14).
6 On October 7, 2016, the Clerk entered default against Mosshart. (Dkt. No. 15).

7 **Mosshart's Motion to Set Aside Entry of Default**

8 With his Motion, Mosshart seeks to set aside entry of default on several bases: (1) he did
9 not understand Civil Procedure; (2) he could not afford an attorney; (3) he did not believe he was
10 being sued as an individual in this lawsuit; (4) he believed the instant lawsuit was related to a
11 separate and larger lawsuit against Enviro Board; and (5) he is experiencing financial hardship and
12 duress. Each basis lacks merit.

13 "[A] court may set aside an entry of default for good cause" Fed. R. Civ. P. 55(c).
14 While there is a strong public policy in favor of deciding cases on the merits, it is in the court's
15 discretion whether to set aside an entry of default. *TCI Group Life Ins. Plan v. Knoebber*, 244
16 F.3d 691, 696 (9th Cir. 2001), overruled on other grounds by *Egelhoff v. Egelhoff ex rel. Breiner*,
17 532 U.S. 141 (2001). In considering whether good cause exists to set aside an entry of default
18 under Rule 55(c), courts consider the same factors used in a determination to set aside an entry of
19 default judgment under Rule 60(b). *U.S. v. Assorted Firearms*, 605 Fed. App'x 603, 605 (9th Cir.
20 2015). Courts must consider "(1) whether the plaintiff will be prejudiced, (2) whether the
21 defendant has a meritorious defense, and (3) whether culpable conduct of the defendant led to the
22 default." *Falk v. Allen*, 739 F.2d 461, 463 (9th Cir. 1984). While Plaintiff concedes that it is
23 unlikely to be prejudiced by Mosshart's delay in responding to this lawsuit, Mosshart fails to
24 sufficiently establish that he has a meritorious defense and that his conduct was not culpable.

25 First, Mosshart fails to meet his burden to show a meritorious defense. In his Motion,
26 Mosshart argues that he did not sell securities, that he only provided arms-length referrals, and that
27 his conduct was approved by his then-employer LPL Financial LLC ("LPL") where approval was
28 required. As such, Mosshart contends that he did not violate Sections 5(a) and 5(c) of the

1 Securities Act or Section 15(a) of the Exchange Act. However, in support of these assertions,
2 Mosshart only provides declarations from two investors in Enviro Board, Roy Christofferson and
3 Richard Mosshart. As stated above, Plaintiff is alleged to have referred at least 18 individuals to
4 Enviro Board. While the burden on the moving party to show a meritorious defense is relatively
5 low, *Hawaii Carpenters' Trust Funds v. Stone*, 749 F.2d 508, 513 (9th Cir. 1986), the mere two
6 declarations Mosshart proffers, one from his father, are simply insufficient to meet his burden
7 here. Therefore, this factor weighs against setting aside entry of default.

8 Second, Mosshart fails to establish that his failure to respond was not culpable. If a
9 defendant has notice of the filing of an action against her and intentionally fails to answer, her
10 conduct is culpable. *TCI Group Life Ins. Plan*, 244 F.3d at 697. Mosshart claims he was not
11 personally served. The record shows otherwise. Plaintiff filed a Proof of Service demonstrating
12 that it properly served Mosshart pursuant to Federal Rules of Civil Procedure 4(e)(2)(B). (Dkt.
13 No. 12). Mosshart also claims that he did not understand that he was being sued as an individual
14 in this case and that he believed the instant lawsuit related to a separate and larger lawsuit against
15 Enviro Board. The Court is unpersuaded. The Complaint clearly and unambiguously put
16 Mosshart on notice that he had been individually charged with violating the federal securities
17 laws. For example, page three of the complaint states, "Defendants Camp, Mosshart and Enviro
18 Board have violated the securities registration provisions of Section 5 of the Securities Act; and
19 Defendant Mosshart has violated the broker-dealer registration provisions of Section 15 of the
20 Exchange Act." It is simply beyond reason that Mosshart would conclude the lawsuit did not
21 pertain to him individually. Finally, Mosshart's remaining bases for excusable conduct—that he
22 does not understand the federal rules of civil procedure, that he could not afford an attorney, that
23 he is experiencing financial hardship—are equally without merit. Mosshart was put on notice that
24 he was being sued in early September and chose not to participate in the action for months despite
25 conceding that he became aware of the lawsuit as early as October 8, 2016. Accordingly, this
26 factor likewise weighs against setting aside entry of default.

27 For the reasons stated above, the Court declines to set aside entry of default.

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1 **Plaintiff's Motion for Default Judgment**

2 It is within a court's discretion to enter default judgment. *Eitel v. McCool*, 782 F.2d 1470,
3 1471 (9th Cir. 1986). "[A] default judgment must not differ in kind from, or exceed in amount,
4 what is demanded in the pleadings." Fed. R. Civ. P. 54(c). A court may enter default judgment
5 upon a party's application when the defendant fails to defend itself, and if necessary the court may
6 conduct an investigation and accounting into the damages or any other matter. Fed. R. Civ. P.
7 55(b)(2). In order to obtain default judgment, a party must first receive an entry of default by the
8 clerk. Furthermore, under Local Rule 55-1 a party seeking default judgment must note: (a) when
9 and against what party the default was entered; (b) the identification of the pleading to which
10 default was entered; (c) whether the defaulting party is an infant or incompetent person, and if so,
11 whether that person is represented by a general guardian, committee, conservator or other
12 representative; (d) the Servicemembers Civil Relief Act does not apply; and (e) that notice has
13 been served on the defaulting party if required.

14 Here, Plaintiff is not requesting relief different from or greater than those requested in the
15 Complaint. The Clerk entered default against Mosshart on October 7, 2016. Additionally,
16 Plaintiff filed a declaration satisfying the requirements of Local Rule 55-1. Plaintiff satisfied the
17 procedural requirements necessary for entry of default judgment.

18 The Ninth Circuit articulated the following factors for courts to consider in determining
19 whether default judgment should be granted: (1) the sufficiency of the complaint; (2) the merits of
20 the plaintiff's substantive claim; (3) the possibility of prejudice to the plaintiff if relief is denied;
21 (4) the possibility of dispute as to any material facts; (5) whether default resulted from excusable
22 neglect; (6) the strong policy of the Federal Rules of Civil Procedure favoring decisions on the
23 merits; and (7) the amount of money at stake. *Eitel*, 782 F.2d at 1471-72. Here, the *Eitel* factors
24 weigh in favor of granting default judgment.

25 As stated above, Plaintiff alleges two causes of action against Mosshart: (1) unregistered
26 offer and sale of securities in violation of Sections 5(a) and 5(c) of the Securities Act; and (2)
27 inducing and attempting to induce the purchase or sale of securities without being registered with
28 the SEC in violation of Section 15(a) of the Exchange Act. Both causes of action arise from

1 Mosshart's alleged conduct in referring to Enviro Board at least 18 individuals who purchased
2 approximately \$5 million of the company's securities.

3 A plaintiff must state a claim upon which he may recover in order for a Court to grant a
4 motion for a default judgment. *Sony Music Entertainment v. Elias*, 2004 WL 141959 (C.D. Cal.
5 Jan. 20, 2004); *Pepsico, Inc. v. Cal. Sec. Cans*, 238 F. Supp. 2d 1172, 1175 (C.D. Cal. 2002).

6 Upon default, the well-pleaded allegations of the complaint relating to liability are taken as true.
7 *TeleVideo Systems, Inc. v. Heidenthal*, 826 F.2d 915, 917 (9th Cir. 1987). On the other hand, a
8 defendant is not held to admit facts that are not well-pleaded or to admit conclusions of law.
9 *Wecosign, Inc. v. IFG Holdings, Inc.*, 845 F. Supp. 2d 1072 (C.D. Cal. 2012).

10 The first two *Eitel* factors consider the sufficiency of the pleadings and the substantive
11 merit of the claim. The complaint is sufficient if it meets the pleading standards of *Iqbal* and
12 *Twombly*. Here, the Complaint provides sufficient factual bases for both causes of action against
13 Mosshart. First, Sections 5(a) and 5(c) of the Securities act prohibit unregistered offer and sale of
14 securities in interstate commerce. Title 15 U.S.C. §§ 77e(a) & 77e(c). A prima facie claim under
15 Section 5 requires Plaintiff to show: (1) Mosshart directly or indirectly sold or offered to sell
16 securities; (2) no registration statement was in effect as to the securities; and (3) the sale or offer
17 was made through interstate commerce. *Id.* Each element is satisfied here. The Complaint
18 alleges that Mosshart was hired to raise capital for Enviro Board and referred at least 18
19 individuals to Enviro Board, who then invested approximately \$5 million in the company. The
20 Complaint further alleges that the instruments sold by Mosshart were securities. The investments
21 took the form of common stock, secured or unsecured bonds, and promissory notes—such
22 instruments meet the definition of a security as provided by Section 2(a)(1) of the Securities Act
23 and Section 3(a)(10) of the Exchange Act. Moreover, the Complaint alleges that neither Mosshart
24 nor the Co-Defendants registered with the SEC any of the securities that Mosshart offered or sold.
25 In support of this allegation, Plaintiff provides an attestation by the SEC's Office of Records
26 Management Services stating that a search of the Commission's files shows that Enviro Board has
27 not registered with the Commission any transactions or securities since the company's March 27,
28 1997 inception. Finally, the Complaint alleges that Mosshart directly solicited investors via e-

1 mail, by telephone and through in-person meetings. As such, Mosshart offered and sold Enviro
2 Board securities through the use of interstate transportation or communication of the mails. Since
3 Mosshart fails to demonstrate that an exemption from the registration requirements applies, this
4 Court finds the Complaint sufficiently states a claim under Section 5(a) and 5(c) of the Securities
5 Act.

6 Section 15(a) of the Exchange Act requires brokers or dealers who “effect any transaction
7 in, or induce to or attempt to induce the purchase or sale of, any security” through the use of the
8 mails or any means or instrumentality of interstate commerce, to be registered with the SEC or, if
9 the broker or dealer is a natural person, to be associated with a registered broker or dealer that is
10 not a natural person. 15 U.S.C. § 78o(a). The Complaint alleges that Mosshart was a broker as
11 that term is defined by Section 3(a)(4)(A) of the Exchange Act. Under Section 3(a)(4)(A), the
12 term “broker” includes “any person engaged in the business of effecting transactions in securities
13 for the account of others.” 15 U.S.C. § 78c(A)(4)(A). The Complaint alleges that Mosshart
14 solicited Enviro Board investors, provided those investors with Enviro Board’s offering materials,
15 and participated in taking investors’ orders. This conduct brings Mosshart within the definition of
16 a “broker” under Section 3(a)(4)(A). Finally, the Complaint alleges that while Mosshart was
17 associated with LPL, a registered broker-dealer, in the relevant period, he was not acting within
18 the scope of his employment with LPL when he solicited Enviro Board investors. Specifically, the
19 Complaint alleges that LPL was unaware and did not approve of Mosshart’s conduct, and was
20 therefore not supervising him for purposes of his sale of Enviro Board’s securities. For these
21 reasons, the Complaint sufficiently states a claim under Section 15(a) of the Exchange Act.
22 Accordingly, the Court finds the first two *Eitel* factors favor entry of default judgment.

23 The third *Eitel* factor considers the possibility of prejudice to the plaintiff if default is not
24 entered. As discussed above, Plaintiff concedes that it will not be prejudiced if default is not
25 entered. As such, this factor weighs against entry of default judgment.

26 The fourth *Eitel* factor considers the possibility that material facts are in dispute. Upon
27 entry of default, all well-pleaded facts in the complaint are taken as true, except those relating to
28 damages. *TeleVideo*, 826 F.2d at 917-18. Here, taking the factual allegations as true, there is no

1 possibility of dispute of any material fact. As detailed above, the facts alleged in the Complaint
2 establish that Mosshart violated the federal securities laws. The Complaint leaves no room for
3 dispute.

4 The fifth *Eitel* factor considers whether the defendant's failure to respond could be a result
5 of excusable neglect. As already discussed above, Mosshart's failure to timely respond was not
6 the result of excusable neglect. Accordingly, this factor weighs in favor of default judgment.

7 The sixth *Eitel* factor takes into account the strong public policy in favor of deciding cases
8 on the merits. Notwithstanding this strong policy, "a decision on the merits is impracticable, if not
9 impossible, when the defendant takes no part in the action." *Weeks v. Fresh-Pic Produce Co.*,
10 2012 WL 1815648, at *4 (S.D. Cal. May 17, 2012). Mosshart failed to respond in any way to this
11 action for months after being served with the Summons and Complaint. Mosshart's unwillingness
12 to diligently participate in this case makes a decision on the merits impracticable at best.
13 Accordingly, the sixth *Eitel* factor weighs in favor of entry of default judgment.

14 The final *Eitel* factor "examines the amount of money at stake in relation to the seriousness
15 of a defendant's conduct." *Wecosign, Inc.*, 845 F. Supp. 2d at 1082. A court may exercise its
16 equity power to require a defendant in an SEC enforcement action to disgorge his ill-gotten gains.
17 *SEC v. Rind*, 991 F.2d 1486, 1492-93 (9th Cir. 1993). Plaintiff seeks an order requiring Mosshart
18 to disgorge \$553,355 in ill-gotten gains, together with \$56,984.14 in prejudgment interest, for a
19 total amount of \$610,339.14. As explained above, Mosshart illegally sold at least \$5 million in
20 securities. This Court finds that the \$610,339.14 Plaintiff seeks in disgorgement is commensurate
21 with the seriousness of Mosshart's misconduct.

22 Plaintiff seeks three forms of relief: (1) a judgment permanently enjoining Mosshart from
23 future violations of Sections 5(a) and 5(c) of the Securities Act and Section 15(a) of the Exchange
24 Act; (2) an order requiring Mosshart to disgorge \$553,355 in ill-gotten gains, together with
25 \$56,984.14 in prejudgment interest, for a total amount of \$610,339.14; and (3) an order requiring
26 Mosshart to pay a civil penalty in an amount to be determined by the Court upon a noticed motion.
27 The Court finds that Plaintiff is entitled to each of its claims for relief. First, Plaintiff is entitled to
28 a permanent injunction against Mosshart. Section 20(b) of the Securities Act and Section 21(d) of

1 the Exchange Act provide that, upon proper showing, a permanent injunction shall be granted in
2 an enforcement action brought by the SEC. *See* 15 U.S.C. §§ 77t(b) and 78u(d)(1). To obtain an
3 injunction, the SEC must establish that there is a reasonable likelihood of future violations. *SEC*
4 *v. Murphy*, 626 F.2d 633, 636 (9th Cir. 1980). Whether a likelihood of future violations exists
5 depends upon the totality of the circumstances. *Id.* The existence of past violations may give rise
6 to an inference that there will be future violations. *Id.* Here, the Court finds a reasonable
7 likelihood exists that, absent a permanent injunction, Mosshart may commit future security
8 violations. Mosshart failed to timely respond to this lawsuit and has likewise failed to
9 acknowledge the wrongful nature of his conduct. Moreover, Mosshart's misconduct was not
10 limited to a single isolated incident. Mosshart illegally sold Enviro Board securities for at least an
11 18-month period. As such, a permanent injunction against Mosshart is appropriate here.

12 Next, disgorgement of Mosshart's ill-gotten gains is appropriate here. This Court has
13 broad equity powers to order the disgorgement of ill-gotten gains obtained through a defendant's
14 violation of the federal securities laws. *SEC v. Platforms Wireless Int'l Corp.*, 617 F.3d 1186,
15 1191 (9th Cir. 1998). When seeking disgorgement, the SEC only needs to present evidence of a
16 "reasonable approximation" of the defendant's ill-gotten gains. *Id.* at 1096. Here, Plaintiff
17 provides Enviro Board's bank records showing that Enviro Board paid Mosshart \$553,355 from
18 May 11, 2011 through May 9, 2013. This is sufficient to meet Plaintiff's burden of presenting
19 evidence demonstrating a reasonable approximation of Mosshart's ill-gotten gains. Accordingly,
20 \$553,355 is the appropriate amount of disgorgement. The Court likewise finds Plaintiff's
21 \$56,984.14 prejudgment interest figure correct. Therefore, Mosshart is ordered to pay the total
22 amount of disgorgement and prejudgment interest in the amount of \$610,339.14.

23 Lastly, because the Court finds that Mosshart violated the Securities Act and the Exchange
24 Act, he is also liable for penalties under Section 20(d)(1) and Section 21(d)(3)(A) of those acts,
25 respectively. *See* 15 U.S.C. §§ 77t(d)(1) & 78u(d)(3)(A). The Court will assess the appropriate
26 amount of the civil penalty to be paid when Plaintiff submits its separate motion detailing its
27 position on the issue.

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On the whole, the *Eitel* factors favor entry of default judgment in this case. Therefore, Plaintiff's Motion is granted.

IT IS HEREBY ORDERED that Defendant Joshua D. Mosshart's Motion to Set Aside Entry of Default is DENIED. (Dkt. No. 26).

IT IS FURTHER ORDERED that Plaintiff's Motion for Default Judgment is GRANTED. (Dkt. No. 22).

Dated: May 9, 2017.



MANUEL L. REAL
UNITED STATES DISTRICT JUDGE

EXHIBIT 4

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE)	CASE NO. CV 16-6427-R
COMMISSION,)	
	)	ORDER DENYING DEFENDANT
Plaintiff,	)	JOSHUA D. MOSSHART'S MOTION
	)	FOR RELIEF OF DISGORGEMENT AND
v.	)	PENALTIES
)	
ENVIRO BOARD CORPORATION,)	
GLENN B. CAMP, WILLIAM J. PEIFFER,)	
and JOSHUA D. MOSSHART,)	
)	
Defendants.)	
)	

Before the Court is Defendant Joshua D. Mosshart's ("Mosshart") Motion for Relief of Disgorgement and Penalties, which was filed on June 12, 2017. (Dkt. No. 40). Having been briefed by both parties, this Court took the matter under submission on July 12, 2017.

The instant Motion appears to request reconsideration of the Court's previous Order denying Mosshart's Motion to Set Aside Entry of Default and granting Plaintiff's Motion for Default Judgment, which ordered Mosshart to pay disgorgement with prejudgment interest and civil penalties. (Dkt. No. 35). However, the Motion fails to specify whether Mosshart seeks relief under Rule 59 or Rule 60. In any event, Mosshart fails to provide any basis for reconsideration under either rule.

1 Relief may be granted under Rule 59(e) if: (1) the motion is necessary to correct manifest
2 errors of law or fact upon which the judgment is based; (2) the moving party presents newly
3 discovered or previously unavailable evidence; (3) the motion is necessary to prevent manifest
4 injustice; or (4) there is an intervening change in controlling law. *Turner v. Burlington N. Santa*
5 *Fe R. Co.*, 338 F.3d 1058, 1063 (9th Cir. 2003). Alternatively, relief may be granted under Rule
6 60 if the moving party makes a showing of: (1) mistake, surprise, or excusable neglect; (2) newly
7 discovered evidence; (3) fraud; (4) a void judgment; (5) a satisfied or discharged judgment; or (6)
8 extraordinary circumstances which would justify relief. Fed. R. Civ. P. 60(b). However, motions
9 for reconsideration seek “an extraordinary remedy, to be used sparingly in the interests of finality
10 and conservation of judicial resources.” *Carroll v. Nakatani*, 342 F.3d 934, 945 (9th Cir. 2003)
11 (citations omitted) (internal quotation marks omitted); *see also Kona Enterprises, Inc. v. Estate of*
12 *Bishop*, 229 F.3d 877, 890 (9th Cir. 2000) (“*[A] motion for reconsideration should not be*
13 *granted, absent highly unusual circumstances*, unless the district court is presented with newly
14 discovered evidence, committed clear error, or if there is an intervening change in the controlling
15 law.”) (emphasis added).

16 Mosshart fails to make any of the showings required by either Rule 59 or Rule 60. With
17 respect to the Court’s ruling denying Mosshart’s Motion to Set Aside Entry of Default, Mosshart
18 does not contend that the Court erred in determining that his failure to respond was a result of
19 inexcusable neglect, nor does he contend that the Court erred in determining that Mosshart failed
20 to show that he had a meritorious defense. Rather, Mosshart provides a string of exhibits that bear
21 no relevance to the basis for the Court’s decision on that Motion. Moreover, Mosshart fails to
22 present any newly discovered evidence, or evidence that was unavailable at the time he filed his
23 initial Motion, to support his claim for relief. Finally, there is simply no evidence presented to this
24 Court which suggests that the Court’s ruling ordering Mosshart to pay disgorgement and civil
25 penalties was the result of fraud. Accordingly, Mosshart’s Motion is DENIED.

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IT IS HEREBY ORDERED that Defendant Joshua D. Mosshart's Motion for Relief of Disgorgement and Penalties is DENIED. (Dkt. No. 40).

Dated: August 14, 2017.



MANUEL L. REAL
UNITED STATES DISTRICT JUDGE

EXHIBIT 5

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE)	CASE NO. CV 16-6427-R
COMMISSION,)	
	)	ORDER DENYING DEFENDANT
Plaintiff,	)	JOSHUA D. MOSSHART’S MOTION
	)	FOR RELIEF UNDER RULE 59(e) AND
v.	)	REQUEST FOR EXTENSION FOR
	)	LEGAL REPRESENTATION AND
ENVIRO BOARD CORPORATION,	)	CONSIDERATION OF ENVIROBOARD
GLENN B. CAMP, WILLIAM J. PEIFFER,	)	SETTLEMENT
and JOSHUA D. MOSSHART,)	
)	
Defendants.)	
)	

Before the Court is Defendant Joshua D. Mosshart’s (“Mosshart”) Motion for Relief Under Rule 59(e) and Request for Extension for Legal Representation and Consideration of EnviroBoard Settlement, which was filed on August 23, 2017. (Dkt. No. 50). Having been briefed by both parties, this Court took the matter under submission on September 14, 2017.

Relief may be granted under Rule 59(e) if: (1) the motion is necessary to correct manifest errors of law or fact upon which the judgment is based; (2) the moving party presents newly discovered or previously unavailable evidence; (3) the motion is necessary to prevent manifest injustice; or (4) there is an intervening change in controlling law. *Turner v. Burlington N. Santa Fe R. Co.*, 338 F.3d 1058, 1063 (9th Cir. 2003). Motions for reconsideration seek “an

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1 extraordinary remedy, to be used sparingly in the interests of finality and conservation of judicial
2 resources.” *Carroll v. Nakatani*, 342 F.3d 934, 945 (9th Cir. 2003); *see also Kona Enters., Inc. v.*
3 *Estate of Bishop*, 229 F.3d 877, 890 (9th Cir. 2000) (“[A] motion for reconsideration should not
4 be granted, absent highly unusual circumstances, unless the district court is presented with newly
5 discovered evidence, committed clear error, or if there is an intervening change in the controlling
6 law.”).

7 The instant motion appears to request relief under Rule 59(e) from the Court’s previous
8 Order Denying Mosshart’s Motion to Set Aside Entry of Default and Granting Plaintiff’s Motion
9 for Default Judgment (Dkt. No. 35), and Order Denying Mosshart’s Motion for Relief of
10 Disgorgement and Penalties (Dkt. No. 47). In this motion, Mosshart requests 120 days to obtain
11 new counsel. He also requests relief based on new evidence, including emails and a settlement
12 agreement between Mosshart and Enviroboard. Nonetheless, Mosshart has failed to make any of
13 the showings required for relief under Rule 59(e). First, as there is no right to counsel in civil
14 proceedings, relief affording Mosshart additional time to obtain counsel is not necessary to
15 prevent manifest injustice. *See, e.g., Lassiter v. Dep’t of Social Servs.*, 452 U.S. 18, 25-26 (1981);
16 *see also SEC v. Prater*, 296 F. Supp. 2d 210, 218 (D. Conn. 2003) (holding that defendants in SEC
17 proceedings have no right to counsel in a non-criminal context). Second, Mosshart has not
18 actually provided the court with any newly discovered or previously unavailable evidence to
19 consider. Mosshart claims that newly discovered evidence is available, but he failed to attach any
20 of this evidence to his motion. Therefore, Mosshart fails to meet his burden under Rule 59(e) and
21 the motion is denied.

22 **IT IS HEREBY ORDERED** that Defendant Joshua D. Mosshart’s Motion for Relief
23 Under Rule 59(e) and Request for Extension for Legal Representation and Consideration of
24 EnviroBoard Settlement is DENIED. (Dkt. No. 50).

25 Dated: October 10, 2017.



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MANUEL L. REAL
UNITED STATES DISTRICT JUDGE

EXHIBIT 6

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE)	CASE NO. CV 16-6427-R
COMMISSION,)	
	)	ORDER GRANTING PLAINTIFF’S
Plaintiff,	)	MOTION TO SET A CIVIL PENALTY,
	)	ORDER AN ADJUSTED
v.	)	DISGORGEMENT AMOUNT, AND
	)	ENTER FINAL JUDGMENT AGAINST
ENVIRO BOARD CORPORATION,	)	DEFENDANT MOSSHART
GLENN B. CAMP, WILLIAM J. PEIFFER,)	
and JOSHUA D. MOSSHART,)	
)	
Defendants.)	
)	

Before the Court is Plaintiff’s Motion to Set a Civil Penalty, Order an Adjusted Disgorgement Amount, and Enter Final Judgment against Defendant Mosshart. (Dkt. No. 61). Defendant did not oppose the motion. A hearing was originally set on Plaintiff’s motion for February 5, 2018. This Court instead took the matter under submission on January 31, 2018.

Local Rule 7-9 requires an opposing party to file an opposition to a motion not later than 21 days before the designated hearing date. C.D. Cal. R. 7-9. A party that does not file an opposition may be deemed to consent to the granting of the motion. C.D. Cal. R. 7-12; *see Ghazali v. Moran*, 46 F.3d 52, 54 (9th Cir. 1995) (upholding district court’s dismissal of plaintiff’s complaint based on failure to oppose motion as required by local rules). Before granting the

1 motion, the court must weigh: (1) the public interest in expeditious resolution of cases, (2) the
2 court's need to manage its docket, (3) the risk of prejudice to defendants, (4) public policy
3 favoring disposition of cases on the merits, and (5) the availability of less drastic measures. *Id.* at
4 53. A court is not required to consider these factors explicitly. *Ismail v. County of Orange*, 2012
5 WL 12964893, at *1 (C.D. Cal. Nov. 7, 2012). In *Ghazali*, these factors were satisfied where the
6 plaintiff received notice of the motion and had "ample opportunity to respond." *Id.*; see *Ghazali*,
7 46 F.3d at 54. Here, the motion hearing was scheduled for February 5, 2018. Therefore,
8 Defendant's opposition was due on January 15, 2018. Defendant has yet to file any opposition
9 despite notice and ample time to respond. This Court deems Defendant's failure to oppose
10 consent to grant the Motion.

11 **IT IS HEREBY ORDERED** that Plaintiff's Motion to Set a Civil Penalty, Order an
12 Adjusted Disgorgement Amount, and Enter Final Judgment against Defendant Mosshart is
13 GRANTED. (Dkt. No. 61).

14 Dated: March 21, 2018.



MANUEL L. REAL
UNITED STATES DISTRICT JUDGE

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EXHIBIT 7

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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

ENVIRO BOARD CORPORATION,
GLENN B. CAMP, WILLIAM J.
PEIFFER, and JOSHUA D.
MOSSHART,

Defendants.

Case No. 2:16-cv-06427-R-SS

**FINAL JUDGMENT AS TO
DEFENDANT JOSHUA D.
MOSSHART**

1 This matter came before the Court on the Securities and Exchange
2 Commission's ("SEC") Motion for Entry of Default Judgment against Defendant
3 Joshua D. Mosshart and the SEC's Motion To Set a Civil Penalty, Order an Adjusted
4 Disgorgement Amount, and Enter Final Judgment Against Defendant Joshua D.
5 Mosshart (collectively, the "Motions"). The Court having considered the SEC's
6 Complaint, the Motions, the supporting Memoranda of Points and Authorities, the
7 supporting declarations and exhibits, and the other evidence and argument presented
8 to the Court, finds that:

9 I.

10 IT IS HEREBY ORDERED that the SEC's Motion for Default Judgment
11 against Defendant Joshua D. Mosshart and the SEC's Motion to Set a Civil Penalty,
12 Order an Adjusted Disgorgement Amount, and Enter Final Judgment against
13 Defendant Joshua D. Mosshart are GRANTED.

14 II.

15 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
16 Defendant is permanently restrained and enjoined from violating Section 5 of the
17 Securities Act of 1933 ("Securities Act") [15 U.S.C. §§ 77e, by directly or indirectly,
18 in the absence of any applicable exemption:

- 19 (a) Unless a registration statement is in effect as to a security, making use of
20 any means or instruments of transportation or communication in
21 interstate commerce or of the mails to sell such security through the use
22 or medium of any prospectus or otherwise;
- 23 (b) Unless a registration statement is in effect as to a security, carrying or
24 causing to be carried through the mails or in interstate commerce, by any
25 means or instruments of transportation, any such security for the purpose
26 of sale or for delivery after sale; or
- 27 (c) Making use of any means or instruments of transportation or
28 communication in interstate commerce or of the mails to offer to sell or

1 offer to buy through the use or medium of any prospectus or otherwise
2 any security, unless a registration statement has been filed with the
3 Commission as to such security, or while the registration statement is the
4 subject of a refusal order or stop order or (prior to the effective date of
5 the registration statement) any public proceeding or examination under
6 Section 8 of the Securities Act [15 U.S.C. § 77h].

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
8 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
9 bind the following who receive actual notice of this Judgment by personal service or
10 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
11 (b) other persons in active concert or participation with Defendant or with anyone
12 described in (a).

13 III.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
15 is permanently restrained and enjoined from violating Section 15(a) of the Securities
16 Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78o(a)] in connection with the
17 purchase or sale of a security, by the use of means or instrumentalities or interstate
18 commerce, of the mails, or of the facilities of a national securities exchange, directly
19 or indirectly effecting transactions in, or inducing or attempting to induce the
20 purchase or sale of, securities without being registered with the SEC, or affiliated
21 with a broker-dealer registered with the SEC.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
24 bind the following who receive actual notice of this Judgment by personal service or
25 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and
26 (b) other persons in active concert or participation with Defendant or with anyone
27 described in (a).

1 IV.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant
3 is liable for disgorgement of \$293,655.00, representing ill-gotten gains obtained as a
4 result of the conduct alleged in the Complaint, plus prejudgment interest thereon in
5 the amount of \$30,240.41, and a civil penalty amount of \$293,655.00 pursuant to
6 Section 20(d)(2)(A) of the Securities Act and Section 21(d)(3)(B) of the Exchange
7 Act, for a total of \$617,550.41. Defendant shall satisfy this obligation by paying
8 \$617,550.41 to the SEC within 14 days after entry of this Judgment.

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

15 Enterprise Service Center
16 Accounts Receivable Branch
17 6500 South MacArthur Boulevard
18 Oklahoma City, OK 73169

19 and shall be accompanied by a letter identifying the case title, civil action number,
20 and name of this Court; Joshua Mosshart as a defendant in this action; and specifying
21 that payment is made pursuant to this Judgment.

22 Defendant shall simultaneously transmit photocopies of evidence of payment
23 and case identifying information to the SEC's counsel in this action. By making this
24 payment, Defendant relinquishes all legal and equitable right, title, and interest in
25 such funds and no part of the funds shall be returned to Defendant.

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

1 pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds, together with
2 any interest and income earned thereon (collectively, the “Fund”), pending further
3 order of the Court.

4 The Commission may propose a plan to distribute the Fund subject to the
5 Court’s approval. Such a plan may provide that the Fund shall be distributed
6 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of
7 2002. The Court shall retain jurisdiction over the administration of any distribution
8 of the Fund. If the Commission staff determines that the Fund will not be distributed,
9 the Commission shall send the funds paid pursuant to this Final Judgment to the
10 United States Treasury.

11 Regardless of whether any such Fair Fund distribution is made, amounts
12 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
13 penalties paid to the government for all purposes, including all tax purposes. To
14 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
15 reduction of any award of compensatory damages in any Related Investor Action
16 based on Defendant’s payment of disgorgement in this action, argue that he is entitled
17 to, nor shall he further benefit by, offset or reduction of such compensatory damages
18 award by the amount of any part of Defendant’s payment of a civil penalty in this
19 action (“Penalty Offset”). If the court in any Related Investor Action grants such a
20 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting
21 the Penalty Offset, notify the Commission’s counsel in this action and pay the amount
22 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
23 Commission directs. Such a payment shall not be deemed an additional civil penalty
24 and shall not be deemed to change the amount of the civil penalty imposed in this
25 Judgment. For purposes of this paragraph, a “Related Investor Action” means a
26 private damages action brought against Defendant by or on behalf of one or more
27 investors based on substantially the same facts as alleged in the Complaint in this
28 action.

V.

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

Dated: March 21, 2018



HONORABLE MANUEL L. REAL
UNITED STATES DISTRICT JUDGE

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EXHIBIT 8

1 officer; correct?

2 A Co-CEO.

3 Q Yes.

4 So you are both the cochairman of the board of
5 directors and the co-chief executive officer of Enviro
6 Board Corporation; correct?

7 A Correct.

8 Q Has that always been the case?

9 A Yes.

10 Q Have you held any other titles or positions at
11 Enviro Board Corporation?

12 A I believe those are the titles that we've held
13 since 1997 -- Mr. Peiffer and myself.

14 Q So is Mr. Peiffer the other cochairman of the
15 board of directors and co-chief executive officer of
16 Enviro Board Corporation?

17 A Yes.

18 Q And he has been -- he's held those positions
19 since 1997 since the inception of the corporation;
20 correct?

21 A I believe so.

22 Q Would it be accurate to say the two of you --
23 that being Mr. Peiffer and yourself -- together control
24 and operate Enviro Board Corporation?

25 A That would be accurate.

1 Q Has he been compensated in any other way for
2 his services to the company?

3 A He may have received money as an independent
4 contractor for work that he's done from time to time.

5 Q Has he received compensation in connection with
6 his effort to raise money for the company?

7 A I don't believe so.

8 Q Has he been paid commission?

9 A I do not believe so.

10 Q So you indicated that Mr. Mosshart -- again,
11 forgive me if I mispronounce his name -- served for a
12 time as president of Enviro Board Corporation; correct?

13 A Yes.

14 Q Actually let me back up a second. Forgive me.
15 What is Mr. Brunick's background?

16 A Mr. Brunick?

17 Q Yeah.

18 A He's an actor.

19 Q Okay. What is Mr. Mosshart's background?

20 A I believe his background, as stated to us, was
21 a broker, a financial analyst, investment advisor.

22 Q Where?

23 A A financial planner.

24 He was working for a company called LPL.

25 Q That would be LPL Financial LLC?

1 A Correct.

2 Q Formally Linsco Private Ledger Corporation?

3 A That is correct.

4 Q How did you meet Mr. Mosshart?

5 A I met him through a friend.

6 Q Who?

7 A Dieter Hochheimer.

8 Q Tell me about that.

9 A How I met him?

10 Q Yeah.

11 A Mr. Hochheimer several years ago -- maybe seven
12 or eight years ago introduced us to Mr. Mosshart who was
13 interested in our technology and possibly doing something
14 in the market of the Philippines with our system. And so
15 we had initial discussions with him regarding that.
16 That's how I met him.

17 Q So your testimony is that Mr. Mosshart reached
18 out through Mr. Hochheimer -- forgive my pronunciation --
19 to Enviro Board Corporation?

20 A Yes. There was an initial meeting set up by
21 Mr. Hochheimer who said he's been talking to a gentleman
22 who worked on the same floor as his in Brentwood. Mr.
23 Hochheimer had a real estate firm. Hochheimer was
24 working in real estate, and Mosshart was working for a
25 small little investment group. So they would regularly

1 get together for lunch.

2 And Hochheimer told him about Enviro Board.

3 Hochheimer's family is an investor -- was an early-round
4 investor in Enviro Board. So Dieter, as a dear friend,
5 presented Enviro Board and got Mr. Mosshart's interest.

6 Q So tell me about the initial meeting with Mr.
7 Mosshart.

8 A We discussed the technology and -- because we
9 were still in the development stages of the technology
10 and its capabilities and its strengths and its
11 opportunities. And he said he wanted to do something in
12 the Philippines with it. He's married to a Filipina and
13 had connections there. And so we discussed it, but
14 nothing ever came of it. That was the initial meeting.

15 Q Would that have been approximately 2006 or
16 2007?

17 A Yes.

18 Q When did you next communicate with Mr.
19 Mosshart?

20 A I did not see him for years until I ran into
21 him, I think, in 2010 at a coffee shop in Westlake
22 Village.

23 Q Coffee Bean?

24 A Yes, exactly where we met.

25 Q And tell me about that meeting.

1 A He asked where we were with the company and
2 what had been going on for those few years, and I brought
3 him up to speed and discussed a number of different -- a
4 number of different breakthroughs that we had had with
5 the technology. And he was very interested in possibly
6 wanting to get involved with us.

7 Q And so did you get together with Mr. Mosshart
8 thereafter for lunch?

9 A I don't recall if it was -- if it was lunch.

10 Q You don't recall if it was one meeting at the
11 Coffee Bean or a couple of meetings?

12 A There were several meetings that took place --
13 several meetings.

14 Q And that's when these discussions that you've
15 described transpired; correct?

16 A They ensued. And we developed, you know, a
17 dialogue where he was interested in possibly getting
18 involved with the company raising money for the company.

19 Q So the answer -- the short answer to my
20 question was yes?

21 A Yes.

22 Q Thank you.

23 During these meetings, did you ultimately ask
24 Mr. Mosshart to come and work for Enviro Board
25 Corporation?

1 A I don't think I specifically asked him to come
2 and work for Enviro Board Corporation. He said, "I'd
3 like to be a part of what you are doing" and said, "I
4 could be helpful raising capital to your company, and I
5 really like what you're doing."

6 Q When was this?

7 A I would say --

8 Q Mid 2011?

9 A Early -- I would say maybe early 2011.
10 Something in that area.

11 Q So did you come to an agreement with Mr.
12 Mosshart what his duties or his role would be on behalf
13 of Enviro Board?

14 A Yeah. We structured a -- I believe at that
15 time we began to structure an agreement of what would be
16 involved with his -- with his services and --

17 Q What was that?

18 A A commission agreement.

19 Q Can you describe what the agreement was?

20 A Just like an agent agreement.

21 Q To do what?

22 A To raise capital.

23 Q Was that to be his primarily responsibility at
24 the company?

25 A Initially yes.

1 Q And did he then come to work for the company
2 and raise capital for Enviro Board Corporation?

3 A Yes.

4 Q When was that?

5 A For some reason, I'm thinking it might have
6 been -- I'm thinking maybe February 2012 or maybe -- no.
7 April. Maybe April 2012.

8 Q Didn't Mr. Mosshart participate in raising
9 capital for Enviro Board in 2011?

10 A Yes, he did. But as far as a formal agreement
11 with the company --

12 Q Okay. But I'm not necessarily limiting my
13 question to a formal agreement at this point. I'm just
14 asking what his -- what the agreement was, whether it was
15 written or otherwise, initially with Mr. Mosshart.

16 A Well, I'm answering two questions for you --

17 Q Okay.

18 A -- because there was two different agreements.
19 There was an initial commission agreement, I believe,
20 that we structured with him to raise capital. And then
21 later on it became more of a formal agreement for him to
22 assume the office of president of the company. He signed
23 a seven-year agreement with the company to raise capital
24 as well and have other duties.

25 MR. FISKE: I don't believe I -- and again, I

PROOFREADER'S CERTIFICATE

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In The Matter of: EVIRO BOARD CORPORATION
Witness: Glenn Bryan Camp
File Number: LA-04379-A
Date: Thursday, June 25, 2015
Location: LA-04379-A

This is to certify that I, Maria E. Paulsen, (the undersigned), do hereby swear and affirm that the attached proceedings before the U.S. Securities and Exchange Commission were held according to the record and that this is the original, complete, true and accurate transcript that has been compared to the reporting or recording accomplished at the hearing.

Maria E Paulsen

(Proofreader's Name)

7/9/15

(Date)

REPORTER'S CERTIFICATE

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I, Eileen A. Lucio, reporter, hereby certify that the foregoing transcript of 149 pages is a complete, true and accurate transcript of the testimony indicated, held on 6/25/15, at LA-SFC in the matter of: Enviro Board Corp.

I further certify that this proceeding was recorded by me, and that the foregoing transcript has been prepared under my direction.

Date: 7/9/15
Official Reporter: Eileen A. Lucio

Diversified Reporting Services, Inc.

EXHIBIT 9

1 Q Okay. Did Mr. Mosshart ever receive any bonus
2 compensation?

3 A Yes.

4 Q And was the bonus compensation that he received in
5 the form of commissions for raising capital on behalf of
6 Enviro Board during the term of the agreement?

7 A Yes.

8 Q And did he receive a 10 percent commission for
9 raising capital on behalf of Enviro Board during the term of
10 the agreement?

11 A The -- I don't know that he received 10 percent
12 because the language says, "10 percent inclusive of all third
13 parties." So he may have received the entire 10 percent in
14 one transaction and maybe less than ten in another. I don't
15 know. Whatever he was entitled to under this --

16 Q In other words, if -- if another individual
17 received a sum as a commission for a particular transaction,
18 that would be offset against Mr. Mosshart's Commission?

19 A Yes. Yes.

20 Q And Mr. Mosshart would receive up to 10 percent for
21 all debt or equity capital that was raised by Enviro Board?

22 A That is the result of parties introduced by
23 Mosshart, yes.

24 Q How about amounts -- a commission for amounts that
25 resulted from other individuals' efforts?

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UNITED STATES SECURITIES AND EXCHANGE Commission
REPORTER'S CERTIFICATE

I, Rosalyn Adams, reporter, hereby certify that the foregoing transcript is a complete, true and accurate transcript of the testimony indicated, held on Tuesday, October 28, 2015, at 444 South Flower Street, Suite 900, Los Angeles, CA 90010, in the matter of: Enviro Board Corporation.

I further certify that this proceeding was recorded by me and that the foregoing transcript has been prepared under my direction.

Date: November 9, 2015



Official Reporter: Rosalyn Adams

Diversified Reporting Service, Inc.

EXHIBIT 9

THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION

In the Matter of:)
) File No. LA-04379-A
ENVIRO BOARD CORPORATION)

WITNESS: William John Peiffer

PAGES: 512 through 910

PLACE: Securities and Exchange Commission
444 South Flower Street, Suite 900
Los Angeles, CA 90071

DATE: Thursday, October 29, 2015

The above entitled mater came on for hearing,
pursuant to notice, at 9:35 a.m.

Diversified Reporting Services, Inc.

(202) 467-9200

1 MR. FISKE: I'll ask for the next document to be
2 marked consecutively in order.

3 (SEC Exhibit No. 201 was marked
4 for identification.)

5 BY MR. FISKE:

6 Q Mr. Peiffer, I'm going to hand you what has been
7 marked as Exhibit 201.

8 MR. FISKE I'll note for the record that it is
9 Bates numbered EBC 0089950 through EBC 0089958 and is
10 entitled EBC shareholders, bondholders, and note holders
11 occurring in the period of January 1, 2011, to April 1, 2014.

12 BY MR. FISKE:

13 Q Have I accurately characterized this exhibit?

14 A Yes.

15 Q Do you recognize Exhibit 201?

16 A I do.

17 Q And what is it?

18 A It's an EBC shareholder, bondholder, and note
19 holder list.

20 Q And who prepared this?

21 A I prepared the substance of it. And Huei Jeong
22 is -- is very good graphically. He did the graphics on it.

23 Q And beneath the --

24 A Actually, let me -- let me correct that.

25 There may have been a step in between the

1 A Not that I'm aware of.

2 Q Okay. So Mr. Mosshart received commissions in
3 connection with the investments by all of those people;
4 right?

5 A Yes.

6 Q Am I correct that James Alexander invested \$20,000
7 with Enviro Board on March 31, 2014?

8 A Yes.

9 Q And he received common stock in exchange for the
10 investment?

11 A Yes.

12 Q How much common stock?

13 A One share.

14 Q Did Rick Chest -- Chitchester --

15 A Chichester.

16 Q Chichester.

17 -- loan \$20,000 to Enviro Board on April 1, 2014?

18 A Yes.

19 Q Did David Heifetz loan \$10,000 to Enviro Board on
20 February 2nd, 2014? Shall I give you the page number?

21 A Yes.

22 Q EBC 0089953, the second -- third to the bottom.

23 A Okay. Yes.

24 Q Okay. And that was a loan; right?

25 A Correct.

1 Q Did you receive stock as part of that transaction?

2 A I think we gave him a share of stock. I'm not
3 sure, but I think he did.

4 Q Okay. And then Mark Wallrapp invested \$40,000 on
5 February 14, 2014, and another \$20,000 on February 18, 2014,
6 for equity; right?

7 A Yes.

8 Q Okay. I'll ask for Exhibit 201 back, please.

9 MR. FISKE: I'll ask for the following document to
10 be marked consecutively in order.

11 (SEC Exhibit No. 202 was marked
12 for identification.)

13 BY MR. FISKE:

14 Q Okay. I'm going to hand you what's been marked as
15 Exhibit 202.

16 MR. FISKE: I'll note for the record that it is
17 Bates numbered EBC 0004847 -- yeah. 4847 through EBC
18 0004851, and appears to be another version of the document
19 that we just discussed as Exhibit 201.

20 BY MR. FISKE:

21 Q Exhibit 202 is entitled EBC shareholder,
22 bondholders, and note holders occurring in the period of
23 January 1, 2011. And then April 1st is crossed out and it
24 says June 17th, 2014.

25 Or am I mistaken in that?

1 MS. RODRIGUEZ: It's not crossed off.

2 MR. FISKE: It's not crossed off. Oh, my note to
3 myself, through June 17, 2014.

4 BY MR. FISKE:

5 Q Do you see that?

6 A I do.

7 Q Is this a later version of the document that you
8 initially produced to the SEC?

9 A Yes, it is.

10 Q Okay. And did you prepare it?

11 A It was done the same way the other document was
12 done.

13 Q So it lists Enviro Board investors between
14 January 1, 2011, and June 17, 2014?

15 A What is the date of the other agreement?

16 Q Of Exhibit 201? Here. I'll hand that back to you.

17 A Yeah. This is dated January 1st, 2011, to
18 April 1st, 2014. This is dated --

19 Q So is Exhibit 202 a subsequent document --
20 a subsequently prepared document?

21 A Correct.

22 Q Okay. You can hold on to Exhibit 201 as well.

23 A Yeah.

24 Q You can just keep it there -- okay? -- since you
25 have it.

1 And Exhibit 202 contains the same columns and
2 headings as Exhibit 201; right?

3 A Yes.

4 Q To the best of your knowledge, is the information
5 in Exhibit 202 accurate?

6 A Yes.

7 Q Do you see the entry for Linda Boyd on page
8 0004847, about halfway down?

9 A Yes.

10 Q Did she invest \$80,000 for debt?

11 A Yes.

12 Q Why wasn't she included in Exhibit 201 that was
13 provided to me?

14 A It was a typo. It should have been in there.

15 Q Okay.

16 A This -- this 80,000 went in probably -- I don't
17 know the date, but it would have been well prior to
18 April 1st, 20- -- excuse me. Well prior to February 14th.

19 Q Was her investment repaid?

20 A I -- it was not repaid. Parts of it had been
21 repaid by Glenn. It's -- whatever was repaid is on his
22 expense report.

23 Q Okay. Do you see the entry on the second page,
24 second row?

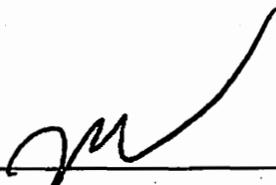
25 A It says 80,000 here.

PROOFREADER'S CERTIFICATE

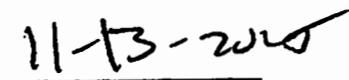
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In the Matter of: ENVIRO BOARD CORP.
Witness: William Peiffer
File Number: LA-04379-A
Date: October 29, 2015
Location: Los Angeles, CA

This is to certify that I, Nicholas Wagner,
(the undersigned), do hereby swear and affirm
that the attached proceedings before the U.S.
Securities and Exchange Commission were held
according to the record and that this is the
original, complete, true and accurate transcript
that has been compared to the reporting or recording
accomplished at the hearing.



(Proofreader's Name)



(Date)

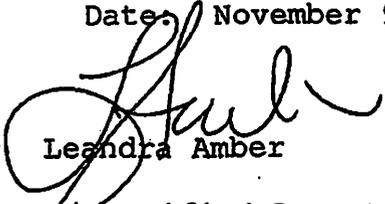
1 UNITED STATES SECURITIES AND EXCHANGE
2 COMMISSION
3 REPORTER'S CERTIFICATE

4 I, Leandra Amber, reporter, hereby certify that the foregoing
5 transcript is a complete, true and accurate transcript of the
6 testimony indicated, held on THURSDAY, OCTOBER 29, 2015, at
7 444 South Flower Street, Suite 900, Los Angeles, CA 90010, in
8 the matter of: ENVIRO BOARD CORPORATION.

9
10 I further certify that this proceeding was recorded by me and
11 that the foregoing transcript has been prepared under my
12 direction.

13
14 Date: November 9, 2015

15
16 Official Reporter:


Leandra Amber

Diversified Reporting Service, Inc.

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EXHIBIT 10

EBC Shareholders, Bondholders and Noteholders Occurring
 In the Period of January 1, 2011 to April 1, 2014
 (no investments after this date)

NAME	PPM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED] Bloomfield Hills, Michigan 48304	Yes	No	Yes	N/A	Board Seat	N/A	Equity	[REDACTED]
[REDACTED] LA LA 96049	Yes	No	Yes	Attached	\$20,000	030314	Equity	[REDACTED]
[REDACTED] Boulder, CO 80301	Yes	No	No	Attached	\$20,000	111313	Debt	[REDACTED]
[REDACTED] Westlake Village, CA 91362	Yes	No	Believed to be	Attached	\$10,000	050611	Equity	[REDACTED]
[REDACTED]				Attached	\$20,000	100512	Equity	[REDACTED]
[REDACTED]				Attached	\$40,000	100512	Debt	[REDACTED]
[REDACTED] 90485	No	No	Yes	Attached	\$1,000,000	060911	Equity	[REDACTED]
[REDACTED] Union City, NJ 07087	Yes	No	No	N/A	Gift	N/A	Equity	[REDACTED]
[REDACTED] Simi Valley, CA 93065	Yes	Unclear	Unclear	Attached	\$400,000	011012	Debt	[REDACTED]

EBC 0089050

Blumberg Ref. 5122
 GOVERNMENT
 EXHIBIT 201
 10-29-15
 LA 4379

NAME	CFM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED] Los Angeles, CA 90008	Yes	No	No	N/A	Nil	N/A	Equity	[REDACTED]
[REDACTED] Malibu, CA 90265	Yes	Attached	Yes	Attached	\$60,000	04/15/12	Equity	[REDACTED]
[REDACTED]				Attached	\$10,000	05/25/12	Debt	[REDACTED]
[REDACTED]				Attached	\$100,000	06/06/12	Debt	[REDACTED]
[REDACTED]				Attached	\$60,000	11/02/12	Debt	[REDACTED]
[REDACTED] South Pasadena, CA 91030	No	No	No	Attached	\$10,000	09/07/11	Debt/Equity Converted	[REDACTED]
[REDACTED]	Yes	No	Yes	Attached	\$275,000	11/06/12	Debt/Equity	[REDACTED]
[REDACTED]				Attached	\$10,000	03/06/12	Debt	[REDACTED]
[REDACTED]				Attached	\$20,000	04/01/11	Debt	[REDACTED]
[REDACTED] Sandpoint, ID 83864	No	No	No	Attached	\$10,000	09/03/11	Equity	[REDACTED]
[REDACTED] Little Rock, Arkansas 72203	Yes	No	Yes	N/A	Board Sec	N/A	Equity	[REDACTED]
[REDACTED]	Yes	No	No	Approved Contract	None		GR	[REDACTED]
[REDACTED] Leland, IL 60533								[REDACTED]

NAME	PPM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED]	No	No	Unsure	Attached	\$36,000	052711	Equity	[REDACTED]
Studio City, CA 91604								
[REDACTED]	No	No	No	N/A	Board Seat	N/A	Equity	[REDACTED]
Guatemala City, Guatemala								
[REDACTED]	No	No	Believed to be	Attached	\$50,000	051011	Equity	[REDACTED]
La Canada, CA 91011								
[REDACTED]	Yes	Attached	Yes	Attached Subject to Board Approval	\$60,000 \$200,000	012712	Equity Debt	[REDACTED]
San Francisco, CA 94116								
[REDACTED]	Yes	Attached	Yes	Attached	\$120,000	102611	Equity	[REDACTED]
San Francisco, CA 94116								
[REDACTED]	Yes	Attached	Yes	Attached	\$272,041	111713	Equity	[REDACTED]
San Francisco, CA 94116								
[REDACTED]	Yes	No	No	Attached - 1/16/12 Debt	\$10,000		Equity	[REDACTED]
San Francisco, CA 94116								
[REDACTED]	Yes	Attached	Yes	Attached	\$600,000	120611	Debt	[REDACTED]

NAME	EPF	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED] San Francisco, CA 94116	Yes	Attached	No	Attached	\$10,000	021213	Debt	[REDACTED]
[REDACTED] Santa Fe, NM 87501-2205	No	No	No	Attached	\$20,000	060111	Equity	[REDACTED]
[REDACTED] Malibu, CA 90263	No	No	No	Attached	\$5,000	060815	Equity	[REDACTED]
[REDACTED] Anaheim, CA 92802	No	No	No	Processed from database	\$5,000	060811	Equity	[REDACTED]
[REDACTED] Anaheim, CA 92802	Yes	No	Yes	Attached	\$50,000	061511	Debt/Converted	[REDACTED]
[REDACTED] Newlyn, MA 02459	Yes	No	No	Attached	\$10,000	020714	Debt	[REDACTED]
[REDACTED] Los Angeles, CA 90023	Yes	No	No	Attached	\$40,000	050912	Debt	[REDACTED]
[REDACTED] Siouxton, SD 57201	Yes	No	Yes	Processed from database	\$20,000		Debt	[REDACTED]

NAME	RPM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED] Houston, TX 77059	Yes	No	Yes	Attached	\$20,000	09/2012	Debt/Equity	[REDACTED]
[REDACTED]	No	No	Yes	Attached	\$1,000,000	06/11/11	Equity	[REDACTED]
[REDACTED] Lake Sherwood, CA 91361	No	Attached/Yes F7/No	Yes	Attached Attached	\$200,000 \$400,000	06/10/11 08/15/12	Debt/Converted Debt	[REDACTED]
[REDACTED] Newton, MA 02459	Yes	No	Yes	Attached	\$100,000	06/25/11	Debt Converted	[REDACTED]
[REDACTED] Tustin, CA 92782	Yes	Attached	Yes	Attached	\$40,000	10/19/11	Equity	[REDACTED]
[REDACTED] Newbury Park, CA 91320	Yes	Attached	Yes	Attached	\$60,000	01/10/13	Equity	[REDACTED]
[REDACTED] Altadena, CA 91001	No	No	No	Attached	\$10,000	05/05/11	Debt Converted	[REDACTED]

NAME	FPM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED]	No	No	No	N/A	Board Seat	N/A	Equity	[REDACTED]
Seattle, WA 98104								
[REDACTED]	No	No	Believed to be	Attached	\$10,000	052611	Equity	[REDACTED]
Westlake Village, CA 91361								
[REDACTED]	Yes	No	Believed to be	Attached	\$1.7M Employment Agreement	110712	Equity	[REDACTED]
Malibu, CA 90265								
[REDACTED]	No	No	No	Misfiled & can not obtain	\$10,000	040411	Bond	[REDACTED]
Acton, CA 93510								
[REDACTED]	No	No	No	Attached	\$10,000	051111	Bond	[REDACTED]
Altadena, CA 91001								
[REDACTED]	No	No	No	Attached	\$10,000	051111	Bond	[REDACTED]
Altadena, CA 91001								
[REDACTED]	No	No	No	N/A	Board Seat	N/A	Equity	[REDACTED]

EBC 0089955

NAME	PPM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED] Los Angeles, CA 90025-7030	Yes	No	Uncure	Attached	\$20,000	031512	Debt	[REDACTED]
[REDACTED] Malibu, CA 90265	Uncure	Uncure	Uncure	Attached	\$45,000	030112	Debt	[REDACTED]
[REDACTED]	No	No	No	N/A	Birthday Gift	N/A	Equity	[REDACTED]
[REDACTED] Littleton, CO 80124	No	No	No	N/A	Gift	N/A	Equity	[REDACTED]
[REDACTED]	No	No	Believed to be	Investment of Parents	\$20,000	060111	Debt Converted	[REDACTED]
[REDACTED] Sherman Oaks, CA 91403	Yes	No	Believed to be	Attached	\$20,000	082113	Debt	[REDACTED]
[REDACTED] Westlake Village, CA 91361				Attached	\$20,000	101513		[REDACTED]
[REDACTED] Woodland Hills, CA 91367	No	No	N/A	N/A Stock given at request of Bondholder Parents	Bond Extension To Parents	052011	Equity	[REDACTED]

NAME	TFM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED] Woodland Hills, CA 91367	No	No	No	N/A Stock given at request of Bondholder [REDACTED]	Bond Extension To Parents	05/2011	Equity	[REDACTED]
[REDACTED] Woodland Hills, CA	No	No	Believed to be	Attached	\$312,500	01/2011	Bond/Equity	[REDACTED]
[REDACTED] Seattle, WA 98154	No	No	Yes	N/A	Board Seat	N/A	Equity	[REDACTED]
[REDACTED] Santa Monica, CA 90403	Yes	No	Believed to be	Attached	500,000 800,000	04/2010	Equity Debt	[REDACTED]
[REDACTED] Moorestville, NC 28117	No	No	N/A	N/A	Gift	N/A	Equity	[REDACTED]
[REDACTED] San Diego, CA	No	No	House	Attached	\$20,000	05/2011	Equity	[REDACTED]

NAME	FFM	QUESTIONNAIRE	QUALIFIED	INVESTMENT DOCUMENT	CONSIDERATION	INVESTMENT DATE	DEBT/EQUITY	COMMENTS
[REDACTED]								[REDACTED]
[REDACTED]	Yes	No	Yes	Attached	\$20,000	11/01/12	Equity	[REDACTED]
[REDACTED]				Original	\$40,000	02/14/14		[REDACTED]
[REDACTED] Popanga, CA				Initial	\$20,000	02/19/14		[REDACTED]
[REDACTED]								[REDACTED]
Total Capital					96,333,342			
*From or Through								
Memhart								

EXHIBIT 11

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

SECURITIES AND EXCHANGE)
COMMISSION,)
Plaintiff,) CASE NO.
v.) 2:16-cv-06427-R-SS
ENVIRO BOARD CORPORATION, GLENN B.)
CAMP, WILLIAM J. PEIFFER, and)
JOSHUA D. MOSSHART,)
Defendants.)

VIDEOTAPED DEPOSITION OF WILLIAM J. PEIFFER
WEDNESDAY, AUGUST 9, 2017

BEHMKE REPORTING AND VIDEO SERVICES, INC.
BY: CHRISTINA VALERY, CSR NO. 14140
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(415) 597-5600

1 we paid to Petersen, so we didn't pay the third-parties.
2 We paid Petersen as was always the practice -- or
3 generally the practice. We paid Petersen. Any
4 third-parties, Petersen paid out of what we paid
5 Petersen.

6 Q. What were the design defects that you were
7 aware of in 2015, the last time you saw the mill?

8 A. My concern in answering the question is that
9 these are trade secrets, and I don't know where this is
10 going to go. If -- and I want to be cooperative. If
11 there can be some assurance that the portion of this
12 deposition pertaining to trade secrets would remain
13 sealed, I can talk about it. If not, I don't know where
14 this is going to end up, and I -- and I don't want the
15 trade secrets disclosed. So I'll be guided by your
16 answer to some extent in that respect.

17 Q. We can work with your counsel to address your
18 concern.

19 A. Okay.

20 Q. So the question was what were the design
21 defects that you were aware of in 2015 with respect to
22 the mill?

23 A. I wasn't aware of them in 2015. I became aware
24 of them first quarter of '17.

25 Q. Well, we just talked about a meeting that you

1 had with Petersen in Ogden in 2015. You just explained
2 for us that part of the conversation was about how the
3 mill was completely inoperable due to design defects --

4 A. Yes.

5 Q. -- that you state were caused by Mr. Horowitz.
6 Wouldn't it be fair for me to conclude then, on the
7 basis of just elementary logic, that you knew about
8 these defects in 2015 as opposed to 2017?

9 A. No. It would reasonable at face value, but it
10 isn't factual for the following reason: I had virtually
11 no input in any mill designs ever until I started to get
12 very hands-on first quarter of '17 because I had
13 deferred to experts. Horowitz was a brilliant engineer
14 on paper, fundamentally dishonest, incompetent to the
15 point where he actually stole a patent. Petersen I
16 relied upon 500-man -- and woman -- 50-year-old
17 government contractor that did work for FEMA -- excuse
18 me -- EPA, NASA, DOD, and others -- very competent firm.

19 I did not get involved in any of the
20 engineering. First quarter of this year, I went back
21 and did an autopsy of what went wrong, to understand how
22 to fix it and to move forward. In my assessment of what
23 went wrong, I drew the conclusion that it's unfixable.
24 It is a total waste. My answer regarding Petersen
25 drawing the conclusion was my belief of what Petersen

1 believed based on the fact that they couldn't get it to
2 work.

3 Q. And Petersen's belief was communicated to you
4 in 2015. What you're saying is that you didn't
5 independently do an autopsy until first quarter of 2017
6 when you, based on that independent autopsy, concluded
7 that this thing was not fixable?

8 A. Correct. But to clarify something, Petersen
9 didn't communicate to me at any point that it was not
10 fixable. I generally look at people's actions more than
11 what they say, and they just couldn't go any further
12 with it. You know, you can't fix -- you can't make
13 something operate that is defectively designed to the
14 point where it just isn't going to work. I mean, you
15 can -- you can make modifications to it. You can change
16 certain things, but if the fundamental engineering is
17 not there, it's just not going to happen.

18 Q. Let's be precise. Let's talk about the autopsy
19 that you performed on the machine first quarter of 2017.
20 What did you do in the course of conducting that
21 autopsy?

22 A. I went through everything from beginning to end
23 that I felt was appropriate and reasonable, starting
24 with the beginning which is always a good point to
25 start. It's much like a recipe if you're making a

1 Sunday dinner -- garbage in, garbage out. If the food
2 isn't fresh -- if the pots are dirty, the food isn't
3 going to taste right no matter what you do to it. In
4 that connection, the very beginning of the mill takes a
5 bail of straw, debales it, and puts it into a loose
6 format prior to the extrusion chamber, and the
7 Horowitz-designed, contrary to the mill that we had that
8 was operable prior to Horowitz, was what you would call
9 an inline design. It was a straight line, so the straw
10 would go in straight. Horowitz had it going in at right
11 angles.

12 Everybody understands that the shortest
13 distance between two points is a straight line. It went
14 in as a right angle. That was one problem. Second
15 problem is that -- and I don't know how much you know
16 about car engines, but there is a relationship between
17 the pistons and the valves that is, in short form,
18 controlled by what's called a timing chain so that the
19 valves are in a place that they're supposed to be
20 exactly when the pistons are in a place that they're
21 supposed to be.

22 That timing chain operates everything so that
23 everything works in concert as it's supposed to. On the
24 mill, just in front of the platen, which is the
25 beginning of the extrusion chamber, there has to be a

1 certain amount of straw in that position just as the ram
2 hits that and compresses it. To give you an example, if
3 a panel is ten feet long, and it weighs 100 pounds.
4 Each foot is supposed to weigh 10 pounds, so if the
5 manufacturing process is manufacturing a foot per ram or
6 foot per extrusion or foot per stroke, it's supposed to
7 weigh 10 pounds. If it weighs 14 pounds, it's not the
8 right spec. If it weighs 8 pounds, it's not the right
9 spec.

10 So that amount of straw has to be exact, and
11 there is no timing chain, so to speak, that monitors a
12 relationship between the straw at the beginning of the
13 platen with the timing of the ram that hits the straw
14 that pushes it through, so what you have is -- under the
15 Horowitz-designed, you had no measurement whatsoever.
16 He had a roll of straw that was being unrolled that had
17 been rolled by a farmer in the field. That roll could
18 have had rocks in it. It could have been very dense in
19 spots. It could have been very loose in another spot,
20 so what you end up with is an inconsistent amount of
21 straw at the point of manufacture. So you end up with,
22 in the board, basically holes or gaps instead of it
23 being solid, and you end up with it being dense.

24 Now, before we go further down that road, let's
25 go back up a little bit. A timing chain or some other

1 simple analysis would have regulated the straw that goes
2 in with the timing of the ram hitting the extrusion
3 chamber. That was absent. You had no way of regulating
4 what was going in. Second thing is that the -- the
5 extrusion chamber, which is the platen, under the
6 Horowitz-designed, was as I best recall not adjustable
7 and it was 8 or 10 feet in length. And a couple of
8 issues that are -- that might make sense in terms of how
9 you explain it, if you have a tube of toothpaste that's
10 8 inches long and you have a nozzle at the end that's a
11 quarter of an inch, when you squeeze the tube, the
12 toothpaste goes through that nob which is an extrusion.

13 That shapes the tube -- excuse me -- that
14 shapes the stream of the product that comes out.
15 Whether that little nob on the end is a quarter of an
16 inch or two feet is not relevant because the shape has
17 already been done by that shape however long it is. The
18 longer it is the more effort it is to squeeze that
19 toothpaste through. The -- that's one example. The
20 second example -- that's one example of why the patents
21 are too long -- 8 or 10 feet, whatever it was. They
22 should have been significantly shorter.

23 Second example of it is that when you -- you
24 have something that is going through an extrusion
25 process with that length, it's almost impossible to push

1 it through because it twists and turns. It's almost
2 like -- I have four sons. I watched --

3 Q. May I just interject, sir?

4 A. Pardon.

5 Q. May I just interject?

6 A. Sure.

7 Q. There is one thing that -- I didn't want to
8 lose the thought. Like, when we're done with this, I'd
9 like for you to continue with your description of the
10 intractable defects that you discovered in the first
11 quarter of 2017, by my question is, you were telling me
12 about the extrusion being too long. How long is the
13 extrusion chamber in the Horowitz designed machine? How
14 long is it?

15 A. I believe it was 8 or 10 feet.

16 Q. Okay. How long was the extrusion chamber in
17 the earlier design -- the prototype --

18 A. It was about the same length.

19 Q. So wouldn't this design defect that you've been
20 explaining for us be a design defect that was inherent
21 in the pre-Horowitz prototype?

22 A. Not completely because our prior system was
23 adjustable. I'm not sure that this one was adjustable.
24 That's one answer. Another answer is that the --
25 Horowitz was paid \$40,000 a month -- \$650,000 to make

1 sure that quality control was what it was supposed to
2 be. To pay \$650,000 and end up with a problem that
3 could have been easily fixed was not what was contracted
4 for and it was not what was within the scope of what he
5 was supposed to.

6 Q. So I interrupted you. You had covered
7 right-line feed -- or right-angle feed versus inline --
8 or straight-line feed. That was one. The second was
9 the extrusion chamber not being adjustable in the
10 Horowitz-designed.

11 A. Yeah. Let's -- let's go back to the right
12 angle for a second. We had a mechanism in our prior
13 machine -- the pre-Horowitz machine, let's call it --
14 that had an ability to monitor the amount of straw that
15 would go into the platen. It wasn't finally in the
16 perfect form it should have been. There should have
17 been a waiting -- there should have been a way to weigh
18 that which could have been done. It was an easy
19 mechanism, but it wasn't done.

20 Horowitz didn't have anything there at all and
21 no way to do it because of the way the right angle
22 worked and the way the roll was unrolled. It just --
23 you simply, understand his system, took a bale, unrolled
24 it, and whatever was in it, became the manufacturing
25 process, good or bad, so that's the second problem.

1 Third problem was the platens. Fourth problem was the
2 heating issue, which was all wrong -- never worked,
3 ridiculous things, like electrical breakdowns. Fifth
4 thing is the glue system was not working at all.

5 Back to the length of the platens, one of
6 the -- there is two points I want to make by example to
7 help give you sort of a visual on it. When you're
8 extruding, the purpose of the extruding technology is to
9 form something so the process is a tight process. By
10 analogy, I started to talk about a couple things. One
11 is if you ever see a tractor-trailer that goes under an
12 underpass and it's too big, it gets stuck. It peels off
13 the top. Rather than let the air out of the tires and
14 pull it out from the back, if you got on the front of
15 truck with a tow truck and tried pulling it through,
16 it's not going to work. It's going to go in different
17 directions and so forth. That was the process with an
18 8- to 10-foot-long platen. You're trying to pull that
19 through. There is no reason to do that. It should have
20 been shorter, and it could have been heated in a much
21 different way.

22 Another way of explaining it is, you know, as I
23 started to say, I have four sons. I watched the last
24 three be born. The birthing process is -- is roughly
25 plus or minus. It's about six inches from the baby's

1 head to the time the baby is born. If that was 8 or
2 10 feet, you'd beat the baby to death. You'd beat the
3 mother to death. It's too much stress on the process.
4 That board of 8 to 10 feet -- you can't do it. It's too
5 much.

6 Q. Any other --

7 A. Those are the key -- those are the key points.

8 Q. Anything else?

9 A. There is probably more in the way of subtle
10 details, but those are the key -- the key issues.

11 Q. And I want to make sure I got them right in my
12 head.

13 A. I'm sorry?

14 Q. I want to make sure I got them right in my
15 head.

16 A. Yeah.

17 Q. Number 1, straight-line feed versus right-angle
18 feed?

19 A. Correct.

20 Q. Number 2, the Horowitz-designed mill did not
21 have a mechanism for measuring the amount of straw that
22 was going into the extrusion chamber?

23 A. Correct.

24 Q. Number 3, that extrusion chamber was not
25 adjustable in the Horowitz designed mill?

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A. Correct.

Q. Number 4, the heating system had issues?

A. Correct.

Q. What were those issues?

A. I don't recall exactly, but there were constant issues of the fuses blowing out, as I can best recall, and the heating coils weren't working right. In your resuscitation of what I said, you missed the issue of the platens being too long.

Q. What's the difference between the platens and the extrusion chamber?

A. They're the same.

Q. They're the same. Okay. And Number 5 was the glue system. The glue system couldn't -- was not working; is that right?

A. Correct.

Q. Mr. Horowitz departed from the company when?

A. December 31 of 2011, I fired him. Let me clarify. I sent him an e-mail that -- recognizing that his contract expired on December 31st. The contract would not be renewed.

Q. And after December 31st, 2011, Mr. Horowitz had no further involvement at all with the design or the fabrication of the mill; is that correct?

A. That might be a partial legal truth. I don't

1 think it's a factual truth. The damage was done by him.
2 The money was committed and spent. There were a lot of
3 people that relied upon that machine working. It's --
4 what I would say is that Horowitz drove the Titanic, and
5 the Titanic sunk at that point, so if Horowitz got off
6 the Titanic before it sunk, which is what he did,
7 doesn't change the fact that his fingerprints were all
8 over that sinking Titanic. In fact, one of -- one of
9 the -- one of the people at Petersen referred to
10 Horowitz as the guy that drove the boss off the cliff.

11 Q. Who was that?

12 A. I don't recall.

13 Q. Once you drive the buss off the cliff, there's
14 no getting the bus back on the cliff; right?

15 A. Correct.

16 Q. And once the Titanic sinks, there's no
17 resurrecting the Titanic; correct?

18 A. There is no resurrection of that particular
19 bus, but there is a way to resurrect the ongoing
20 manufacturing process by going back to what worked and
21 making adjustments in what worked and going forward from
22 that point, but at that point the money had been
23 allocated for engineering and manufacturing which was
24 several million dollars and paid. Petersen had
25 advanced, I think, about a million dollars in additional

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STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I hereby certify that the witness in the foregoing deposition, WILLIAM J. PEIFFER, was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth, in the within-entitled cause; that said deposition was taken at the time and place herein named; that the deposition is a true record of the witness's testimony as reported by me, a duly certified shorthand reporter and a disinterested person, and was thereafter transcribed into typewriting by computer.

I further certify that I am not interested in the outcome of the said action, nor connected with, nor related to any of the parties in said action, nor to their respective counsel.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of August, 2017.

Reading and signing of transcript was waived.



CHRISTINA VALERY, CSR NO. 14140
STATE OF CALIFORNIA

EXHIBIT 12

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

SECURITIES AND EXCHANGE)
COMMISSION,)
Plaintiff,) CASE NO.
v.) 2:16-cv-06427-R-SS
ENVIRO BOARD CORPORATION, GLENN B.)
CAMP, WILLIAM J. PEIFFER, and)
JOSHUA D. MOSSHART,)
Defendants.)

VIDEOTAPED DEPOSITION OF GLENN B. CAMP
THURSDAY, AUGUST 10, 2017

BEHMKE REPORTING AND VIDEO SERVICES, INC.
BY: CHRISTINA VALERY, CSR NO. 14140
160 SPEAR STREET, SUITE 300
SAN FRANCISCO, CALIFORNIA 94105
(415) 597-5600

1 A. No problem.

2 Q. Okay. And by Petersen mill, I mean the

3 Enviro Board mill that Petersen and Mr. Horowitz were

4 working on from 2011 going forward.

5 A. Correct.

6 Q. So understood?

7 A. Yes.

8 Q. Okay. If you wanted to remove the Petersen

9 mill from Petersen's Ogden facility, would you be able

10 to do so, sir?

11 A. We would have to have a financial arrangement

12 with them in order to do so.

13 Q. What kind of financial arrangement would you

14 have to reach in order to get the mill back?

15 A. That's -- that's undetermined.

16 Q. Undetermined. Why do you need to reach a

17 financial arrangement in order to get the mill back?

18 A. Well, they provided -- it went way over on

19 budget and cost, and so they gave us, like, a fairly

20 large credit, and so to release the -- the equipment,

21 there would have to be an amount of money that we would

22 agree to, and then we would take title back to the

23 mill. It's almost like having application mechanic's

24 lien on something.

25 Q. Has Petersen communicated to Enviro Board

1 exactly how much or roughly how much money that would
2 take?

3 A. At one time there was some communication
4 regarding about half a million dollars.

5 Q. Do you recall when that half-million-dollar
6 figure was floated?

7 A. I don't.

8 Q. Would that have been this year?

9 A. No.

10 Q. Last year?

11 A. Possibly.

12 Q. Is the Petersen mill currently operational?

13 A. No.

14 Q. When did you last see the Petersen mill?

15 A. I'm going to guess and say it was probably
16 August of last year.

17 Q. August of 2016?

18 A. Yeah, but I'm not sure about that.

19 Q. So you're not sure on the date, but you do
20 recall being on site at Petersen and seeing the
21 Petersen mill?

22 A. Sometime. I believe it was summer of last
23 year.

24 Q. Tell me about the circumstances of that site
25 visit.

1 A. They were getting ready to put the machine
2 into a container. Part of the machine was put into a
3 container, and the other was put into their warehouse,
4 so they had started to break down the line and prepare
5 it for shipment.

6 Q. Who made the decision to break down the line
7 and prepare it for shipment?

8 A. It was Petersen's decision.

9 Q. Do you know why they made that decision?

10 A. Well, I think they needed space in their
11 facility.

12 Q. And so it sounds like the Petersen mill is
13 currently in storage at Petersen?

14 A. Correct.

15 Q. When did you last see the Petersen mill
16 produce a board?

17 A. Probably summer of 2015.

18 Q. How many boards did you see it produce on that
19 occasion?

20 A. That particular day it might have produced
21 maybe eight boards. They weren't cut. They were --
22 they were on a continuous run, so the saw wasn't
23 working. We just ran board without paper.

24 Q. What was the purpose of your visit on that
25 occasion to the Petersen facility?

1 A. We were testing the new glue system that had
2 been partially installed on the machine.

3 Q. You mentioned earlier that the saw wasn't
4 working and you ran board without paper. Do you recall
5 that?

6 A. Correct. Well, we actually, to be accurate, I
7 believe we -- we had done both. I think we ran with
8 and without paper. Paper, we'd have to have in order
9 to run the glue system.

10 Q. And how was the glue system working at that
11 time?

12 A. Not good.

13 Q. And what were the problems that you
14 encountered during that summer of 2015 visit?

15 A. There was a lot of over-spray. We went to a
16 spray system from a roller system. A lot of -- too
17 much over-spray, too much concentration, so the glue
18 was seeping through the paper, and it wasn't -- the
19 spray was too focused in small general areas.

20 Q. Did you need the glue system to evenly apply
21 glue to the board?

22 A. We needed that.

23 Q. And in summer of 2015, as you've explained for
24 me, that wasn't happening; right?

25 A. Yeah, it was not.

1 Q. You also testified that the saw wasn't
2 working. Do you recall that?

3 A. Yeah. We -- the disconnected of the saw
4 wasn't for the purposes of the saw necessarily wasn't
5 working, but we didn't want to have the saw interfere
6 with the apertus that we were testing, so we isolated
7 the gluing and the paper from a cutoff saw to more or
8 less get a clean understanding of the throughput and
9 what it was going to look like before we had to worry
10 about cutting it. It's part of the testing procedure.

11 Q. On that occasion in summer of 2015, was the
12 straw manually fed or was the feed system automated?

13 A. No. It was manually fed.

14 Q. And was an automated system in place at that
15 time?

16 A. It was.

17 Q. Why wasn't it used for purposes of this test?

18 A. Very, very poor system, very poor design, very
19 poor -- it was a very defective system. It was not
20 working, and it had to be augmented by hand in order to
21 get the focus and the concentration into the chamber.

22 Q. And you're referring to the feed system;
23 right?

24 A. Yes.

25 Q. You mentioned throughput. At that time what

1 was the throughput of the machine?

2 A. It was terrible. It was less than a foot a
3 minute. We couldn't -- we couldn't get it up to the
4 levels that we wanted. It was -- it was an inherit,
5 very poor design. It wasn't anywhere near what the
6 specs were, and so we were barely getting a foot per
7 minute.

8 Q. Was the heating system for the Petersen mill
9 working in summer of 2015?

10 A. Yes. That had been a problem. The -- it's a
11 CNC system by Siemens and part of the platens -- the
12 primary platens that the extruder -- the plunger pushes
13 the straw into a chamber that's about 100 inches long
14 and heats it to about 475 degrees Fahrenheit. Some of
15 those -- some of those regions of the platen weren't
16 consistent. We were having problems getting
17 consistency. They finally fixed that problem by the
18 summer of '15, and so we got even heat.

19 Q. Okay. What about paper tracking? Was paper
20 tracking an issue as of summer of 2015?

21 A. Paper tracking was better, you know, on the
22 machine, but the design for the roller system in
23 accommodating the paper and -- initially was designed
24 to go into secondary platens as a curing station,
25 wasn't working because we were having tearing with the

1 paper, so that's why we went to a spray system. We
2 would eliminate the secondary platens completely and go
3 to a spray system that would cure very quickly within
4 maybe 25, 30 seconds. So that was not working very
5 well.

6 Q. Okay. What are your current plans for the
7 Petersen mill?

8 A. Remove it from Petersen, bring it to
9 Southern California, essentially retrofit the machine
10 and go back to the pre-Petersen design mill that worked
11 and make modifications to that system.

12 Q. What did you mean when you said retrofit?

13 A. We -- we have to go back to the mill that was
14 working before Horowitz came in and changed everything
15 completely.

16 Q. And that pre-Petersen mill no longer exists;
17 is that correct?

18 A. Unfortunately, Horowitz had it destroyed.

19 Q. And when did that occur?

20 A. I can't give you the exact date, but it was
21 the discussion, you know, with Horowitz and myself and
22 Rob Despain of Petersen, saying it was taking up extra
23 space. I actually went to Petersen to try to find it,
24 and it was gone, so -- because we were going to go back
25 and essentially use the extruder section which was --

1 it worked fine and replace what Horowitz had built with
2 the existing extruder section that we had from the
3 pre-Petersen mill, and they had already scrapped it.

4 Q. Since Horowitz departed from the company at
5 the end of 2011, am I correct that the pre-Petersen
6 mill was gone as of the first January in '12?

7 A. No. We had -- we had -- we had moved, not the
8 entire mill, but just the significant part of the mill,
9 the guts of the mill, which is the extruder section.

10 We had moved that to Petersen for them to look at it to
11 get the example of what worked, and Horowitz moved away
12 from that very quickly and went on his own design
13 program, but that mill was there at Petersen for a
14 while. It was stored, but I don't know exactly when
15 they finally removed it from the premises, but it was
16 outside.

17 Q. It would have been after Horowitz left?

18 A. Yes.

19 Q. You explained for us that going forward your
20 plan would be to retrofit the existing mill, go back to
21 the pre-Petersen design, and make necessary
22 modifications. If you had to ballpark it, how much do
23 you think all of that work, design, engineering would
24 cost?

25 A. I think we'd probably end up spending a

1 million dollars.

2 Q. And is that in addition to the amount of money
3 it would take to settle the account with Petersen and
4 get custody of the Petersen mill?

5 A. No. That would be separate.

6 Q. So it would be a million and then 500,000?

7 A. Well, that was the number that was put on the
8 table. Not sure that that would be the number they
9 would accept.

10 Q. Subject to negotiations?

11 A. Yes.

12 Q. But whatever it is that you need to pay
13 Petersen, that's on top of the million dollars; right?

14 A. That's correct.

15 Q. Got it.

16 A. That's correct.

17 Q. Mr. Camp, as of today, is it accurate to say
18 that Enviro Board has a production line in Utah?

19 A. I wouldn't characterize it completely like
20 that right now. It was there, and it's -- we can show
21 it to people. We can physically have people come up
22 and see the sections of the machine, but that's all
23 they can see. It's not -- it's not -- it's not
24 producing right now.

25 Q. And given that, is it a production line right

1 now?

2 A. I wouldn't say it's a production line right
3 now.

4 Q. And as of today, Enviro Board is not operating
5 a production line in Utah, is it?

6 A. That's correct.

7 Q. And as of today, Enviro Board has not
8 installed a production line in Utah, has it?

9 A. No.

10 Q. As of today, Mr. Camp, Enviro Board has not
11 established a production line in Utah; is that correct?

12 A. Well, it's how you characterize what we had
13 originally running in Utah for a period of time. It
14 was a production line. It had limited production until
15 we stopped producing and shut it down.

16 Q. How limited was that production?

17 A. Well, like I said, we were looking at one foot
18 per minute of panel production, which was not the
19 specifications when we went into the agreement with
20 Horowitz and with Petersen.

21 Q. And that was the case from 2012 up until the
22 summer of 2015?

23 A. I would say so, yes.

24 Q. From 2012 to the summer of 2015, was the
25 Petersen mill ever able to operate at a 90 percent

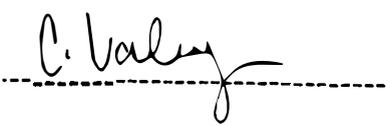
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STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I hereby certify that the witness in the foregoing deposition, GLENN B. CAMP, was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth, in the within-entitled cause; that said deposition was taken at the time and place herein named; that the deposition is a true record of the witness's testimony as reported by me, a duly certified shorthand reporter and a disinterested person, and was thereafter transcribed into typewriting by computer.

I further certify that I am not interested in the outcome of the said action, nor connected with, nor related to any of the parties in said action, nor to their respective counsel.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of August, 2017.
Reading and signing of transcript was waived.



CHRISTINA VALERY, CSR NO. 14140
STATE OF CALIFORNIA

EXHIBIT 13

1 GARY Y. LEUNG (Cal. Bar No. 302928)
Email: leungg@sec.gov
2 WILLIAM S. FISKE (Cal. Bar No. 123071)
Email: fiskew@sec.gov

3 Attorneys for Plaintiff
4 Securities and Exchange Commission
Michele Wein Layne, Regional Director
5 Alka N. Patel, Associate Regional Director
John W. Berry, Associate Regional Director
6 444 S. Flower Street, Suite 900
Los Angeles, California 90071
7 Telephone: (323) 965-3998
Facsimile: (213) 443-1904

8
9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **Western Division**

12
13 **SECURITIES AND EXCHANGE
COMMISSION,**

14 **Plaintiff,**

15 **vs.**

16
17 **ENVIRO BOARD CORPORATION,
GLENN B. CAMP, WILLIAM J.
18 PEIFFER, and JOSHUA D.
MOSSHART,**

19 **Defendants.**
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Case No. 2:16-cv-06427-R-SS

**DECLARATION OF WILLIAM S.
FISKE IN SUPPORT OF PLAINTIFF
SECURITIES AND EXCHANGE
COMMISSION'S MOTION FOR
DEFAULT JUDGMENT AGAINST
DEFENDANT JOSHUA D.
MOSSHART**

Date: February 6, 2017
Time: 10:00 a.m.
Ctrm: Courtroom 8
Judge: Hon. Manuel L. Real

DECLARATION OF WILLIAM S. FISKE

I, William S. Fiske, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am an attorney admitted to practice law by the State Bar of California and by this Court. I am employed by the United States Securities and Exchange Commission (“SEC”) Los Angeles Regional Office as Senior Counsel in the Division of Enforcement. I have personal knowledge of the matters set forth herein, except as otherwise noted, and, if called as a witness, I could and would competently testify under oath to the facts stated herein.

2. LR 55-1(a) (when and against what party the default was entered).

At the request of Plaintiff SEC, the Clerk entered a default against Defendant Joshua D. Mosshart (“Mosshart”) on October 7, 2016. (Dkt. No. 15).

3. LR 55-1(b) (identification of the pleading to which default was entered).

The default was entered against Mosshart as to the SEC’s complaint (Dkt. No. 1).

4. LR 55-1(c) (whether the defendant is an infant or incompetent person).

I have conducted a public records search which indicates that Mosshart is 44 years old. In addition, I have reviewed publicly available information regarding Mosshart’s FINRA registration and employment history, which documents that he received four securities licenses after passing the following examinations: (a) Series 24 General Securities Principal Examination; (b) Series 7 General Securities Registered Representative Examination; (c) Series 63 Uniform Securities Agent State Law Examination; and (d) Series 66 Uniform Combined State Law Examination. Mosshart also was affiliated with six broker-dealers between May 1999 and December 2012. Based on the foregoing information, it is evident that Mosshart is not an infant or incompetent person.

5. LR 55-1(d) (application of the Service members Civil Relief Act).

On February 3, 2016, Mosshart provided sworn investigative testimony to the SEC in connection with its investigation *In the Matter of Enviro Board Corporation* (“Mosshart’s SEC Investigative Testimony”). A true and correct copy of page 13 of the transcript, attached hereto as Exhibit 1, establishes that Mosshart has never

1 served in the armed forces. Accordingly, the Soldiers' and Sailors' Civil Relief Act
2 of 1940 does not apply.

3 **6. LR 55-1(e) (application of notice requirements of Fed. R. Civ. P.**
4 **55(b)(2)).** Fed. R. Civ. P. 55(b)(2) requires notice be provided to parties against
5 whom default judgment is sought if such parties have appeared personally or through
6 a representative. Mosshart has not appeared in this action. Thus, it is the SEC's view
7 that the notice requirement does not apply. Nevertheless, the Commission is serving
8 its motion papers on him by U.S. mail, as set forth in the Proofs of Service
9 accompanying the SEC's motion papers.

10 **7.** I submitted a request to the SEC's Office of Records Management
11 Services ("ORMS") for a certificate documenting that Enviro Board Corporation
12 ("Enviro Board") has not registered with the Commission any transactions or
13 securities at any time since the company's March 27, 1997 inception. In response to
14 my request, ORMS provided an attestation that a search of the Commissions files and
15 records does not disclose the receipt of any such registration statements by Enviro
16 Board. A true and correct copy of the attestation is attached hereto as Exhibit 2.

17 **8.** On October 11, 2016, Gary Leung copied me on an e-mail he sent to
18 Mosshart, in which he attached a copy of the SEC's complaint and summons. A true
19 and correct copy of the e-mail is attached hereto as Exhibit 3.

20 **9.** I obtained information regarding Mosshart's termination from LPL
21 Financial LLC using the CRD database maintained by FINRA (formerly the NASD),
22 which indicates that Mosshart was permitted to resign on November 13, 2012. A true
23 and correct copy of the information I printed from the CRD database is attached
24 hereto as Exhibit 4.

25 **10.** As part of the SEC's investigation involving this matter, I subpoenaed
26 Enviro Board's bank records from TD Bank, N.A. The documents produced in
27 response to the subpoena include wire transfers by Enviro Board to Mosshart and
28 Malia Ventures LLC ("Malia Ventures").

1 11. Mosshart's SEC Investigative Testimony indicates that Mosshart was the
2 manager and sole member of Malia Ventures before he converted it into a corporation
3 in which Mosshart was the sole shareholder. A true and correct copy of page 186 of
4 the transcript, attached hereto as Exhibit 5.

5 12. Based on my review of Enviro Board's bank records that were produced
6 by TD Bank, N.A., I determined that Mosshart and his company, Malia Ventures,
7 received \$553,355 from Enviro Board between May 11, 2011 and May 9, 2013. True
8 and correct redacted copies of the TD Bank wire transfer detail is attached hereto as
9 Exhibit 6, along with a spreadsheet that tallies each of the payments that is marked as
10 Exhibit 7.

11
12 I declare under penalty of perjury under the laws of the United States of
13 America that the foregoing is true and correct.

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15 Executed this 19th day of December, 2016, in Los Angeles, California.

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17 /s/ William S. Fiske
18 WILLIAM S. FISKE

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PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION,
444 S. Flower Street, Suite 900, Los Angeles, California 90071
Telephone No. (323) 965-3998; Facsimile No. (213) 443-1904.

On December 19, 2016, I caused to be served the document entitled **DECLARATION OF WILLIAM S. FISKE IN SUPPORT OF PLAINTIFF SECURITIES AND EXCHANGE COMMISSION’S MOTION FOR DEFAULT JUDGMENT AGAINST DEFENDANT JOSHUA D. MOSSHART** on all the parties to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency’s practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

UNITED PARCEL SERVICE: By placing in sealed envelope(s) designated by United Parcel Service (“UPS”) with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: December 19, 2016

/s/ William S. Fiske

William S. Fiske

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SEC v. Enviro Board Corporation et al
United States District Court—Central District of California
Case No. 2:16-cv-06427-R-SS

SERVICE LIST

Michael P. McCloskey, Esq. (served by CM/ECF)
David J. Aveni, Esq. (served by CM/ECF)
Marty B. Ready, Esq. (served by CM/ECF)
Wilson, Elser, Moskowitz, Edelman & Dicker LLP
655 W Broadway, Suite 900
San Diego, CA 92101-8484
Email: michael.mccloskey@wilsonelser.com
Email: david.aveni@wilsonelser.com
Email: marty.ready@wilsonelser.com

*Attorney for Defendants Enviro Board Corporation, Glenn B. Camp
and William J. Peiffer*

Joshua D. Mosshart (served by electronic and U.S. mail)
[Redacted]
Malibu, CA [Redacted]
Email: [Redacted]
Pro Se

EXHIBIT 1

Enviro Board Corporation

MOSSHART_JOSHUA_20160203

2/3/2016

Full-size Transcript

Prepared by:

**Tini Duong
LA-04379**

Monday, April 04, 2016

1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2

3 In the Matter of:)

4) File No. LA-04379-A

5 ENVIRO BOARD CORPORATION)

6

7 WITNESS: Joshua Daniel Mosshart

8 PAGES: 1 through 211

9 PLACE: Securities and Exchange Commission

10 444 South Flower Street, Ninth Floor

11 Los Angeles, California 90071

12 DATE: Wednesday, February 3, 2016

13

14 This above-entitled matter came on for hearing,

15 pursuant to subpoena, at 10:47 a.m.

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24 Diversified Reporting Services, Inc.

25

(202) 467-9200

1 APPEARANCES:

2

3 On behalf of the Securities and Exchange Commission:

4 PETER F. DEL GRECO, ESQ.

5 MARC BLAU, ESQ.

6 Securities and Exchange Commission

7 Los Angeles Regional Office

8 444 South Flower Street

9 Ninth Floor, Room 911

10 Los Angeles, California 90071

11 (323) 965-3892

12 delgreco@sec.gov

13 blaum@sec.gov

14

15 On behalf of the Witness:

16 JOSHUA MOSSHART, PRO SE

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P R O C E E D I N G S

MR. DEL GRECO: We are on the record at
10:47 a.m. on Wednesday, February 3, 2016.

Now, Mr. Mosshart, do you promise to tell
the truth, the whole truth, and nothing but the truth?

MR. MOSSHART: Yes.

Whereupon,

JOSHUA DANIEL MOSSHART

was called as a witness and, having been first duly
sworn, was examined and testified as follows:

EXAMINATION

BY MR. DEL GRECO:

Q Now, please state and spell your full name
for the record.

A Joshua Daniel Mosshart. J-o-s-h-u-a,
D-a-n-i-e-l, M-o-s-s-h-a-r-t.

Q Okay. My name is Peter Del Greco, and this
is my supervisor, Marc Blau. And we are members of
the staff of the Enforcement Division of the Los
Angeles regional office of the United States
Securities and Exchange Commission. We are officers
of the Commission for the purposes of today's
proceedings.

This is an investigation by the SEC to
determine whether there have been violations of

1 A Joshua D. Mosshart and Joshua Mosshart.

2 Q Are you a U.S. citizen?

3 A Yes.

4 Q And have you always been one?

5 A Yes.

6 Q Okay. What's your current home address?

7 A REDACTED Malibu,

8 California REDACTED .

9 Q Are there other occupants of those premises
10 in addition to yourself?

11 A Yes.

12 Q Who else lives there?

13 A Arlene Mosshart, spouse; Phoenix Mosshart,
14 son; Malia Mosshart, daughter.

15 Q What are the age of your children?

16 A [REDACTED] [REDACTED].

17 Q Have you ever served in the armed forces of
18 the U.S. or any other nation?

19 A No.

20 Q Please describe for me -- [REDACTED]

21 [REDACTED]

22 A [REDACTED]

23 Q Where and when?

24 A Desert Winds High School. Lancaster,
25 California 1990.

PROOFREADER'S CERTIFICATE

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In the Matter of: ENVIRO BOARD CORPORATION
Witness: Joshua Daniel Mosshart
File Number: LA-04379-A
Date: Wednesday, February 3, 2016
Location: Los Angeles, California 90071

This is to certify that I, Donna S. Raya,
(the undersigned), do hereby swear and affirm that the
attached proceedings before the U.S. Securities and
Exchange Commission were held according to the record
and that this is the original, complete, true and
accurate transcript that has been compared to the
reporting or recording accomplished at the hearing.

Donna S. Raya
(Proofreader's Name)

2/17/16
(Date)

REPORTER'S CERTIFICATE

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I, Eileen A. Lucio, reporter, hereby certify that the foregoing transcript of 209 pages is a complete, true and accurate transcript of the testimony indicated, held on 2/3/16, at LA, CA in the matter of: Enrico Board Corp.

I further certify that this proceeding was recorded by me, and that the foregoing transcript has been prepared under my direction.

Date: 2/17/16

Official Reporter: Eileen A. Lucio

Diversified Reporting Services, Inc.

EXHIBIT 2



UNITED STATES OF AMERICA
SECURITIES AND EXCHANGE COMMISSION

ATTESTATION

I HEREBY ATTEST

that:

A diligent search has this day been made of the records and files of this Commission and the records and files do not disclose that any registration statements have been received in this Commission, under the name of Enviro Board Corporation, pursuant to the provisions of any of the Acts administered by the Commission.

on file in this Commission

12/07/2016

Date

**Cassatt,
Loretta**

Digitally signed by Cassatt, Loretta
DN: dc=GOV, dc=SEC, dc=AD,
ou=Common, ou=Metro DC, ou=OSO,
ou=Employee, cn=Cassatt, Loretta,
email=cassattl@SEC.GOV
Date: 2016.12.07 09:19:11 -05'00'

Loretta Cassatt, Branch Chief

It is hereby certified that the Secretary of the U.S. Securities and Exchange Commission, Washington, DC, which Commission was created by the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is official custodian of the records and files of said Commission and was such official custodian at the time of executing the above attestation, and that he/she, and persons holding the positions of Deputy Secretary, Assistant Director, Records Officer, Branch Chief of Records Management, Records and Information Management Specialist, and the Program Analyst for the Records Officer, or anyone of them, are authorized to execute the above attestation.

For the Commission

Brent J. Fife
Secretary

EXHIBIT 3

Fiske, William S.

From: Leung, Gary
Sent: Tuesday, October 11, 2016 10:08 AM
To: Joshua Mosshart
Cc: Fiske, William S.
Subject: RE: Answer 2:16-cv-06427-r-ss
Attachments: MOSSHART_JOSHUA_2016_02_03-Mini.pdf; Doc 1 Complaint (Aug 26 2016).pdf; Doc 7 Issued Summons (Aug 30 2016).pdf

Mr. Mosshart,

Because discovery has not commenced in this case, we're under no present obligation to provide it, but as a courtesy, I've enclosed an electronic copy of your sworn testimony before the SEC.

As for your other questions, we've filed a federal lawsuit against you and others for violations of the federal securities laws. A copy of our complaint and the summons served on you is attached for your easy reference. Because you did not answer the complaint within the timeframe set forth in the court clerk's summons, we have requested that the clerk enter a default against you. I can't give you legal advice on this, and you may wish to engage counsel. Please call with any other questions.

Best regards,

Gary Y. Leung
Senior Trial Counsel
Securities and Exchange Commission
Los Angeles Regional Office
444 S. Flower Street, Ste. 900
Los Angeles, CA 90071
323.965.3213
leungg@sec.gov

From: Joshua Mosshart [mailto:[REDACTED](#)]
Sent: Saturday, October 08, 2016 10:39 AM
To: Leung, Gary
Subject: Re: Answer 2:16-cv-06427-r-ss

Please send me a copy of my deposition with the SEC.

Thx

On Oct 8, 2016, at 12:08 AM, Joshua Mosshart <[REDACTED](#)> wrote:

I don't have any representation and didn't know I have to reply. Not sure what your asking about an answer to the complaint.

On Oct 8, 2016, at 12:02 AM, Joshua Mosshart REDACTED
wrote:

My wife received a complaint letter but it didn't include any action I can see..
Was that a service letter?
The SEC already met with me and I gave a deposition not sure what this is??

On Oct 7, 2016, at 7:01 PM, Joshua Mosshart
REDACTED wrote:

More than happy to work with you in regards to Enviro Board.
Just let me know what you need to help.

On Oct 7, 2016, at 6:44 PM, Joshua Mosshart
REDACTED wrote:

Gary,

I am not sure what the letter you sent means.
What am I supposed to answer to?
Was there a date for a court date or something?
What is defaulted can you clarify?

Best

Joshua Mosshart MSFS, CHFC, CLU
Cell: REDACTED

REDACTED

Skype: Joshua.Mosshart
Conference Line: (712)432-1500
311953#

<Joshua Mosshart Pic.jpg>

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or otherwise using this information if you are not the intended recipient. If you have received this e-mail in error, please notify us immediately by return e-mail and delete this email and all attachments from your system.
Thank you.

Joshua Mosshart MSFS, CHFC, CLU
Cell: REDACTED

REDACTED

Skype: Joshua.Mosshart
Conference Line: (712)432-1500
311953#

<Joshua Mosshart Pic.jpg>

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Joshua Mosshart MSFS, CHFC, CLU
Cell: REDACTED

REDACTED

Skype: Joshua.Mosshart
Conference Line: (712)432-1500
311953#

<Joshua Mosshart Pic.jpg>

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311953#

<Joshua Mosshart Pic.jpg>

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Thank you.

Joshua Mosshart MSFS, CHFC, CLU
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311953#



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EXHIBIT 4

Disclosure Occurrence Composite

Individual CRD#: **3174050**

Individual Name: **MOSSHART, JOSHUA D**

Occurrence:	1638731				
Disclosure:	Termination				
Publicly Disclosable:	Yes				
Reportable:	Reportable		Reason		
	Yes				
Material Difference in Disclosure:	No				
Latest Filings:	Filing	Event Date	First Reported	Questions Answered	Last Review
	<u>U5-FULL</u> Termination 12/12/2012 LPL FINANCIAL LLC (6413)	11/13/2012	12/12/2012	7F(1)	
Last Review:	12/13/2012				
Comments:					

TERMINATION DRP

U5 - FULL
12/12/2012
LPL FINANCIAL LLC (6413)

Rev. Form U5 (05/2009)

This Disclosure Reporting Page is an **INITIAL** or **AMENDED** response to report details for affirmative response(s) to **Question(s) 7F** on Form U5;
Check the question(s) you are responding to, regardless of whether you are answering the question(s) "yes" or amending the answer(s) to "no":

Termination Rev. DRP (05/2009)

7F(1)
 7F(2)
 7F(3)

[Click here to view question text](#)

One event may result in more than one affirmative answer to the above items. Use only one DRP to report details related to the same termination.

1. Firm Name:
LPL FINANCIAL LLC
2. Termination Type:
Permitted to Resign
3. Termination Date:
11/13/2012 Exact Explanation
If not exact, provide explanation:
4. Allegation(s):
(1) FAILED TO FULLY DISCLOSE EXTENT OF PARTICIPATION IN AN OUTSIDE BUSINESS ACTIVITY; (2) APPEARS TO HAVE DIRECTED ONE OR MORE CLIENTS TO AN INVESTMENT NOT APPROVED BY THE FIRM, WHICH WOULD VIOLATE FIRM POLICY REGARDING SELLING AWAY/PRIVATE SECURITIES TRANSACTIONS.
5. Product Type(s): (select all that apply)

- | | | |
|--|---|--|
| <input type="checkbox"/> No Product | <input type="checkbox"/> Derivative | <input type="checkbox"/> Mutual Fund |
| <input type="checkbox"/> Annuity-Charitable | <input type="checkbox"/> Direct Investment-DPP & LP Interests | <input type="checkbox"/> Oil & Gas |
| <input type="checkbox"/> Annuity-Fixed | <input type="checkbox"/> Equipment Leasing | <input type="checkbox"/> Options |
| <input type="checkbox"/> Annuity-Variable | <input type="checkbox"/> Equity Listed (Common & Preferred Stock) | <input type="checkbox"/> Penny Stock |
| <input type="checkbox"/> Banking Products (other than CDs) | <input type="checkbox"/> Equity-OTC | <input type="checkbox"/> Prime Bank Instrument |
| <input type="checkbox"/> CD | <input type="checkbox"/> Futures Commodity | <input type="checkbox"/> Promissory Note |
| <input type="checkbox"/> Commodity Option | <input type="checkbox"/> Futures-Financial | <input type="checkbox"/> Real Estate Security |
| <input type="checkbox"/> Debt-Asset Backed | <input type="checkbox"/> Index Option | <input type="checkbox"/> Security Futures |
| <input type="checkbox"/> Debt-Corporate | <input type="checkbox"/> Insurance | <input type="checkbox"/> Unit Investment Trust |
| <input type="checkbox"/> Debt-Government | <input type="checkbox"/> Investment Contract | <input type="checkbox"/> Viatical Settlement |
| <input type="checkbox"/> Debt-Municipal | <input type="checkbox"/> Money Market Fund | <input checked="" type="checkbox"/> Other: UNREGISTERED SECURITIES |

6. Comment (Optional). You may use this field to provide a brief summary of the circumstances leading to the termination. Your information must fit within the space provided.

EXHIBIT 5

Enviro Board Corporation

MOSSHART_JOSHUA_20160203

2/3/2016

Full-size Transcript

Prepared by:

Tini Duong
LA-04379

Monday, April 04, 2016

1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION

2

3 In the Matter of:)

4) File No. LA-04379-A

5 ENVIRO BOARD CORPORATION)

6

7 WITNESS: Joshua Daniel Mosshart

8 PAGES: 1 through 211

9 PLACE: Securities and Exchange Commission

10 444 South Flower Street, Ninth Floor

11 Los Angeles, California 90071

12 DATE: Wednesday, February 3, 2016

13

14 This above-entitled matter came on for hearing,

15 pursuant to subpoena, at 10:47 a.m.

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24 Diversified Reporting Services, Inc.

25 (202) 467-9200

1 APPEARANCES:

2

3 On behalf of the Securities and Exchange Commission:

4 PETER F. DEL GRECO, ESQ.

5 MARC BLAU, ESQ.

6 Securities and Exchange Commission

7 Los Angeles Regional Office

8 444 South Flower Street

9 Ninth Floor, Room 911

10 Los Angeles, California 90071

11 (323) 965-3892

12 delgreco@sec.gov

13 blaum@sec.gov

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15 On behalf of the Witness:

16 JOSHUA MOSSHART, PRO SE

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P R O C E E D I N G S

MR. DEL GRECO: We are on the record at
10:47 a.m. on Wednesday, February 3, 2016.

Now, Mr. Mosshart, do you promise to tell
the truth, the whole truth, and nothing but the truth?

MR. MOSSHART: Yes.

Whereupon,

JOSHUA DANIEL MOSSHART

was called as a witness and, having been first duly
sworn, was examined and testified as follows:

EXAMINATION

BY MR. DEL GRECO:

Q Now, please state and spell your full name
for the record.

A Joshua Daniel Mosshart. J-o-s-h-u-a,
D-a-n-i-e-l, M-o-s-s-h-a-r-t.

Q Okay. My name is Peter Del Greco, and this
is my supervisor, Marc Blau. And we are members of
the staff of the Enforcement Division of the Los
Angeles regional office of the United States
Securities and Exchange Commission. We are officers
of the Commission for the purposes of today's
proceedings.

This is an investigation by the SEC to
determine whether there have been violations of

1 note purchasers that -- did they ever disclose to any
2 investors that note obligations would be paid with
3 investor principal?

4 A No. It would be by business energy tax
5 credits. The cash from that specifically would
6 guarantee their principal and interest.

7 Q I'll show you what's previously been marked
8 as Exhibit 208. 208 is a series of wire-transaction
9 documents, a number of which were wires to you and/or
10 to Malia Ventures LLC.

11 (SEC Exhibit No. 208 was referred
12 to.)

13 BY MR. DEL GRECO:

14 Q What is Malia Ventures LLC?

15 A It's my C corp or S corp.

16 Q And are you the manager and sole member?

17 A Yes.

18 Q And what about Malia Ventures, Inc.?

19 A Malia was converted into a corporation. It
20 was an LLC, and I converted it.

21 Q Okay. And are you the sole shareholder of
22 Malia Ventures, Inc.?

23 A Yes, that's correct.

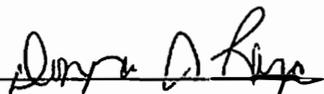
24 Q On page -- you'll see on the bottom of the
25 right-hand corner of each page there's a Bates stamp

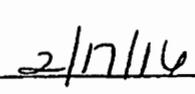
PROOFREADER'S CERTIFICATE

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In the Matter of: ENVIRO BOARD CORPORATION
Witness: Joshua Daniel Mosshart
File Number: LA-04379-A
Date: Wednesday, February 3, 2016
Location: Los Angeles, California 90071

This is to certify that I, Donna S. Raya,
(the undersigned), do hereby swear and affirm that the
attached proceedings before the U.S. Securities and
Exchange Commission were held according to the record
and that this is the original, complete, true and
accurate transcript that has been compared to the
reporting or recording accomplished at the hearing.


(Proofreader's Name)


(Date)

REPORTER'S CERTIFICATE

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I, Eileen A. Lucio, reporter, hereby certify that the foregoing transcript of 209 pages is a complete, true and accurate transcript of the testimony indicated, held on 2/3/16, at LA, CA in the matter of: Eniro Board Corp.

I further certify that this proceeding was recorded by me, and that the foregoing transcript has been prepared under my direction.

Date: 2/17/16
Official Reporter: Eileen A. Lucio

Diversified Reporting Services, Inc.

EXHIBIT 6

REDACTED

MIF_AMOUNT 3,000.00
 Account No [REDACTED] 1045
 Amount 3,000.00
 BBI
 Bene Bank
 Beneficiary Joshua Mosshart
 BNF ADDR1 REDACTED
 BNF ADDR2
 BNF ADDR3 MalibuCA
 BNF ID REDACTED 2178
 Branch ID 9959
 Country Code LIS
 Currency USD
 Wire Date 5/11/2011 12:00:00AM
 Direction 0
 FAX
 Fee 25.00
 Intermd Bank
 IMAD 20110511C1B76E1C000451
 MID 110511005813X100
 Paymt Method FED
 Msg Status COMPLETE
 Msg Type 10
 Msg Subtype 00
 CBI
 Office 004
 OMAD 20110511B1QGC01R01313805110958FT03
 Originator ENVIRO BOARD CORPORATION
 ORG ADDR1 1 MARKET ST SUITE 402
 ORG ADDR2 CAMDEN, NJ 08102
 ORG ADDR3
 ORG ID 7856581045



SEC-TDBank-E-0002385

ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110511095813X100
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 09:58:13
UserID
Value Date 5/11/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 2,700.00
Account No [REDACTED]1045
Amount 2,700.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 5/19/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110519C1B76E1C000601
MID 110519101230X101
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110519B1QGC01R01336005191012FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402

SEC-TDBank-E-0002391

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ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID ██████████1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110519101230X101
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 10:12:30
UserID
Value Date 5/19/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 5,000.00
Account No [REDACTED] 1045
Amount 5,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MALIBUCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 5/20/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110520C1B76E1C002172
MID 110520140331XJ03
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110520B1QGC01R03599305201403FT03

Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID ██████████1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110520140331XJ03
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 14:03:31
UserID
Value Date 5/20/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 3,000.00
Account No [REDACTED] 1045
Amount 3,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2

BNF ADDR3 MalibuCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 6/3/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110603C1B76E1C002154
MID 110603143140XJ10
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110603B1QGC01R03902306031431FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID ██████████1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110603143140XJ10
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 14:31:40
UserID
Value Date 6/3/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 23,000.00
Account No [REDACTED] 1045
Amount 23,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 6/8/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110608C1R76E1C001499
MID 110608130147X101
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110608R1QGC01R02738606081301FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID [REDACTED] 1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN

REF IMAD
Reference 110608130147X101
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 13:01:47
UserID
Value Date 6/8/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 200,000.00
Account No [REDACTED] 1045
Amount 200,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MALIBUCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 6/14/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110614C1B76E1C001425
MID 110614124025XJ01
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110614B1QGC01 R02574206141240FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102.
ORG ADDR3
ORG ID [REDACTED] 1045

SEC-TDBank-E-0002410

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ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110614124025XJ01
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 12:40:25
UserID
Value Date 6/14/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 17,000.00
Account No [REDACTED] 1045
Amount 17,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MALIBUCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD

Wire Date 6/27/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110627C1B76E1C001581
MID 110627122433XI05
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110627B1QGCO1R02945906271224FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID ██████████1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110627122433XI05
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 12:24:33
UserID
Valuc Date 6/27/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 6,000.00
Account No [REDACTED] 1045
Amount 6,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MALIBUCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 8/8/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20110808C1B76E1C002828
MID 110808153704XI04
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20110808B1QGC01R04257908081537FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID [REDACTED] 1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 110808153704XI04
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 15:37:04
UserID
8/8/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 20,000.00
Account No [REDACTED] 1045
Amount 20,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 Malibu,CA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 10/17/2011 12:00:00AM
Direction O
FAX
Fcc 25.00
Intermd Bank
IMAD 20111017C1B76E1C002302
MID 111017142917XJ03
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20111017B1QGC01R04223310171429FT03
Originator ENVIRC BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102
ORG ADDR3
ORG ID [REDACTED] 1045
ORG ID Code AC

Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 111017142917X103
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 14:29:17
UserID
Value Date 10/17/2011 12:00:00AM

REDACTED

MIF_AMOUNT 4,000.00

Account No [REDACTED] 1045
Amount 4,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 Malibu CA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 10/27/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20111027C1B76E1C000325
MID 111027095704XJ01
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20111027B1QGC01R01416710270957FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102
ORG ADDR3
ORG ID [REDACTED] 1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 111027095704XJ01
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 09:57:04
UserID
Value Date 10/27/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 27,669.00
Account No [REDACTED] 1045
Amount 27,669.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 12/8/2011 12:00:00AM
Direction O
FAX

SEC-TDBank-E-0002443

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Fee 25.00
Intermd Bank
IMAD 20111208C1B76E1C000586
MID 111208105827XJ10
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20111208B1QGC01R01758612081058FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID ██████████1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 111208105827XJ10
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 10:58:27
UserID
Value Date 12/8/2011 12:00:00AM

REDACTED

MIF_AMOUNT 62,000.00
Account No [REDACTED] 1045
Amount 62,000.00
BBI
Bene Bank
Beneficiary Joshua Mosshart
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID REDACTED 2178
Branch ID 9999
Country Code US
Currency USD
Wire Date 12/19/2011 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20111209C1B76E1C002955
MID 111219154300X103
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20111209B1QGC01R04938112191543FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102.
ORG ADDR3
ORG ID [REDACTED] 1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 111219154300X103
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 15:43:00
UserID
12/19/2011 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 50,000.00
Account No [REDACTED]1045
Amount 50,000.00
BBI
Bene Bank
Beneficiary Malia Ventures Llc
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID [REDACTED]1923

Branch ID 9999
Country Code US
Currency USD
Wire Date 1/12/2012 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20120112C1B76E1C002179
MID 120112140451XJ05
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20120112B1QGC01R03896901121404FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID [REDACTED]1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 120112140451XJ05
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 14:04:51
UserID
Value Date 1/12/2012 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 5,300.00
Account No [REDACTED] 1045
Amount 5,300.00
BBI
Bene Bank
Beneficiary Malia Ventures Lic
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID [REDACTED] 1923
Branch ID 9999
Country Code US
Currency USD
Wire Date 2/15/2012 12:00:00AM
Direction ●
FAX
Fee 25.00
Intermd Bank
IMAD 20120215C1B76E1C000498
MID 120215100716X100
Paymt Method FED

Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20120215B1QGC01R01750402151007FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID ██████████1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 120215100716XI00
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 10:07:16
UserID
Value Date 2/15/2012 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 6,187.00
Account No [REDACTED]1045

SEC-TDBank-E-0002467

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Amount 6,187.00
BBI
Bene Bank
Beneficiary Malia Ventures Lic
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MALIBUCA
BNF ID [REDACTED]1923
Branch ID 9999
Country Code US
Currency USD
Wire Date 3/8/2012 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20120308C1B76E1C002791
MID 120308161312XI01D
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20120308B1QGC01R046522C3081613FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102
ORG ADDR3
ORG ID [REDACTED]1045
ORG ID Code AC
Recv ABA [REDACTED]
Recv Name JPMCRGAN CHASE BAN
REF IMAD
Reference 120308161312XI01
Sender ABA 011103093
Sender Name TD BANK
Paymt Source MAX
Time 16:13:12
UserID
Value Date 3/8/2012 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 14,000.00
Account No [REDACTED] 1045
Amount 14,000.00
BBI
Bene Bank
Beneficiary Malia Ventures Lic
BNF ADDR1 REDACTED
BNF ADDR2
BNF ADDR3 MalibuCA
BNF ID [REDACTED] 1923
Branch ID 9999
Country Code US
Currency USD
Wire Date 4/5/2012 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20120405C1B76E1C002391
MID 120405142012X101
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI
Office 004
OMAD 20120405B1QGC01R03796604051420FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 1 MARKET ST SUITE 402
ORG ADDR2 CAMDEN, NJ 08102-
ORG ADDR3
ORG ID [REDACTED] 1045
ORG ID Code AC
Recv ABA [REDACTED]
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 120405102012X101
Sender ABA
Sender Name TD BANK
Paymt Source MAX
Time 14 20 12
UserID
4/5/2012 12:00:00AM

MIF_AMOUNT 3,333.33

ORG ID Code AC
Recv ABA [REDACTED]
Recv Name TD BANK, NA
REF IMAD
Reference 2012043000153219
Sender ABA 121000248
Sender Name WELLS FARGO SF
Paymt Source
Time 16:13:38
UserID [REDACTED]
Value Date 4/30/2012 12:00:00AM

MIF_AMOUNT 4,000.00
Account No [REDACTED] 1045
Amount 4,000.00
BBI
Bene Bank
Beneficiary Malia Ventures LLC
BNF ADDR1 REDACTED
BNF ADDR2 Malibu
BNF ADDR3 CA 90226
BNF ID [REDACTED] 1923
Branch ID 9999
Country Code US
Currency USD
Wire Date 5/1/2012 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20120501C1B76E1C003486
MID 120501130038H600
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI None
Office 004
OMAD 20120501B1QGC01R05668405011538FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 [REDACTED]
ORG ADDR2 CAMDEN
ORG ADDR3 NJ [REDACTED]
ORG ID [REDACTED] 1045
ORG ID Code AC
Recv ABA 322271627
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 120501130038H600
Sender ABA 011103093
Sender Name TD BANK
Paymt Source SBA
Time 15:38:46
UserID [REDACTED]
5/1/2012 12:00:00AM

MIF_AMOUNT 2,000.00
Account No [REDACTED]1045
Amount 2,000.00
BBI
Bene Bank
Beneficiary Malia Ventures LLC
BNF ADDR1 REDACTED
BNF ADDR2 Malibu
BNF ADDR3 CA 90226
BNF ID [REDACTED]1923
Branch ID 9999
Country Code US
Currency USD
Wire Date 5/1/2012 12:00:00AM
Direction O
FAX
Fee 25.00
Intermd Bank
IMAD 20120501C1B76E1C003491
MID 120501130100H600
Paymt Method FED
Msg Status COMPLETE
Msg Type 10
Msg Subtype 00
OBI None
Office 004
OMAD 20120501B1QGC01@05671405011539FT03
Originator ENVIRO BOARD CORPORATION
ORG ADDR1 [REDACTED]
ORG ADDR2 CAMDEN
ORG ADDR3 NJ [REDACTED]
ORG ID [REDACTED]1045
ORG ID Code AC
Recv ABA [REDACTED]7
Recv Name JPMORGAN CHASE BAN
REF IMAD
Reference 120501130100H600
Sender ABA 011103093
Sender Name TD BANK
Paymt Source SBA
Time 15:38:55
UserID [REDACTED]
Value Date 5/1/2012 12:00:00AM

REDACTED

REDACTED

MIF_AMOUNT 4,000.00
Account No [REDACTED]1045
Amount 4,000.00
BBI
Bene Bank
Beneficiary Malia Ventures LLC
BNF ADDR1 REDACTED
BNF ADDR2 Malibu
BNF ADDR3 CA 90226
BNF ID [REDACTED]1923
Branch ID 9999
Country Code US
Currency USD
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Paymt Method FED
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Msg Subtype 00
OBI
Office 004
OMAD 20120529B1QGC01R01294C05290902FT03
Originator ENVIRO BOARD CORPORATION

SEC-TDBank-E-0002478

Exhibit 6 Page 58

ORG ADDR1 [REDACTED]
ORG ADDR2 CAMDEN
ORG ADDR3 NJ [REDACTED]
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REDACTED

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Amount 60,000.00
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Beneficiary Malia Ventures Lic
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BNF ADDR2
BNF ADDR3 MALIBUCA
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BNF ADDR3 CA 90226
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Branch ID 9999
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REDACTED

REDACTED

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Amount 5,000.00
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Beneficiary Malia Ventures LLC
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BNF ADDR3 CA 90226
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Branch ID 9999
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Currency USD
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BNF ADDR3 MalibuCA
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Currency USD
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REDACTED

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Amount 5,000.00
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Beneficiary Maia Ventures LLC
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BNF ADDR3 CA 90226
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Branch ID 9999
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Amount 1,000.00
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Beneficiary Malia Ventures LLC
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BNF ADDR3 CA 90226
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Branch ID 9999
Country Code US
Currency USD
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REDACTED

REDACTED

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Beneficiary Malia Ventures LLC
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Branch ID 9999
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Currency USD
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REDACTED

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Branch ID 9999
Country Code US
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REF IMAD
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Sender Name TD BANK
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UserID
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REDACTED

REDACTED

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Amount 3,000.00
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Bene Bank
Beneficiary Malia Ventures LLC
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BNF ADDR2 Malibu
BNF ADDR3 CA 90226
BNF ID [REDACTED]1923
Branch ID 9999
Country Code US
Currency USD
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Direction O
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Fec 25.00
Intermd Bank

SEC-TDBank-E-0002565

Exhibit 6 Page 72

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ORG ID [REDACTED]1045
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REDACTED

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BNF ADDR3 CA 90226
BNF ID [REDACTED]1923
Branch ID 9999
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UserID
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Amount 4,000.00
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BNF_ADDR3 CA 90226
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Branch ID 9999
Country Code US
Currency USD
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Fee 25.00
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REDACTED

REDACTED

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Beneficiary Malia Ventures LLC
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Branch ID 9999
Country Code US
Currency USD
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Sender Name TD BANK
Paymt Source SBA
Time 12:02:52
UserID
Value Date 5/9/2013 12:00:00AM

REDACTED

EXHIBIT 7

05/11/2011	Wire transfer Out	Joshua Mosshart	\$ 3,000.00
05/19/2011	Wire transfer Out	Joshua Mosshart	\$ 2,700.00
05/20/2011	Wire transfer Out	Joshua Mosshart	\$ 5,000.00
06/03/2011	Wire transfer Out	Joshua Mosshart	\$ 3,000.00
06/08/2011	Wire transfer Out	Joshua Mosshart	\$ 23,000.00
06/14/2011	Wire transfer Out	Joshua Mosshart	\$ 200,000.00
06/27/2011	Wire transfer Out	Joshua Mosshart	\$ 17,000.00
08/08/2011	Wire transfer Out	Joshua Mosshart	\$ 6,000.00
10/17/2011	Wire transfer Out	Joshua Mosshart	\$ 20,000.00
10/27/2011	Wire transfer Out	Joshua Mosshart	\$ 4,000.00
12/08/2011	Wire transfer Out	Joshua Mosshart	\$ 27,669.00
12/19/2011	Wire transfer Out	Joshua Mosshart	\$ 62,000.00
01/12/2012	Wire transfer Out	Malia Ventures Llc	\$ 50,000.00
02/15/2012	Wire transfer Out	Malia Ventures Llc	\$ 5,300.00
03/08/2012	Wire transfer Out	Malia Ventures Llc	\$ 6,187.00
04/05/2012	Wire transfer Out	Malia Ventures Llc	\$ 14,000.00
05/01/2012	Wire transfer Out	Malia Ventures Llc	\$ 4,000.00
05/01/2012	Wire transfer Out	Malia Ventures Llc	\$ 2,000.00
05/29/2012	Wire transfer Out	Malia Ventures Llc	\$ 4,000.00
06/18/2012	Wire transfer Out	Malia Ventures	\$ 60,000.00
08/17/2012	Wire transfer Out	Malia Ventures LLC	\$ 2,000.00
08/23/2012	Wire transfer Out	Malia Ventures LLC	\$ 5,000.00
08/23/2012	Wire transfer Out	Malia Ventures LLC	\$ 4,999.00
11/06/2012	Wire transfer Out	Malia Ventures LLC	\$ 5,000.00
11/06/2012	Wire transfer Out	Malia Ventures LLC	\$ 1,000.00
11/15/2012	Wire transfer Out	Malia Ventures LLC	\$ 1,000.00
11/30/2012	Wire transfer Out	Malia Ventures LLC	\$ 3,000.00
01/23/2013	Wire transfer Out	Malia Ventures LLC	\$ 3,000.00
03/18/2013	Wire transfer Out	Malia Ventures LLC	\$ 1,500.00
04/08/2013	Wire transfer Out	Malia Ventures LLC	\$ 4,000.00
05/09/2013	Wire transfer Out	Malia Ventures LLC	\$ 4,000.00
			\$ 553,355.00

EXHIBIT 14

1 GARY Y. LEUNG (Cal. Bar No. 302928)
Email: leungg@sec.gov
2 WILLIAM S. FISKE (Cal. Bar No. 123071)
Email: fiskew@sec.gov

3 Attorneys for Plaintiff
4 Securities and Exchange Commission
Michele Wein Layne, Regional Director
5 Alka N. Patel, Associate Regional Director
Amy Jane Longo, Regional Trial Counsel
6 444 S. Flower Street, Suite 900
Los Angeles, California 90071
7 Telephone: (323) 965-3998
Facsimile: (213) 443-1904

8
9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **Western Division**

12
13 **SECURITIES AND EXCHANGE
COMMISSION,**

14 **Plaintiff,**

15 **vs.**

16
17 **ENVIRO BOARD CORPORATION,
GLENN B. CAMP, WILLIAM J.
18 PEIFFER, and JOSHUA D.
MOSSHART,**

19 **Defendants.**
20

Case No. 2:16-cv-06427-R-SS

DECLARATION OF TINA BRODIE

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28

1 I, Tina Brodie, declare, pursuant to 28 U.S.C. § 1746, as follows:

2 1. I have personal knowledge of the following facts and, if called as a
3 witness, could and would testify competently to the facts stated herein.

4 2. I presently reside in Lake Havasu City, Arizona. In August 2011, I was
5 living in Simi Valley, California, when [REDACTED]

6 Although I now work as a real estate professional at this time, I had been a [REDACTED] -

7 [REDACTED]
8 [REDACTED]
9 [REDACTED] I was faced with financially supporting our two daughters and making
10 recurring payments on the mortgage for our family home, a motor home, and other
11 necessary bills. Consequently, [REDACTED]

12 [REDACTED]
13 [REDACTED]
14 3. [REDACTED] I was introduced to defendant
15 Joshua Mosshart, a financial advisor. With Mosshart's assistance, I calculated the
16 amount of funds I needed on a monthly basis to pay our family's bills and expenses.
17 I also advised Mosshart that I had received approximately [REDACTED] in life insurance
18 [REDACTED]. Mosshart then told me that he knew of an
19 investment that was stable, safe, and capable of generating annual interest of 10% on
20 those insurance proceeds.

21 4. Mosshart directed me to Enviro Board's website and introduced me to
22 defendant Glenn Camp. I reviewed the website and read the company's
23 representations that it was a California-based green technology that had developed a
24 technology capable of manufacturing building panels from agricultural waste for use
25 in residential and commercial construction projects. I also reviewed website
26 materials purportedly depicting the company's mill. In describing the company's
27 business, Enviro Board and Mosshart led me to believe that Enviro Board's mill
28 technology was not in development, but rather, had already been developed and in

1 place. During a subsequent phone conference, the company represented that my
2 investment in Enviro Board would be very safe and profitable. Throughout the
3 course of these conversations, I stressed to Mosshart that given my financial situation
4 as a widow, with two children at home, [REDACTED]
5 [REDACTED] my primary concern was finding a steady and stable source of fixed investment
6 income.

7 5. Although Mosshart had suggested that I invest the entire amount of my
8 husband's life insurance proceeds [REDACTED] in Enviro Board, I decided not to.
9 Instead, I invested \$400,000 of those insurance proceeds in an Enviro Board bond
10 with a one-year maturity date. Attached as Exhibit A to this declaration is a true and
11 accurate copy of a January 10, 2012 collaterally-secured bond instrument that I
12 invested in. Camp executed this instrument on Enviro Board's behalf. Under the
13 terms of the bond, I loaned Enviro Board \$400,000, to be repaid in one year with
14 10% interest. The bond was also secured by an Oregon Business Energy Tax Credit
15 in the amount of \$3.5 million, which Enviro Board represented as having already
16 been issued in its favor by the state's Department of Energy on July 26, 2011.
17 Attached as Exhibit B to this declaration is a true and accurate copy of the \$400,000
18 check I wrote out to Enviro Board on January 10, 2012 as payment for my
19 collaterally-secured bond.

20 6. I was not told that the company was directly paying Mosshart, my
21 financial advisor, a 10% commission on my \$400,000 investment. I was not told that
22 Mosshart's employer, an asset management firm called LPL Financial, had not given
23 him permission to market Enviro Board investments to his advisory clients. Had I
24 known these facts, I would have been more skeptical of Mosshart's representations
25 about the company.

26 7. In January 2013, my bond became due and the company failed to return
27 my principal to me. I contacted Enviro Board. Camp and Mosshart convinced me to
28 roll over my bond by extending its maturity date to January 9, 2014, in exchange for

1 one share of Enviro Board stock that the company claimed had a value of \$20,000.

2 8. I had one very important condition that I insisted on before rolling over
3 my bond to 2014. I specifically asked Enviro Board for a copy of its balance sheet,
4 for review by my CPA. Attached as Exhibit C to this declaration is a true and
5 accurate copy of my February 4, 2013 email to defendant William Peiffer
6 memorializing the conversation in which I made this request to Camp. Attached as
7 Exhibit D to this declaration is a true and accurate copy of the “Enviro Board
8 Corporation Statement of Income & Expense For the 12 Months Ended December 31,
9 2012” that the company provided in response. The income statement claims revenues
10 of \$10 million and in accompanying “Notes to 2012 Financial Statement,” Enviro
11 Board represented to me that it had “completed the sale of its first production line at
12 cost to an interim LLC in preparation of syndicating tax credits in 2013, and leased
13 back the production line.” Based in part on these materials, I decided to roll over my
14 bond.

15 9. Attached as Exhibit E to this declaration is a true and accurate copy of a
16 February 11, 2013 email sent by Camp to me, with copies to Mosshart and Peiffer.
17 That email enclosed Enviro Board’s “bond extension document” for my execution.

18 10. Attached as Exhibit F to this declaration is a true and accurate copy of
19 the February 15, 2013 letter that I signed in order to extend the maturity date of my
20 \$400,000 Enviro Board bond.

21 11. In short order, Enviro Board fell behind on its monthly interest payments
22 in 2013. Attached as Exhibit G to this declaration is a true and accurate copy of
23 email correspondence between me and Enviro Board regarding late interest payments
24 in April 2013.

25 12. In May 2013, I asked Enviro Board to return my investment. Attached
26 as Exhibit H to this declaration is an email chain that incorporates a true and accurate
27 copy of my May 30, 2013 email correspondence with Enviro Board requesting to
28 cash in my Enviro Board investment.

1 13. That summer, Enviro Board claimed to be working to satisfy my request,
2 yet even my monthly interest payments fell in arrears. Attached as Exhibits I and J to
3 this declaration are a true and accurate copy of my June 8, 2013 email
4 correspondence and July 23, 2013 email correspondence with the company following
5 up on my May 2013 request to cash out my \$400,000 investment. By August 2013, I
6 had hired a lawyer to assist me in getting my investment back from Enviro Board.
7 Attached as Group Exhibit K to this declaration are true and accurate copies of my
8 attorney's August 30, October 4 and November 13, 2013 correspondence with Enviro
9 Board, Camp and Peiffer.

10 14. I eventually filed a lawsuit against Enviro Board in state court on March
11 6, 2014. The company defaulted and it has never repaid the principal balance of my
12 \$400,000 investment.

13 15. The Enviro Board convertible debt instrument that I invested in in
14 January 2012 represents that the Oregon Department of Energy had "issued" a \$3.5
15 million tax credit to Enviro Board, and that my bond was secured by the company's
16 right to the economic benefit of that state tax credit. This provision of the bond
17 instrument was a big part of my decision to invest in 2012, and provided me with
18 assurance that as represented by Mosshart and the company, my Enviro Board
19 investment was safe, stable, and appropriate for my needs as a recent widow who
20 now needed a fixed income stream to meet my family's financial obligations.

21 16. At no point did Enviro Board, Camp or Peiffer communicate to me that
22 the company had only received a preliminary certificate for an Oregon state tax
23 credit, and that in order to actually obtain the economic benefit of that credit, Enviro
24 Board needed to secure property in Oregon, establish a manufacturing facility, and
25 place an Enviro Board mill in service. Had I known this, this fact would not only
26 have been significant to my decision to invest in Enviro Board in January 2012, but
27 also significant to my decision to extend the maturity date of my investment by
28 another year in January 2013. Had I known that my stated collateral was conditional

1 and had no value unless those conditions were met, I would not have invested in
2 Enviro Board.

3 17. In addition, at no point did Enviro Board, Camp or Peiffer communicate
4 to me:

- 5 • That the company's mill technology was still in the design phase
- 6 • That the company had only constructed a prototype of its mill
- 7 • That the company's prototype had never been able to meet the
- 8 production specifications described in its business plan (operating at
- 9 600 linear feet per hour, with an in-service rate of 90%)
- 10 • That the company's prototype had never solved several significant
- 11 technological challenges preventing it from meeting its production
- 12 specifications
- 13 • That the company's mill has never been in full production, or able to
- 14 operate at its specified in-service rate, without having to be shut
- 15 down for maintenance
- 16 • That the company was experiencing any design and engineering
- 17 difficulties – substantial or otherwise – in commercializing its mill
- 18 technology
- 19 • That Enviro Board owed a substantial amount of money to Petersen,
- 20 the company that it had engaged to fabricate its mill, and that in 2012,
- 21 Petersen had refused to do any work on the mill for several months
- 22 because of Enviro Board's outstanding payable
- 23 • That Enviro Board could not use its Oregon tax credit as part of its
- 24 financing plan since under Oregon's BETC program, a project
- 25 awarded a tax credit must prove that it is financially viable without
- 26 the tax credit; and if that is not the case, then even a preliminary
- 27 certificate will be in jeopardy

28 Had I known these facts concerning the true state of Enviro Board's technology, they

1 would not only have been significant to my decision to invest in Enviro Board in
2 January 2012, but also significant to my decision to extend the maturity date of my
3 investment by another year in January 2013.

4 18. Finally, at no point did Enviro Board, Camp or Peiffer communicate to
5 me that the \$10 million in revenue claimed in the income statement Camp and Peiffer
6 sent me in February 2013, in connection with my agreement to roll over my bond
7 another year to 2014, was false. Had I known that fact, I would not have extended
8 the maturity date of my investment by another year in 2013.

9 19. Nor did Enviro Board, Camp, or Peiffer ever communicate to me that in
10 all of its years of operation since the 1990's, Enviro Board has: (i) never made any
11 money selling its building panels; (ii) never made any money selling its drywall
12 product; (iii) never made any money selling its mills; and (iv) with respect to its mill
13 licensing program, has only earned a total of \$250,000 in roughly two decades of
14 operation, despite having raised millions of dollars from investors like me.

15

16 I declare under penalty of perjury under the laws of the United States of
17 America that the foregoing is true and correct.

18 Executed on August __, 2017, at Lake Havasu City, Arizona

19

20


Tina Brodie

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EXHIBIT A

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE STATE SECURITIES LAWS OF ANY STATE. NO SALE OR TRANSFER OF SUCH NOTE SHALL BE MADE UNLESS IN FULL COMPLIANCE WITH THE REQUIREMENTS OF THE ACT AND ALL APPLICABLE SECURITIES LAWS, RULES AND REGULATIONS.

ENVIRO BOARD CORPORATION

Collaterally Secured Non-Convertible \$2,577,400 Bond
Series 2011
Dated 01/10/12
Due 01/09/13
("Series Bond")

Series Bond Number 2012-1

\$400,000

Enviro Board Corporation ("Company") shall pay to Tina Brodie ("Brodie") at [REDACTED] [REDACTED] [REDACTED] Simi Valley, CA [REDACTED] (or at such other address as may be designated by Brodie in writing to Company) the sum of four hundred thousand dollars (\$400,000) together with all accrued interest due and payable thereon as set forth below.

1. Purpose: Company shall use the proceeds of the Series Bond pursuant to and in accordance with the Business Plan dated July 22, 2011.
2. Interest: The annual rate of interest shall be fifteen per cente (15%) payable in cash in the amount of ten per cent (10%) monthly one the 15th day of each month until maturity (forty thousand dollars [\$40,000]) and five per cent (5%) in equity at closing (twenty thousand dollars [\$20,000]) comprised of one (1) share of Common Stocke which the Company has valued at \$20,000 per share.
3. Collateral Security: This Series Bond is collaterally secured by all of Company's right, title and interest in and to all of thee economic benefit in, including cash proceeds of, the Business Energye Tax Credit in the amount of three million five hundred thousand dollars (\$3,500,000) ("BETC") issued by the State of Oregon Department of Energy ("DOE") to Machine Leasing LLC ("Machine Leasing") on July 26, 2011 ("Series Bond Collateral Security"). Brodie Bond shall bee collaterally secured by all of Company's right, title and interest ine and to all of the economic benefit in, including cash proceeds ofe

Series Bond Collateral Security in an undivided amount equal to a percentage of the Series Bond computed based on Brodie Bond face as the numerator over Series Bond face as the denominator, multiplied by Series Bond face ("Brodie Bond Collateral Security").

4.0 Series Bond Collateral Security: Company hereby warrants and represents that Company is the owner of all right, title, and interest in and to all of the economic benefit in, and cash proceeds of, Series Bond Collateral Security, Series Bond Collateral Security is unencumbered except as set forth herein, and Series Bond Collateral Security shall remain unencumbered except as set forth herein until the Series Bond has been retired.

5.0 Closing: The delivery and effectiveness of this Series Bond shall take place at closing, and the date of such closing shall be the date set forth hereinabove.

6.0 Company Business Address: The address shall be the address set forth in numerical paragraph 7 hereinbelow.

7.0 Notices: All notices, requests, and other communications under this Series Bond shall be in writing and shall be presumed, subject to adequate proof to the contrary, to have been delivered twenty four (24) hours after having been sent by overnight courier, or when sent by facsimile; and, in each case, addressed to the respective parties at the addresses set forth below or to such other changed addresses as the parties may have identified by notice; provided, however, that any changes of address shall be effective only upon receipt.

If to Company:

Attn: William Peiffer, Esq.

REDACTED

Camden, New Jersey **REDACTED**

and

Attn: Glenn B. Camp

REDACTED

Thousand Oaks, California **REDACTED**

If to Brodie Bond:

Attn: Tina Brodie

REDACTED

Simi Valley, CA **REDACTED**

8.0 Right to Cure: Any party to this Series Bond alleging a breach of this Series Bond or any provisions thereof by any party to this Series Bond shall provide written notice of the alleged breach to such party articulating with specificity such alleged breach. The party against

whom such breach has been so alleged shall have thirty (30) days from receipt of such written notice thereof to cure such alleged breach.

9. Litigation Costs: In the event that litigation arises in connection with this Series Bond, the prevailing party shall be entitled to the recovery from the other party of reasonable attorney's fees and costs incurred by the prevailing party in such litigation.

10.e Binding Effect: This Series Bond shall be binding upon and inuree to the benefit of the parties hereto, heirs, executors, administrators, successors, and assigns of all such parties or persons.

11. Governing Law and Jurisdiction: This Series Bond shall be construed in accordance with and governed by the laws of the State of Delaware. The parties hereto consent to the jurisdiction of the courts and State of Delaware.

12.e Severability: If any provision herein, or the application thereof to any circumstances, is found to be unenforceable, invalid, or illegal, such provision shall be deemed deleted from this Series Bond or not applicable to such circumstances, as the case may be, and the remainder of this Series Bond shall not be affected or impaired thereby.

13.e Effect of Waiver: No waiver of any term, provision, or condition of this Series Bond, in any one or more instances, shall be construed as a further waiver of any such term, provision, or condition or as a waiver of any other term, provision or condition.

14.e Pronouns and Number: When the context so requires, the masculine shall include the feminine and neuter, the singular shall include the plural, and conversely.

15.e Section Headings: Section headings contained herein are inserted only for convenience and shall not affect the construction or meaning of any of the terms hereof.

16.e Counterparts: This Series Bond may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

17.e Drafting: Each party hereto expressly acknowledges that this Series Bond shall not be deemed by any party under any circumstances to have been drafted by, for, or on behalf of any party hereto for purposes of construction or interpretation.

18.e Modification: Any modification of this Series Bond shall be effective only if it is in writing and signed by the party to be charged.

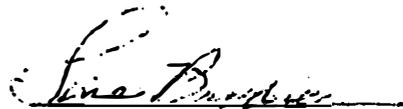
19. Entire Agreement: This Series Bond supersedes any and all other agreements, either oral or in writing between the parties heretoe directly or indirectly involving or relating to this Series Bond.

Each party to this Series Bond acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or any directly or indirectly related party, or anyone acting on behalf of any party or directly or indirectly related party concerning this Series Bond, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Series Bond that has been made or which shall be made shall be valid or binding on any party or directly or indirectly related party unless said agreement, statement, or promise is made in writing and such writing has been signed by the party to be charged.

Agreed, executed, and delivered on the date set forth in grammatical paragraph one of the Series Bond.

Enviro Board Corporation

Tina Brodie



By: Glenn B. Camp
Co-Chairman and Co-CEO

EXHIBIT B

Front Image

TINA BRODIE
REDACTED
 SIMI VALLEY CA **REDACTED**

118
53-283/113

Date 1/10/12

Pay to the order of ENVIRO BOARD CORP. \$ 400,000.⁰⁰
Four Hundred Thousand Dollars and ⁰⁰/₁₀₀ Dollars

Control Plus Account
 PAYABLE THRU STATE STREET BANK & TRUST
 BOSTON, MA 02101
 STATE STREET, QUINCY

NOT VALID FOR EFT OR TELECHECK

For Tina Brodie MP

REDACTED ⑆ 0 1 18 **REDACTED** 5 7 0 9 ⑆ 3 0 4

Account Number	REDACTED 3048	Routing Number	11302836
Amount	\$400,000.00	OF6	0
Post Date	20120112	Serial Number	118
Sequence Number	922589790	Tran	304

Back Image

REDACTED9513 115814 20120111 **REDACTED**
 TRN_DEBIT YSHEARIN 000
 Camden 0057 94004 5057 12 0021

To Deposit Only
7c 56881045
5709

EXHIBIT C

From: dpbrodie<REDACTED> [dpbrodie<REDACTED>]
Sent: 2/4/2013 9:52:44 AM
To: Bill Peiffer [wmpeiffer@aol.com]
Subject: From Tina Brodie

Hello Bill,

Hope your trip was good to Sacramento. Per our conversation on Monday, Feb. 4th, 2013, here is my home address to send report on how Enviroboard is doing financially for my CPA.

Address: Tina Brodie

REDACTED

Lake Havasu City, AZ. REDACTED

Thank You, Tina Brodie

EXHIBIT D

Notes to 2012 Financial Statements

Enviro Board Corporation began the process of having audited financial statements prepared by a Big Three accounting firm. The cost of doing so in the context of the best use of cash while underfunded to meet growth was prohibitive and has been deferred.

The financial statements were prepared by an outside CPA in accordance with Generally Accepted Accounting Principles, and Management; and will be used by the CPA in the preparation and filing of income tax returns.

Enviro Board completed the sale of its first production line at cost to an interim LLC in preparation of syndicating tax credits in 2013, and leased back the production line. The sale was for a note receivable. Enviro Board will decide in the near future on plant location based in part on competing state government offers, and that decision will drive tax credit financing and closing dates.

Enviro Board is exploring with securities counsel and prospective underwriters a combined equity and bond underwriting to fund operations and scale to market.

ENVIRO BOARD CORPORATION
STATEMENT OF INCOME & EXPENSE
FOR THE 12 MONTHS ENDED DECEMBER 31, 2012

INCOME:	
Revenues	\$10,000,000
Interest Income	<u>1,301</u>
TOTAL INCOME	\$10,001,301
COST OF SALES:	
Beginning Inventory	\$7,188,825
Purchases	<u>1,371,079</u>
TOTAL COST OF SALES	\$8,559,904
GROSS PROFIT	\$1,441,397
EXPENSES:	
Accounting	\$45,723
Abandoned Building Development Costs	1,300
Advertising & Marketing	181,253
Amortization	7,006
Auto Truck	36,064
Bank Charges	4,901
Computer Consulting	575
Depreciation	2,325
Dues and Subscriptions	154
Equipment Leasing	1,301
Federal Express	5,628
Flowers	164
Insurance Officer & Director	6,333
Interest	130,064
Internet Hosting Services	1,151
Investment Banking Fees	128,188
Legal Fees	1,850
Legal Settlement	12,834
Meals and Entertainment	\$554
Management Fees	441,688
██████████	87,815
Messenger Fees	1,607
Office Expenses	3,158
Outside Payroll	2,415
Parking	682
Postage	1,192
Rent	48,000
Taxes	1,085
Telephone	1,213
Travel Air & Lodging	86,063
Travel Meals & Entertainment	9,167
Wages	9,179
Website Fees	██████████
TOTAL EXPENSES	\$1,262,431
OPERATING PROFIT OR <LOSS>	\$178,966
OTHER INCOME & <EXPENSE>	
Non Deductible Meals & Entertainment	\$9,720
Non Deductible Penalties	153
TOTAL OTHER INCOME AND EXPENSE	<\$9,873>
NET PROFIT OR <LOSS>	\$169,093

ENVIRO BOARD CORPORATION
BALANCE SHEET
AS OF DECEMBER 31, 2012

ASSETS**Current Assets:**

Cash	\$ 111	
Notes Receivable	<u>10,281,328</u>	
Total Current Assets		\$10,281,439

Property and Equipment:

Property and Equipment	2,325	
Less: Accumulated Depreciation	<u><2,325></u>	
Total Property and Equipment		0

Other Assets:

Start-Up Costs	527,907	
Patents	109,454	
Trademark	12,041	
Accumulated Amortization	<u><594,216></u>	
Total Other Assets		55,186

TOTAL ASSETS **\$10,336,625**

LIABILITIES AND STOCKHOLDERS EQUITY**Current Liabilities**

Accounts Payable	\$1,648,249	
Loans Payable	979,017	
Loans from Shareholders	<u>2,567,440</u>	
Total Current Liabilities		5,194,706

TOTAL LIABILITIES **\$5,194,706**

STOCKHOLDERS EQUITY:

Preferred Stock	\$3,784,275	
Retained Earnings	<u><5,930,091></u>	
Common Stock	7,118,642	
Current Earnings <Loss>	<u>169,093</u>	
TOTAL STOCKHOLDERS EQUITY		\$5,141,919

TOTAL LIABILITIES AND STOCKHOLDERS EQUITY **\$10,336,625**

EXHIBIT E

From: Glenn Camp [glenn@enviroboard.com]
Sent: 2/11/2013 4:14:05 PM
To: dpbrodie@REDACTED
CC: Josuha Mosshart [REDACTED]t@gmail.com]
BCC: [REDACTED]@aol.com]
Subject: Enviro Board Bond Extension
Attachments: EB BrodieBondExtention 021113.pdf

Hi Tina,

Hope all is well!

Following my conversation with Josh Mosshart, I have attached the bond extension document for your signature.

I would like to thank you for your investment in Enviro Board and I'm looking forward to meeting you in person.

Please sign and send via email when you get a chance.

All the best!

Glenn

enviro  board.
corporation

920 Hampshire Road, Suite A4
920 Hampshire, Suite A4
Westlake Village, California 91361
Telephone: 818-559-1310
email: glenn@enviroboard.com
www.enviroboard.com

February 11, 2013

Tina Brodie
REDACTED
Simi Valley, CA **REDACTED**

Re: Collaterally Secured Non-Convertible \$2,577,400 Bond Series 2011
Dated 01/10/12 Due 01/09/13 ("Series Bond")

Dear Tina,

This letter shall confirm your agreement to extend the maturity date of the Series Bond to January 9, 2014. One additional share of Common Stock valued at \$20,000 will be sent you within five (5) days.

Thank you, Tina.

Very truly yours,



Glenn B. Camp
Co-Chairman and Co-CEO

Approved and Agreed to:

Tina Brodie

EXHIBIT F



920 Hampshire Road, Suite A+
920 Hampshire, Suite A+
Westlake Village, California 91361
Telephone: 818-379-1510e
email: glenn@enviroboard.com
www.enviroboard.com

February 15, 2013

Tina Brodie

REDACTED

Lake Havasu City, AZ. REDACTED

Re: Collaterally Secured Non-Convertible \$2,577,400 Bond Series 2011
Dated 01/10/12 Due 01/09/13 ("Series Bond")

Dear Tina,

This letter shall confirm your agreement to extend the maturity date of the Series Bond to January 9, 2014. One additional share of Common Stock valued at \$20,000 will be sent you within five (5) days.

Thank you, Tina.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Glenn B. Camp".

Glenn B. Camp
Co-Chairman and Co-CEO

Approved and Agreed to:

A handwritten signature in blue ink, appearing to read "Tina Brodie".

Tina Brodie

EXHIBIT G

From: dpbrodie<REDACTED> [dpbrodie<REDACTED>]
Sent: 4/8/2013 8:31:52 PM
To: [REDACTED]<[REDACTED]>@aol.com
Subject: Re: Interest

Hello Bill,

Thank you, and hope we get caught up soon.

Tina Brodie

From: [REDACTED]<[REDACTED]>@aol.com
Sent: Monday, April 08, 2013 1:55 PM
To: dpbrodie<REDACTED>
Subject: Re: Interest

Tina -- just wired \$3,333.33 on account from a small closing for Feb interest, others are in process, and hope to get you current by Friday or early next week.

Sent from my Verizon Wireless BlackBerry

From: <dpbrodie<REDACTED> >
Date: Fri, 5 Apr 2013 23:25:01 -0700
To: [REDACTED]<[REDACTED]>@aol.com>
Subject: Re: Interest

Hello Bill,

Ok thank you for getting back to me.

Tina

From: [REDACTED]<[REDACTED]>@aol.com
Sent: Friday, April 05, 2013 3:08 PM
To: dpbrodie<REDACTED>
Subject: Re: Interest

Tina -- the transaction has been pushed to Monday -- will be back to you on Monday.

Sent from my Verizon Wireless BlackBerry

From: <dpbrodie<REDACTED> >
Date: Thu, 4 Apr 2013 19:00:33 -0700
To: [REDACTED]<[REDACTED]>@aol.com>
Subject: Re: Interest

Hello Bill,

Ok, thank you for the email.

Thanks, Tina Brodie

From: [REDACTED]@aol.com
Sent: Thursday, April 04, 2013 12:50 PM
To: dpbrodie[REDACTED]
Cc: glenn@enviroboard.com
Subject: Interest

Tina -- we expect to know definitively tomorrow about available funds for this week, and can then tell you what can be wired tomorrow or Monday morning.

William Peiffer, Esq.
Co-Chairman, Co-CEO
and General Counsel
Enviro Board Corporation
The Victor Building
1 Market Street, Suite 402
Camden, New Jersey 08102

Telephone: 856 225 9000
Email: [REDACTED]@aol.com
Site: www.enviroboard.com

EXHIBIT H

From: Glenn Camp [glenn@enviroboard.com]
Sent: 5/30/2013 8:33:18 PM
To: William Peiffer [wmpeiffer@aol.com]
Subject: Fwd: Tina Brodie for CASH IN Investment

FYI

Begin forwarded message:

From: dennis Brodie <dpbrodie@REDACTED >
Subject: Tina Brodie for CASH IN Investment
Date: May 30, 2013 7:27:31 PM PDT
To: glenn@enviroboard.com
Reply-To: dennis Brodie <dpbrodie@REDACTED >

Hello Glenn,

I am writing this email to you since I need to cash in my investment with Enviroboard. Due to the circumstances that I need to provide for my 2 girls and myself, I need to make this decision. My taxes for last year has made me owe on all Income Taxes for State and Federal. Please send me my \$400,000 A.S.A.P

My new address is: REDACTED
Lake Havasu City, AZ. REDACTED

My cell # (805) REDACTED

Thank you for this opportunity, but I have to do this to pay back State and Federal Income Taxes.

Thank You, Tina Brodie

EXHIBIT I

From: wmpeiffer@aol.com [wmpeiffer@aol.com]
Sent: 6/8/2013 10:21:51 AM
To: dennis Brodie (dpbrodie REDACTED); glenn@enviroboard.com; joshua.mosshart@lpl.com
Subject: Re: Enviro Board Corp

We are aware -- and are working to satisfy your request.
Sent from my Verizon Wireless BlackBerry

From: dennis Brodie <dpbrodie REDACTED >
Date: Sat, 8 Jun 2013 10:15:50 -0700 (GMT-07:00)
To: <WmPeiffer@aol.com>, <glenn@enviroboard.com>; <joshua.mosshart@lpl.com>
ReplyTo: dennis Brodie <dpbrodie REDACTED >
Subject: Re: Enviro Board Corp

Hello Bill,

Thank you, but as of June 15th, Enviroboard will be behind 3 months again.

Please refer to my email of my request to cash in my investment.

Thank you, Tina Brodie

---Original Message---

From: WmPeiffer@aol.com
Sent: Jun 7, 2013 1:09 PM
To: dpbrodie REDACTED
Cc: glenn@enviroboard.com
Subject: Enviro Board Corp

Tina --

License right sale is taking longer but have wired one month's interest on account -- \$3,333.33.

William Peiffer, Esq.
Co-Chairman, Co-CEO
and General Counsel
Enviro Board Corporation
The Victor Building
1 Market Street, Suite 402
Camden, New Jersey 08102

Telephone: 856 225 9000
Email: wmpeiffer@aol.com
Site: www.enviroboard.com

EXHIBIT J

From: dennis Brodie [dpbrodie~~REDACTED~~]
Sent: 7/23/2013 9:55:42 PM
To: wmpeiffer@aol.com
Subject: Re: Bond

Dear Bill,

I have heard a lot of excuses the last 4 months. I need not only the interest that is 4 months behind. This is a breach of contract. I am requesting my cash in of the investment and interest now!

Tina Brodie

-----Original Message-----

>From: wmpeiffer@aol.com
>Sent: Jul 23, 2013 4:56 PM
>To: dpbrodie~~REDACTED~~e
>Cc: Glenn Camp <glenn@enviroboard.com>
>Subject: Bonda

>
>Glenn and I have been traveling separately and missed getting back to you -- a bridge against sales revenues has not yet closed but soon. We expect to get at the least interest to you soon.
>Sent from my Verizon Wireless BlackBerry

GROUP EXHIBIT K

From: [REDACTED]@aol.com [REDACTED]@aol.com]
Sent: 8/30/2013 3:07:26 PM
To: glenn@enviroboard.com
Subject: Tina Brodie

Dear Mr. Camp,

My name is Pat Harris and I am an attorney in Los Angeles. I have been hired by Tina Brodie to represent her in an effort to work out an immediate resolution to the problems with her investment with you and the company Enviroboard. Please contact me as soon as possible with a phone number where you can be contacted and a time it is convenient to talk. You can either e-mail me at [REDACTED]@aol.com or call me at [REDACTED]-9063. Thank you. Pat Harris

Message

From: [REDACTED]@aol.com [REDACTED]@aol.com]
Sent: 10/4/2013 4:50:27 PM
To: [REDACTED]@aol.com
CC: glenn@enviroboard.com; tamar@arminaklaw.com; Benko, Istvan [ibenko@troygould.com]
Subject: Re: Tina Brodie

We have the same goal of getting your client paid at the earliest opportunity.

We are on the street next week with a \$5 million dollar offering. A part of the Use of Proceeds is designated to pay your client in full together with accrued interest. One of the contemplated investors is a household name, and there are others of prominence and not of prominence. We believe that the offering will be oversubscribed.

There is no litigation at this point that I am aware of and accordingly we have therefore stated in the PPM that there is no litigation. If you file, we have to disclose the filing. The disclosure will chill prospective investors, may have an adverse affect on the closing, and will adversely affect the company's timing and ability to pay your client.

My respectful suggestion in the interest of getting your client paid, is to forebear from filing pending a meeting on Friday in Century City with you, my partner, our counsel at Troy and Gould who is Istvan Benko Esq. and myself on Friday. You can always file ten minutes after the meeting.

Sent from my Verizon Wireless BlackBerry

From: [REDACTED]@aol.com
Date: Tue, 1 Oct 2013 14:23:47 -0400 (EDT)
To: [REDACTED]r@aol.com>
Cc: <glenn@enviroboard.com>; <tamar@arminaklaw.com>
Subject: Re: Tina Brodie

Mr. Peiffer,

I will not be available most of next week as I am in New York until Thursday. As I mentioned on the phone, I am happy to meet with you and counsel to try and resolve this matter. However, given the circumstances and the failure to even make interests payments for the last several months, I am not optimistic that we can resolve much. My client has two children whose educational bills are mounting up quickly and we need to get some action on this immediately. Therefore, we are going to proceed with our legal remedies with or without a meeting. If you wish to meet to discuss a resolution I will be open to a meeting on Friday of next week but that is the only day I am available. Pat Harris

-----Original Message-----

From: WmPeiffer [REDACTED]@aol.com>
To: patredondo <[REDACTED]@aol.com>
Cc: glenn <glenn@enviroboard.com>
Sent: Mon, Sep 30, 2013 7:05 am
Subject: Re: Tina Brodie

I would like to set a meeting next week with you, my partner, and our counsel at Troy and Gould in Century City (Istvan Benko, Esq.) to work out a plan as to how and when your client will be paid -- please advise as to a few times PST that work for you, and I will then work to clear schedules to try to accommodate you.

Monday is a travel day for me and I would therefore suggest late Monday -- maybe 4 if that works for everyone.

Thank you.

William Peiffer, Esq.
Co-Chairman, Co-CEO
and General Counsel
Enviro Board Corporation
The Victor Building
1 Market Street, Suite 402
Camden, New Jersey 08102

Telephone: 856 225 9000
Email: [REDACTED]@aol.com
Site: www.enviroboard.com

In a message dated 9/23/2013 9:31:39 A.M. Eastern Daylight Time, [REDACTED]@aol.com writes:
Pat --

I called on September 20 at the appointed time, missed you, and left word on your voicemail. Please indicate two times PST that you are available, I will confirm one and call you then.

Thank you.

William Peiffer, Esq.
Co-Chairman, Co-CEO
and General Counsel
Enviro Board Corporation
The Victor Building
1 Market Street, Suite 402
Camden, New Jersey 08102

Telephone: 856 225 9000
Email: [REDACTED]@aol.com
Site: www.enviroboard.com

Message

From: [REDACTED]@aol.com [REDACTED]@aol.com]
Sent: 11/13/2013 3:41:04 PM
To: [REDACTED]@aol.com
Subject: Re: Tina Brodie

Dear Mr. Peiffer,

Do you have any updates on paying back Ms. Brodie in the near future? Either way, please let me know. Pat Harris

-----Original Message-----

From: wmpeiffer [REDACTED]@aol.com>
To: patredondo [REDACTED]@aol.com>
Cc: glenn <glenn@enviroboard.com>; tamar <tamar@arminaklaw.com>; Benko, Istvan <IBenko@troygould.com>
Sent: Fri, Oct 4, 2013 4:50 pm
Subject: Re: Tina Brodie

We have the same goal of getting your client paid at the earliest opportunity.

We are on the street next week with a \$5 million dollar offering. A part of the Use of Proceeds is designated to pay your client in full together with accrued interest. One of the contemplated investors is a household name, and there are others of prominence and not of prominence. We believe that the offering will be oversubscribed.

There is no litigation at this point that I am aware of and accordingly we have therefore stated in the PPM that there is no litigation. If you file, we have to disclose the filing. The disclosure will chill prospective investors, may have an adverse affect on the closing, and will adversely affect the company's timing and ability to pay your client.

My respectful suggestion in the interest of getting your client paid, is to forebear from filing pending a meeting on Friday in Century City with you, my partner, our counsel at Troy and Gould who is Istvan Benko Esq. and myself on Friday. You can always file ten minutes after the meeting.

Sent from my Verizon Wireless BlackBerry

From: [REDACTED]@aol.com
Date: Tue, 1 Oct 2013 14:23:47 -0400 (EDT)
To: [REDACTED]@aol.com>
Cc: <glenn@enviroboard.com>; <tamar@arminaklaw.com>
Subject: Re: Tina Brodie

Mr. Peiffer,

I will not be available most of next week as I am in New York until Thursday. As I mentioned on the phone, I am happy to meet with you and counsel to try and resolve this matter. However, given the circumstances and the failure to even make interests payments for the last several months, I am not optimistic that we can resolve much. My client has two children whose educational bills are mounting up quickly and we need to get some action on this immediately. Therefore, we are going to proceed with our legal remedies with or without a meeting. If you wish to meet to discuss a resolution I will be open to a meeting on Friday of next week but that is the only day I am available. Pat Harris

-----Original Message-----

From: WmPeiffer [REDACTED]@aol.com>
To: patredondo [REDACTED]@aol.com>
Cc: glenn <glenn@enviroboard.com>
Sent: Mon, Sep 30, 2013 7:05 am
Subject: Re: Tina Brodie

I would like to set a meeting next week with you, my partner, and our counsel at Troy and Gould in Century City (Istvan Benko, Esq.) to work out a plan as to how and when your client will be paid -- please advise as to a few times PST that work for you, and I will then work to clear schedules to try to accommodate you.

Monday is a travel day for me and I would therefore suggest late Monday -- maybe 4 if that works for everyone.

Thank you.

William Peiffer, Esq.
Co-Chairman, Co-CEO
and General Counsel
Enviro Board Corporation
The Victor Building
1 Market Street, Suite 402
Camden, New Jersey 08102

Telephone: 856 225 9000
Email: [REDACTED]@aol.com
Site: www.enviroboard.com

In a message dated 9/23/2013 9:31:39 A.M. Eastern Daylight Time, [REDACTED]r@aol.com writes:
Pat --

I called on September 20 at the appointed time, missed you, and left word on your voicemail. Please indicate two times PST that you are available, I will confirm one and call you then.

Thank you.

William Peiffer, Esq.
Co-Chairman, Co-CEO
and General Counsel
Enviro Board Corporation
The Victor Building
1 Market Street, Suite 402
Camden, New Jersey 08102

Telephone: 856 225 9000
Email: [REDACTED]r@aol.com
Site: www.enviroboard.com

PROOF OF SERVICE

I am over the age of 18 years and not a party to this action. My business address is:

U.S. SECURITIES AND EXCHANGE COMMISSION,
444 S. Flower Street, Suite 900, Los Angeles, California 90071
Telephone No. (323) 965-3998; Facsimile No. (213) 443-1904.

On December 19, 2017, I caused to be served the document entitled **DECLARATION OF TINA BRODIE** on all the parties to this action addressed as stated on the attached service list:

OFFICE MAIL: By placing in sealed envelope(s), which I placed for collection and mailing today following ordinary business practices. I am readily familiar with this agency’s practice for collection and processing of correspondence for mailing; such correspondence would be deposited with the U.S. Postal Service on the same day in the ordinary course of business.

PERSONAL DEPOSIT IN MAIL: By placing in sealed envelope(s), which I personally deposited with the U.S. Postal Service. Each such envelope was deposited with the U.S. Postal Service at Los Angeles, California, with first class postage thereon fully prepaid.

EXPRESS U.S. MAIL: Each such envelope was deposited in a facility regularly maintained at the U.S. Postal Service for receipt of Express Mail at Los Angeles, California, with Express Mail postage paid.

HAND DELIVERY: I caused to be hand delivered each such envelope to the office of the addressee as stated on the attached service list.

UNITED PARCEL SERVICE: By placing in sealed envelope(s) designated by United Parcel Service (“UPS”) with delivery fees paid or provided for, which I deposited in a facility regularly maintained by UPS or delivered to a UPS courier, at Los Angeles, California.

ELECTRONIC MAIL: By transmitting the document by electronic mail to the electronic mail address as stated on the attached service list.

E-FILING: By causing the document to be electronically filed via the Court’s CM/ECF system, which effects electronic service on counsel who are registered with the CM/ECF system.

FAX: By transmitting the document by facsimile transmission. The transmission was reported as complete and without error.

I declare under penalty of perjury that the foregoing is true and correct.

Date: December 19, 2017

/s/ Gary Y. Leung
Gary Y. Leung

SEC v. Enviro Board Corporation et al
United States District Court—Central District of California
Case No. 2:16-cv-06427-R-SS

SERVICE LIST

Michael P. McCloskey, Esq. (served by CM/ECF)
David J. Aveni, Esq. (served by CM/ECF)
Marty B. Ready, Esq. (served by CM/ECF)
Wilson, Elser, Moskowitz, Edelman & Dicker LLP
401 West A Street, Suite 1900
San Diego, CA 92101
Email: michael.mccloskey@wilsonelser.com
Email: david.aveni@wilsonelser.com
Email: marty.ready@wilsonelser.com

Attorney for Defendants Enviro Board Corporation, Glenn B. Camp and William J. Peiffer

(served by electronic and U.S. mail)

Malibu,
Email:
Pro Se

EXHIBIT 15

From: Joshua Mosshart [REDACTED]@gmail.com]
Sent: 6/28/2011 3:27:53 PM
To: Glenn Camp [glenn@enviroboard.com]; Wmpeiffer [REDACTED]@aol.com]
Subject: Fwd: Enviro Board

----- Forwarded message -----
From: Silvana Tropea <ST@class5films.com>
Date: Tue, Jun 28, 2011 at 2:01 PM
Subject: Re: Enviro Board
To: Joshua Mosshart <[REDACTED]@gmail.com>

Dear Joshua,

Edward is still traveling but sent me the following questions for you in advance of receiving a PPM based on his quick perusal of the documents you sent.

Thank you,

Silvana
917 414-9404

From Edward:

- > The documents attached seem to have conflicting information. The 'teaser' document discusses a convertible bridge financing of \$6m but gives no
- > details of interest rate, valuation or valuation cap on conversion to equity or discount rate on conversion for bridge investors.
- >
- > The "term sheet" seems to be referring to something else. A \$3 million capital round but also with no reference to valuation or specifics on outstanding shares.
- >
- > Is the current PPM an equity series or a convertible bridge and what are the details on valuation and terms?
- >
- > Maybe all will be answered in the PPM but the teaser and the term sheet seem to be out of synch.

On Jun 26, 2011, at 3:47 PM, Joshua Mosshart wrote:

- > Ed,
- >
- > I am excited to share this opportunity with you. This will help the environment and people all over the world. I introduced the company to
- > Anthony. Glenn Camp the CEO of Enviro Board wanted me to reach out to you per Anthony's request.
- >
- > Click on the link to go to our website www.enviroboard.com click on the video tab and watch the video segment the History Channel did on
- > EB.
- >
- > Attached is a company PowerPoint, Business Plan and a teaser. We are updating the PPM and I will have it to you later this week.
- >
- > Glenn and I would be available to do a presentation and meet you in person anytime later next week or the following. You can come to
- > Malibu and we can do a pow wow at Anthony's or fly to you.
- >
- > Thanks for your time.
- >
- > Best
- > <Teaser .pdf><Final_Enviro_Board_Power_Point_Presentation_Investor.pdf><Enviro Board Business Plan.pdf>

EXHIBIT 15A

From: Joshua Mosshart [REDACTED]@gmail.com]
Sent: 3/6/2012 7:11:38 AM
To: Wmpeiffer [REDACTED]@aol.com]; Glenn Camp [REDACTED]i@aol.com]
Subject: Fwd: Investment
Attachments: image001.jpg

Do you want to answer the questions below for the 1.6? We don't need the financials. I can tell Zy its based on the PPM projections. Can you answer question 2-6?

Joshua D. Mosshart MSFS

----- Forwarded message -----

From: "Zy" [REDACTED]@viddyme.com>

Date: Mar 6, 2012 7:06 AM

Subject: Investment

To: "Joshua Mosshart" [REDACTED]@gmail.com>, <glenn@enviroboard.com>

Dear Josh/Glenn,

I am discussing the investment opportunity to an interested party who has raised the following questions which I have relayed parrot fashion:

- 1) Is the ppm the most current offering
- 2) Can we have the 'collateral' documents
- 3) What happens if the notes are not repaid
- 4) Does the product(s) meet US/CA building codes
- 5) Does the product(s) meet current fire ratings
- 6) Can we have a copy of the patent(s)
- 7) Can we have copies of your financials

Best Regards,

Zy Shlaimoun



Itanics Inc

10940 Wilshire Blvd., Suite 1600

Los Angeles, CA 90024, USA

tel : 1 310 443 4172

fax: 1 310 919 3158

EXHIBIT 15B

From: Joshua Mosshart [REDACTED]@gmail.com]
Sent: 3/15/2012 4:43:29 PM
To: Glenn Camp [glenn@enviroboard.com]
Subject: Re: Documents

Yes

Joshua D. Mosshart MSFS

On Mar 15, 2012 4:34 PM, "Glenn Camp" <glenn@enviroboard.com> wrote:

I'm sending him the Bond PPM correct?

Sent from my iPhone

On Mar 15, 2012, at 4:14 PM, Joshua Mosshart [REDACTED]@gmail.com> wrote:

[REDACTED]@verizon.net

Please send Geoff the PPM and supporting documents.

Joshua D. Mosshart MSFS

EXHIBIT 15C

From: Joshua Mosshart [REDACTED]@gmail.com]
Sent: 8/26/2011 11:02:13 AM
To: Glenn Camp [glenn@enviroboard.com]
Subject: Fwd: Re: Publisher intro

See below

Joshua D. Mosshart MSFS

----- Forwarded message -----

From: "Geoffrey Ortiz - Zuma Consulting LLC" <Geoff@zumaconsultingllc.com>
Date: Aug 26, 2011 10:45 AM
Subject: Re: Publisher intro
To: "Joshua Mosshart" [REDACTED]@gmail.com>

Josh,

Is there any finished product available now for testing?

Where can I or someone else get a sample?

RE: Your website - is it currently being revised or worked on? On your "Earthquake" page - needs a wording fix. *"This is because of the specific characteristics of both the Enviro Board panel and roll-formed steel framing, which low density cement and concrete building materials, do not shatter under torsion and shear."* Is the word "unlike" supposed to be in there after "which"?

Do you have a an actual physical office? staffed? Why not list the address and phone on the website under "Contact"?

Thanks,

Geoff

----- Original Message -----

From: Joshua Mosshart
To: Geoffrey Ortiz - Zuma Consulting LLC
Sent: Wednesday, August 24, 2011 10:48 PM
Subject: Re: Publisher intro

G,

I wanted to update you on a new member of the board not in the PPM Wesley K. Clark. Click on following link for his bio http://en.wikipedia.org/wiki/Wesley_Clark

Wesley is currently in Uganda meeting with their President negotiating a technology transfer of Enviro Board machines.

Also Rons C. Sims came on the Board this month. Click on following link for his bio <http://www.hud.gov/about/secretary/ronsimsbio.cfm> He retired from HUD last month.

All of the board members in the PPM and mentioned in this e-mail may be disclosed. The PPM and business plan are being updated. See attached timeline.

FYI,

Tentative, Ed Norton mid Sept.

On Wed, Aug 24, 2011 at 10:21 PM, Geoffrey Ortiz - Zuma Consulting LLC <Geoff@zumaconsultingllc.com> wrote:
Thank you. Connecting people is what we do.

On the business side, can you disclose to me who the board members are of Enviroboard? Is it OK for me to use these names?

Thank you,
Geoff

----- Original Message -----

From: [Joshua Mosshart](#)

To: [Geoffrey Ortiz - Zuma Consulting LLC](#)

Sent: Wednesday, August 24, 2011 11:23 AM

Subject: Re: Publisher intro

Geoffrey

This is really a wonderful thing you are doing.

Best

Joshua D. Mosshart MSFS

On Aug 24, 2011 10:05 AM, "Geoffrey Ortiz - Zuma Consulting LLC" <Geoff@zumaconsultingllc.com> wrote:

> Hi Arlene,

>

> Your husband, Joshua, mentioned last night that you had a book concept that you were working on to show children throughout the world, and that your goal was to publish and sell this with the intent of using the proceeds to fund nurses traveling internationally for humanitarian volunteer causes. I mentioned to your husband last night that I am a member of Rotary International, that supports such causes, and that I had a meeting upcoming in which I could speak to a fellow Rotarian, Margo Neal, that happens to be the President of Nursecom, a successful publishing company that specializes in the nursing industry.

>

> I mentioned your idea to Margo this morning after the meeting, and she is very open to speaking to you to see if she can help, or help to make you a connection, as this touches on so many aspects of what Rotary is about, and what Margo has done successfully.

>

> Please contact Margo and let me know if I can be of any further help on this.

>

> Regards,

> Geoffrey Ortiz

> Rotary Club of Malibu

--

Joshua D. Mosshart MSFS, CHFC °, CASL °, CEA°, CLU°, CAS°, CFS°, CIS™, CES™, CTS™
Managing Director

Enviro Board Corporation

920 Hampshire Road Suite A4
Westlake Village, CA 91361
Map and Directions

<http://enviroboard.com>
jmosshart@enviroboard.com
Office: 805-497-3837
Cell: -6054

EXHIBIT 16

JOSHUA DANIEL MOSSHART

CRD# 3174050

BARRED

FINRA has barred this individual from acting as a broker or otherwise associating with a broker-dealer firm.

 Previously Registered Broker

 Previously Registered Investment Adviser  [Visit SEC Site](#)

9 Disclosures	12 Years of Experience 6 Firms	4 Exams Passed	0 State Licenses
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 Disclosures 

Initiated By

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Allegations

SEC Admin Release 34-82998, IA Release 4874 / April 5, 2018: The Securities and Exchange Commission considered it appropriate and in the public interest that public administrative proceedings be instituted against Joshua D. Mosshart ("Respondent"). After an investigation, the Division of Enforcement alleges that on March 22, 2018, a final judgment was entered against Respondent, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), and Section 15(a) of the Exchange Act, in the Civil Action Number 2:16-cv-05427-R-SS, in the United States District Court for the Central District of California. In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate to determine: Whether the allegations are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; What, if any, remedial action is appropriate in the public interest against Respondent; and Whether to suspend or bar Respondent from participating in any offering of penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock; or inducing or attempting to induce the purchase or sale of any penny stock.

SanctionDetails

 [Arbitration Details](#)

 [Disciplinary Action Details](#)

2/2/2017

Customer Dispute

Settled

Allegations

CLAIMANTS ALLEGE THAT MR. MOSSHART SOLICITED THEM TO INVEST INTO NON-FIRM APPROVED INVESTMENT AND ALLEGES CONVERSION, FRAUD, NEGLIGENT SUPERVISION, AND VIOLATION OF STATE SECURITIES ACT. ACTIVITY PERIOD MAY 2011 - PRESENT.

Damage Amount Requested

\$50,000.00

Settlement Amount

\$27,500.00

[Arbitration Details](#)

[Disciplinary Action Details](#)

Allegations NON ACCOUNT HOLDER CLAIMS MR. MOSSHART SOLICITED HIM TO INVEST INTO NON-FIRM APPROVED INVESTMENT AND FUNDS WERE ALLEGES CONVERSION, FRAUD, NEGLIGENT SUPERVISION, AND VIOLATION OF STATE SECURITIES ACT. ACTIVITY PERIOD: 1/1/12 TO PRESENT.

Damage Amount Requested \$370,000.00

[Arbitration Details](#)

[Disciplinary Action Details](#)

Initiated By UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Allegations SEC Litigation Release 23628 / August 26, 2016: The Securities and Exchange Commission charged a California-based company and two executives and their primary sales-man Joshua Mosshart with using baseless financial projections and other misleading statements to defraud investors in a venture to manufacture environmentally-friendly building materials. The SEC alleges that the Corporation and its co-chairmen/CEOs raised approximately \$6 million from investors during a two-year period by using documents predicting company earnings ranging from \$18 million to \$95 million per year. They allegedly lacked any reasonable basis for such estimates amid persistent manufacturing problems plaguing the company since its inception. The company Board claimed its green materials had already been used in residential and commercial construction projects, yet the company has never developed a commercially viable mill to manufacture its products. Among other alleged misrepresentations to investors were claims to have secured \$161 million in financing from a "vendor" that turned out to be nothing more than an entity created by one of the executives that lacked the resources to actually make such a loan. Meanwhile, according to the SEC's complaint filed in federal court in Los Angeles, the executives and their primary sales-man Joshua Mosshart have paid themselves approximately \$2.6 million in compensation out of investor funds. Mosshart also is named in the SEC's complaint and charged with selling unregistered securities and acting as an unregistered broker. The complaint further charged Mosshart with violating Sections 5(a) and 5(c) of the Securities Act and with violating Section 15(a) of the Exchange Act.

Resolution Judgment Rendered

SanctionDetails [object Object],[object Object],[object Object],[object Object]

Sanctions Civil and Administrative Penalty(ies)/Fine(s)

Sanctions Disgorgement

SanctionDetails

[object Object]
Amount \$293,655.00

Sanctions Monetary Penalty other than Fines

Sanctions Injunction

Sanctions permanently restrained

[Arbitration Details](#)

[Disciplinary Action Details](#)

Allegations SALE OF ENVIRO BOARD CORPORATION SERIES BOND ALLEGED WRONGFUL VARIOUS ALLEGATIONS OF FEDERAL AND STATE LAW VIOLATIONS. ACTIVITY PERIOD NOVEMBER 2011-PRESENT.

Settlement Amount \$119,500.00

[Arbitration Details](#)

[Disciplinary Action Details](#)

Initiated By FINRA

Allegations FINRA RULES 2010, 3270, NASD RULE 3040. MOSSHART SOUGHT PERMISSION FROM HIS MEMBER FIRM TO BE A COMPANY'S SALES REPRESENTATIVE INVOLVED IN SELLING MANUFACTURING MACHINES FOR BUILDING PANELS. ALTHOUGH THE FIRM APPROVED THIS OUTSIDE BUSINESS ACTIVITY, IT SPECIFICALLY ADVISED MOSSHART THAT HE WAS NOT TO SOLICIT ANY INDIVIDUALS TO INVEST IN THE COMPANY AND REQUIRED HIM TO INFORM THE FIRM ABOUT ANY MATERIAL CHANGES IN HIS ROLE WITH THE COMPANY. HOWEVER, WHILE ASSOCIATED WITH THE FIRM, MOSSHART REFERRED SEVERAL INVESTORS, SOME OF WHOM WERE THE FIRM'S CUSTOMERS, TO THE COMPANY, WHO, IN TURN, INVESTED NEARLY \$5 MILLION IN THE COMPANY. MOSSHART RECEIVED ABOUT \$485,000 IN REFERRAL FEES. MOSSHART ALSO SERVED AS THE PRESIDENT OF THE COMPANY. MOSSHART NEVER PROVIDED WRITTEN NOTICE TO THE FIRM THAT HE WAS REFERRING INVESTORS TO THE COMPANY AND RECEIVING FEES FOR THOSE REFERRALS, AND HE FAILED TO RECEIVE WRITTEN APPROVAL FROM THE FIRM TO ENGAGE IN THOSE PRIVATE SECURITIES TRANSACTIONS. MOSSHART ALSO FAILED TO PROVIDE THE FIRM WITH PROMPT AND ACCURATE WRITTEN NOTICE THAT HE WAS SERVING AS THE COMPANY'S PRESIDENT.

Resolution Acceptance, Waiver & Consent(AWC)

SanctionDetails [object Object]

Sanctions Bar

Regulator Statement WITHOUT ADMITTING OR DENYING THE FINDINGS, MOSSHART CONSENTED TO THE DESCRIBED SANCTION AND TO THE ENTRY OF FINDINGS. THEREFORE, HE IS BARRED FROM ASSOCIATION WITH ANY FINRA MEMBER IN ANY CAPACITY.

[Arbitration Details](#)

[Disciplinary Action Details](#)

Firm Name LPL FINANCIAL LLC

Termination Type Permitted to Resign

Allegations (1) FAILED TO FULLY DISCLOSE EXTENT OF PARTICIPATION IN AN OUTSIDE BUSINESS ACTIVITY; (2) APPEARS TO HAVE DIRECTED ONE OR MORE CLIENTS TO AN INVESTMENT NOT APPROVED BY THE FIRM, WHICH WOULD VIOLATE FIRM POLICY REGARDING SELLING AWAY/PRIVATE SECURITIES TRANSACTIONS.

[Arbitration Details](#)

[Disciplinary Action Details](#)

Allegations FINRA ARBITRATIONS STATEMENT OF CLAIM ALLEGES BREACH OF CONTRACT, BREACH OF FIDUCIARY DUTY, NEGLIGENCE, FAILURE TO SUPERVISE AND VIOLATION OF CERTAIN STATE AND FEDERAL STATUTES WITH RESPECT TO THE CLAIMANT'S FEE-BASED ACCOUNT AND ANNUITY EXCHANGE. ALL ALLEGEDLY RESULTING IN DAMAGES TO THE CLAIMANT.

Damage Amount Requested \$500,000.00

Settlement Amount \$52,743.75

Broker Comment WITHOUT ANY ADMISSION OF LIABILITY (WHICH WAS AND REMAINS DENIED) AND SOLELY AS A BUSINESS DECISION IN ORDER TO AVOID THE COSTS OF LITIGATION AND BRING THIS MATTER TO CLOSURE, LPL RESOLVED THIS MATTER ON 11/19/10 FOR \$52,743.75. THE REGISTERED REPRESENTATIVE WAS RELEASED BY, BUT IS NOT A PARTY TO, THE SETTLEMENT AGREEMENT.

[Arbitration Details](#)

[Disciplinary Action Details](#)

Allegations CUSTOMER ALLEGES SHE AND HER MOTHER WERE GIVEN INCORRECT INFORMATION FROM FA WHICH CAUSED UNEXPECTED TAX LIABILITY. FA DENIES ALLEGATIONS AND SPECIFICALLY DENIES GIVING ANY TAX INFORMATION OR ADVICE AND SETS FORTH THAT HE ADVISED CUSTOMER TO CONSULT A TAX PROFESSIONAL PRIOR TO MAKING THE INVESTMENT DECISION.

Damage Amount Requested \$100,000.00

[Arbitration Details](#)

[Disciplinary Action Details](#)

 Examinations

■ State Securities Law Exam

Series 66 - Uniform Combined State Law Examination

Apr 3, 2000

Series 63 - Uniform Securities Agent State Law Examination

Mar 4, 1999

■ General Industry/Products Exam

Series 7 - General Securities Representative Examination

Apr 22, 1999

■ Principal/Supervisory Exam

Series 24 - General Securities Principal Examination

Aug 23, 2004

 Broker Registration History

	Name	Location
07/02/2004 - 12/12/2012	LPL FINANCIAL LLC (CRD#:6413)	WESTLAKE VILLAGE, CA
02/10/2003 - 07/23/2004	UBS FINANCIAL SERVICES INC. (CRD#:8174)	WEEHAWKEN, NJ
08/21/2001 - 11/15/2001	CHICAGO INVESTMENT GROUP, INC. (CRD#:11853)  FINRA expelled the firm on 09/14/2010	CHICAGO, IL
01/19/2000 - 08/27/2001	FASCO INTERNATIONAL, INC. (CRD#:31009)	WALNUT, CA
07/16/1999 - 12/20/1999	SCHOFF & BAXTER, INC. (CRD#:3290)	BURLINGTON, IA
05/27/1999 - 06/11/1999	FINANCIAL WEST GROUP (CRD#:16668)	RENO, NV

Additional Information

The content of this summary, and the available detailed report, is governed by FINRA Rule 8312, and is primarily based on information filed on uniform registration forms. Rule 8312, amendments to the rule and notices related to U.S. Securities and Exchange Commission approval orders, can be viewed [here](#).

State regulators are governed by their public records laws (not FINRA Rule 8312), and may provide information not in BrokerCheck, including information no longer required to be reported or updated on uniform registration forms due, for example, to its age or final disposition. You may contact your state regulator to request this additional information.

[Click here](#) for more information about how to check on an investment professional.

 Broker

A brokerage firm, also called a broker-dealer, is in the business of buying and selling securities – stocks, bonds, mutual funds, and certain other investment products – on behalf of its customer (as broker), for its own bank (dealer), or both. Individuals who work for broker-dealers - the sales personnel are commonly referred to as brokers.

 Investment Adviser

An investment adviser is paid for providing advice about securities to clients. In addition, some investment advisers manage investment portfolios and offer financial planning services.

It is common for a financial professional to act as both a broker and an investment adviser. Because of this, we include investment advisers on BrokerCheck, and provide links to the SEC's Investment Adviser Public Disclosure (IAPD) website so you can research further.

 Previously Registered

A Previously Registered broker or brokerage firm is not currently licensed to act as a broker (buying and selling securities on behalf of customers) or as an investment adviser (providing advice about securities to clients). They may still be able to offer other investment-related services if properly licensed to do so. [Click here to learn more.](#)

 Disclosures

Disclosures can be any customer complaints or arbitrations, regulatory actions, employment terminations, bankruptcy filings and any civil or criminal proceedings that they were a part of.

