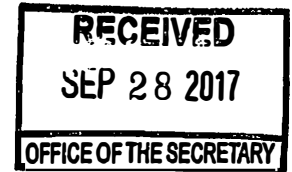


# HARD COPY

UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION



**ADMINISTRATIVE PROCEEDING**

File No. 3-17621

In the Matter of

ANDREW STITT,

Respondent.

**DIVISION OF ENFORCEMENT'S MOTION  
FOR DEFAULT JUDGMENT**

The Division of Enforcement ("DOE") submits this Motion for Default Judgment pursuant to Commission Rule of Practice 155, asking that a default judgment be entered against Respondent Andrew Stitt. The DOE respectfully asks the Court to order that Stitt be: (a) barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and (b) barred from participating in any offering of a penny stock.<sup>1</sup>

**I. BACKGROUND**

On August 18, 2016, a Final Judgment was entered against Stitt in the civil action entitled *Securities and Exchange Commission v. Team Resources, Inc., et al.*, Civil Action Number 3:15-CV-1045-N, in the United States District Court for the Northern District of Texas. *See Exhibit 1* (Final Judgment). The Final Judgment permanently enjoins him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act") and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder. *Id.*

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<sup>1</sup> As pled in the OIP, these remedies are available pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934 ("Exchange Act").

This follow-on proceeding was instituted on October 6, 2016. On October 21, 2016, the Court issued a Postponement Order because Stitt—who lives in Jamaica—had not yet been served with the OIP. In that Order, the Court ordered the DOE to provide status reports to the Court every 60 days, which the DOE has done.

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Shortly after the matter was instituted, the Commission's Office of the Secretary and the DOE began trying to effect service on Stitt. *See Exhibit 2* at ¶ 4 (Davis declaration). On February 2, 2017, Stitt contacted DOE counsel by phone. *Id.* at ¶¶ 5-6. During that call, he confirmed that he had received the service package. *Id.* Upon being informed of the nature of the matter and his options for proceeding—including filing an answer and litigating or settling—Stitt stated that he would like to settle. *Id.*

DOE counsel sent Stitt settlement papers on February 13, 2017. *Id.* at ¶¶ 6-7. Stitt responded on March 9, 2017—confirming his desire to settle and stating that he would be sending executed papers the next day. *Id.* He further stated that it could take two months for the executed papers to be received. *Id.* After seven months, the settlement papers still have not been arrived. *Id.*

Since his March 9, 2017 email, Stitt has refused to communicate with DOE counsel. *Id.* at ¶ 8. During this time period, DOE counsel has tried to contact him multiple times—both by phone and email. *Id.* The most recent attempts to do so were on September 26, 2017. *Id.*

## II. ARGUMENT

Stitt was properly served under Commission Rule of Practice 141. That Rule provides that notice of a proceeding be made to an individual—including an individual living in a foreign country—by "delivering a copy of the [OIP] to the individual." *See* 17 C.F.R. § 201.155(a)(2)(i). As discussed above and detailed in the Davis declaration accompanying this motion, Stitt has

confirmed that he was served in person at his house in Jamaica. This was further confirmed by the email correspondence between Stitt and DOE counsel, which is attached to the Davis declaration.

~~Having been properly served, Stitt was required by Commission Rule of Practice 220 to~~ file an Answer within 20 days. *See* 17 C.F.R. § 201.220(a)-(b); OIP at Section IV (directing Stitt to file and Answer within 20 days of service). Stitt has not done so. As a result, the Court may deem him in default and determine these proceedings against him upon consideration of the OIP—with the allegations against him deemed as true. *See* 17 C.F.R. § 201.220(f); *see also* OIP at Section IV (noting that if Stitt fails to file a timely Answer he "may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310").

Because Stitt has been served and has failed to file a timely Answer, he should be deemed in default under Commission Rule of Practice 155(a)(2).<sup>2</sup> *See* 17 C.F.R. § 201.155(a)(2). Therefore, the Court should determine these proceedings against him with the allegations in the OIP deemed true. *Id.*

Consequently, the following facts should be deemed true: (a) on August 18, 2016, a final judgment was entered against Stitt in the civil action entitled *Securities and Exchange Commission v. Team Resources, Inc., et al.*, Civil Action Number 3:15-CV-1045-N, in the United States District Court for the Northern District of Texas; (b) the final judgment

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<sup>2</sup> He has also failed to defend or to otherwise participate in this proceeding under Commission Rule of Practice 155. *See* 17 C.F.R. § 201.155(a)(2). As detailed above and in the Davis Declaration, Stitt initially expressed a desire to settle and went so far as to request settlement papers. He has since, however, refused to respond to communications from DOE counsel or to otherwise participate in the proceeding. This has now gone on for months. Thus, he may be deemed to be in default.

permanently enjoins him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder; and (c) the Complaint in the civil action alleged that Stitt committed a number of violations of the federal securities laws from 2011-12, including—while using an alias—making material

misrepresentations and omissions to investors, receiving \$214,371 in undisclosed commissions, and acting as an unregistered broker. *See* OIP at Section II, ¶¶ 2-3; *see also Exhibit 1* (Final Judgment).

In light of the injunction against him and of the serious allegations the led to it, Stitt should be: (a) barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and (b) barred from participating in any offering of a penny stock. These remedies are provided for in Section 15(b)(6) of the Exchange Act.<sup>3</sup> *See* 15 U.S.C. § 78o(b)(6).

These remedies are well within the public interest. In determining whether a remedial sanction is in the public interest, the Court should look to several factors: "the egregiousness of the defendant's actions, the isolated or recurrent nature of the infraction, the degree of scienter involved, the sincerity of the defendant's assurances against future violations, the defendant's recognition of the wrongful nature of his conduct, and the likelihood that the defendant's occupation will present opportunities for future violations. *See Steadman v. SEC*, 603 F.2d 1126 (5<sup>th</sup> Cir. 1979). The facts here establish that for approximately two years, Stitt was part of an ongoing fraud. His fraudulent conduct included making repeated misrepresentations and omissions. In exchange for this, he

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<sup>3</sup> Exchange Act Section 15(b)(6) provides that the SEC may "bar any such person from being associated with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, or from participating in an offering of penny stock." *See* 15 U.S.C. § 78o(b)(6). "Any such person[s]" include persons subject to civil injunctions for violating the securities laws. *See Id.*; 15 U.S.C. § 78o(b)(4)(C).

received over \$200,000 in undisclosed commissions. And he did these things while using an alias and while in violation of laws requiring him to register as a broker. He has offered no assurances against future misconduct. And his default and failure to participate in this proceeding suggest that he does not recognize the wrongful nature of his conduct.

In light of all these facts, there should be no question that Stitt's conduct justifies the imposition of associational and penny stock bars. The DOE therefore respectfully asks the Court to grant this relief.

Dated: September 27, 2017.

Respectfully submitted,



Chris Davis  
Texas Bar No. 24050483  
Attorney for Division of Enforcement  
Securities and Exchange Commission  
Burnett Plaza, Suite 1900  
801 Cherry Street, Unit #18  
Fort Worth, Texas 76102-6882  
E-mail: [DavisCa@sec.gov](mailto:DavisCa@sec.gov)  
Telephone: (817) 900-2638  
Facsimile: (817) 978-4927

SERVICE LIST


In accordance with Rule 150 of the Commission's Rules of Practice, I hereby certify that a true and correct copy of the foregoing ***DIVISION OF ENFORCEMENT'S MOTION FOR DEFAULT JUDGMENT*** was served on the persons listed below on the 27th day of September, 2017, *via* certified mail, return-receipt requested:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-2557

Honorable Carol Fox Foelak  
Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-2557

Chris Davis, Esq.  
Fort Worth Regional Office  
Securities and Exchange Commission  
801 Cherry Street, Suite 1900  
Fort Worth, TX 76102

Mr. Andrew Stitt  
9 Tigress Lane  
Westmoreland, (Negril) Jamaica JMDWD14

  
\_\_\_\_\_  
Chris Davis

**IN THE UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**vs.**

**TEAM RESOURCES, INC.,  
FOSSIL ENERGY CORPORATION,  
KEVIN A. BOYLES,  
PHILIP A. DRESSNER,  
MICHAEL EPPY,  
ANDREW STITT, AND  
JOHN OLIVIA,**

**Defendants.**

**CIVIL ACTION NO.:  
3:15-CV-1045-N**

**FINAL JUDGMENT AS TO DEFENDANT ANDREW STITT**

Pursuant to its order filed earlier today, the court issues this Final Judgment in favor of the Securities and Exchange Commission ("SEC") and against Andrew Stitt ("Defendant"). It is therefore, ordered, adjudged, and decreed as follows:

**I.**

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

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

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

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

## II.

Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

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



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

**III.**

Defendant is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;
- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
- (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the

effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

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

**IV.**

Defendant is permanently restrained and enjoined from violating Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)] by, directly or indirectly, by using the mails or any means or instrumentality of interstate commerce, while acting as a broker or dealer, effecting transactions in or inducing or attempting to induce the purchase or sale of securities while not registered with the Commission as a broker or dealer or while not associated with an entity registered with the Commission as a broker or dealer.

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

**V.**

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay disgorgement of \$214,371.00, prejudgment interest thereon of \$40,165.98, and a civil penalty of \$214,371.00 pursuant to 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)]. Defendant shall satisfy this obligation by paying \$468,907.98 to the Securities and Exchange Commission within 14 days after entry of this Final Judgment.

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

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

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

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

The Commission may enforce the Court's judgment for disgorgement and prejudgment interest by moving for civil contempt (and/or through other collection 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 pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest and income earned thereon (collectively, the "Fund"), pending further order of the Court.

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

Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil penalties pursuant to this Judgment shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or reduction of any award of compensatory damages in any Related Investor Action based on Defendant's payment of disgorgement in this action, argue that [it, he, she] is entitled to, nor shall [it, he, she] further benefit by, offset or reduction of such compensatory damages award by the amount of any part of Defendant's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Defendant shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the United States Treasury or to a Fair Fund, as the Commission directs. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this Judgment. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against

Defendant by or on behalf of one or more investors based on substantially the same facts as alleged in the Complaint in this action.

**VI.**

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


**VII.**

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

**VIII.**

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

SIGNED August 18, 2016.

  
DAVID C. GODBEY  
UNITED STATES DISTRICT JUDGE

**UNITED STATES OF AMERICA**

**Before the**

**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**

**File No. 3-17621**

**In the Matter of**

**ANDREW STITT,**

**Respondent.**

**DECLARATION OF CHRIS DAVIS  
PURSUANT TO 28 USC §1746**

I, Chris Davis, hereby declare under penalty of perjury pursuant to 28 U.S.C. §1746 as follows:

1. I am over the age of 18 and competent to testify to the facts stated herein. I am making this declaration voluntarily and based upon my personal knowledge.
2. I am a Senior Trial Counsel in the U.S. Securities and Exchange Commission's Division of Enforcement ("DOE"). I am based out of the Fort Worth, Texas regional office. I am responsible for representing the DOE in litigation involving alleged violations of the federal securities laws.
3. I am the DOE's lead counsel in the matter styled *In the Matter of Andrew Stitt, AP File No. 3-17621* (the "matter"). Based on my experience in that role, I can personally attest to the facts outlined below.
4. The matter was instituted on October 6, 2016. On October 11, 2017, the Commission's Office of the Secretary mailed the service package to Stitt at his address in

Jamaica via International Certified Mail Return Receipt Requested. DOE was also directed by the Office of The Secretary to assist in making service on Stitt pursuant to SEC Rule of Practice 141.<sup>1</sup> Consequently, DOE retained a process server to effect service on Stitt. The process server began trying to effect service on or around October 16, 2017.<sup>2</sup>

5. Stitt contacted me by phone on February 2, 2017. At that time, he confirmed that: (a) he had received the DOE's service package containing the OIP and other documents;<sup>3</sup> (b) he would like to use email for service of documents going forward; (c) the DOE had the correct phone number for him; and (d) the DOE had the correct address for him.

6. During the call, I explained to Stitt the substance of the proceeding and his options—including that he could litigate the proceeding by filing an answer or that he could settle it. Stitt stated that he wanted to settle by agreeing to the relief sought by the DOE: associational and penny stock bars. In response, I sent him settlement papers on February 13, 2017. *See* Attachment 1 (email correspondence between Stitt and me from February 2, 2017 through March 9, 2017).

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<sup>1</sup> *See* Rule 141(a)(1), which allows The Secretary, or another duly authorized officer of the SEC, to direct the DOE to assist in making service. The DOE trial staff has been in communication with both the Commission's Office of International Affairs and with the relevant Jamaican authorities as part of its efforts to serve Stitt. These parties have advised us that the best method for effecting service on Stitt in Jamaica is through a process server.

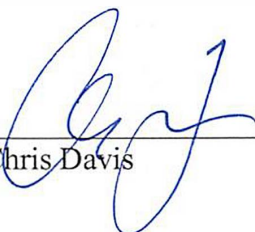
<sup>2</sup> The DOE has made extensive attempts to obtain a formal return of service or affidavit of service from the process service company. Despite these extensive attempts, the company has not been able to do so. The company reported to the DOE that their Jamaican contacts who served Stitt have "gone completely dark" when asked to provide a return of service or affidavit.

<sup>3</sup> Stitt told me that he had in fact received the service package more than once—and that I "could stop sending people to his house." I told him that we had attempted to serve him multiple times because we had not yet received a return of service. He stated that he was not surprised that this was the case, since he had spent some time talking to the Jamaican representative who served him with the package. He further stated that Jamaica has a unique culture, and that the Jamaican representative probably thought that Stitt was a good guy and was therefore trying to "do him a solid" by not returning the proof of service.

7. Stitt responded to my email on March 9, 2017. At that time, he stated that he would be sending executed settlement papers "by tomorrow" and that it could take "a month or 2" for me to receive the papers. *Id.* My office has not received the executed settlement papers.

8. I have heard nothing from Stitt since that time. In the intervening months, I have attempted to contact him multiple times—both via email and phone. I most recently tried to contact him on September 26, 2017. On that date, I called his phone and left him a detailed voice mail. I called the same number I have used to speak with him before and got a voice mail greeting stating that the phone number belongs to "Andy." I also sent him a follow-up email a few minutes after leaving the voice mail. *See* Attachment 2 (September 26, 2017 email from me to Stitt). I have not received a phone call or email in response.

I state under penalty of perjury that the foregoing is true and correct. Executed on September 27, 2017.

  
Chris Davis



**From:** [Davis, Christopher A.](#)  
**To:** [a S](#)  
**Cc:** [Stewart, Angelia L.](#); [Stewart, Angelia L.](#)  
**Subject:** Re: Phone call follow-up  
**Date:** Thursday, March 09, 2017 12:06:05 PM

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Roger. Thanks for that info and we'll plan accordingly.

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**From:** a S  
**Sent:** Thursday, March 9, 2017 11:52 AM  
**To:** Davis, Christopher A.  
**Cc:** Stewart, Angelia L.; Stewart, Angelia L.; Davis, Christopher A.  
**Subject:** Re: Phone call follow-up

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Ok thanks for the prompt reply.  
But snail mail from Jamaica makes the USPS look like meth mail.  
Just a heads up letting you know the mail here can take a month or 2 to arrive, but I will send it by tomorrow. I'll have to find a JP that'll take a day or 2 as well. They are rather elusive.

Andy

Sent from [TypeApp](#)

On Mar 9, 2017, at 12:47 PM, "Davis, Christopher A." <[DavisCa@SEC.GOV](mailto:DavisCa@SEC.GOV)> wrote:

Sig page with the JP signature should be fine. Email that back and please also send the original signature page via snail mail. Thanks.

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**From:** a S  
**Sent:** Thursday, March 9, 2017 11:44 AM  
**To:** Davis, Christopher A.  
**Cc:** Stewart, Angelia L.  
**Subject:** RE: Phone call follow-up

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Hi Mr Davis

Sorry for the delay my wife is [REDACTED] and I've been busy dealing with it and shoving everything else to the backburner

Im going to deal with this now thanks for your patience

One question... Can I email you back the signed signature page alone or do I need to print and scan the entire file?

The Jamaican equivalent to a notary is a " justice of the peace" they have a stamp etc... is that sufficient?

Sent from [TypeApp](#)

On Feb 13, 2017, at 3:50 PM, "Davis, Christopher A." <[DavisCa@SEC.GOV](mailto:DavisCa@SEC.GOV)> wrote:

Attachment 1

Andy –

Two things. First, can you please confirm items 1-4 from my earlier email below. I never got a response. Second, I've attached the offer of settlement that we discussed. This will settle the SEC's administrative proceedings against you. It's on a no-admit, no-deny basis—except that you admit that a civil injunction had been entered against you (but not any of the underlying allegations). As discussed, the effect of the settlement is that you will be consenting to various industry bars and to a penny stock bar. See paragraph IV of the attached for the details. To execute the settlement, please print it, sign it, have it notarized, and email it back to me.

Thanks again for reaching out to me by phone. And please let me know if you have any questions.

Chris

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**From:** Davis, Christopher A.  
**Sent:** Thursday, February 02, 2017 12:47 PM  
**To:** [REDACTED]@hotmail.com  
**Cc:** Stewart, Angelia L.  
**Subject:** Phone call follow-up

Mr Stitt –

Thanks for the time on the phone a few minutes ago. To confirm our conversation:

- 1.
- 2.
- 3.
- 4.

Please confirm that 1-4 are accurate. As discussed, I will follow up with a document that we can use to settle the administrative proceeding—assuming that is what you want to do. It will come from either me or my colleague Angelia Stewart, who is copied on this email. Please let us know if you have any questions. You can reach us via email or phone (my # is below—the same # you called earlier; Angelia's is 817-978-0525). Thanks again.

Chris

Chris Davis

Senior Trial Counsel

U.S. Securities and Exchange Commission

Burnett Plaza, Suite 1900  
801 Cherry Street, Unit 18  
Fort Worth, TX 76102

(817) 900-2638

[davisca@sec.gov](mailto:davisca@sec.gov)

**From:** [Davis, Christopher A.](#)  
**To:** [REDACTED]@hotmail.com"  
**Cc:** [Stewart, Angelia L.](#)  
**Subject:** Case status  
**Date:** Tuesday, September 26, 2017 9:36:00 AM  
**Attachments:** [Re Phone call follow-up.msg](#)  
**Importance:** High

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Andy –

I am writing to follow up on a voice mail I just left you (as well as other voice mails and emails over the past few months). You told me this spring, after we spoke on the phone a couple of times, that you want to settle the case. I sent you settlement papers at the time. You told me in March (see attached) that you would have them executed and sent back to me, which would resolve the SEC's administrative proceeding against you. I have not received executed papers. I've attempted to contact you numerous times since them—including this morning by phone. But I've heard nothing back.

Can you please tell me where we stand? We have another status report due tomorrow. In light of the lengthy delay in receiving the settlement papers—which had now gone well past the two months that you told me the Jamaican mail can take—I can no longer wait to ask the Court to take action. Consequently, unless you can get the papers back to me immediately, I am planning ask the Court to enter a default judgment against you.

Please let me know where things stand. Thank you.

Chris

Chris Davis  
Senior Trial Counsel  
U.S. Securities and Exchange Commission  
Burnett Plaza, Suite 1900  
801 Cherry Street, Unit 18  
Fort Worth, TX 76102  
(817) 900-2638  
[davisca@sec.gov](mailto:davisca@sec.gov)