UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
CASE NO.

SECURITIES AND EXCHANGE COMMISSION,	)
	)
Plaintiff,	)
v.	)
	)
N1 TECHNOLOGIES, INC.,	)
NANOSAVE TECHNOLOGIES, INC.,	)
ROCKEY "ROC" G. HATFIELD, and	)
STEVE E. LOVERN,	)
	)
Defendants.	)
	)
	)
_____	)

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff Securities and Exchange Commission (the "Commission") alleges as follows:

INTRODUCTION

1. The Commission brings this action to enjoin N1 Technologies, Inc. ("N1 Belize"), NanoSave Technologies, Inc. ("NanoSave"), Rockey "Roc" G. Hatfield ("Hatfield"), and Steve E. Lovern ("Lovern") (collectively, "Defendants") from further violations of the anti-fraud and registration provisions of the federal securities laws.

2. In February 1996, the Commission instituted an order barring Hatfield from participating in any offer of penny stock after a federal district court enjoined him from violations of the anti-fraud and registration provisions of the federal securities laws. Hatfield has gone on to violate these same provisions again – this time in connection with the sale of securities issued by N1 Belize and NanoSave.

3. From at least January 2015 through May 2017, Defendants raised approximately $2.5 million from at least 77 investors located throughout the United States by offering and selling unregistered securities in the form of unit interests in several of N1 Belize and NanoSave's purported patents ("patent unit"). In reality, the U.S. Patent and Trademark Office ("USPTO") never issued to N1 Belize, NanoSave, or Hatfield any of the patents Defendants claimed they owned.

4. Hatfield, a prolific recidivist offender, operated N1 Belize and NanoSave as an undisclosed control person with Lovern, the companies' CEO. N1 Belize and NanoSave purported to be global leaders in "Nano and Biotechnology Research and Development," and falsely represented to investors through offering materials, press releases, financial statements, and unregistered sales agents that they held numerous, valuable patents.

5. Defendants offered and sold patent units to investors through investment contracts offering a 1% ownership interest in particular patents purportedly owned by N1 Belize and NanoSave. In order to lure investors into purchasing the patent units, Defendants made materially misleading statements and omissions to investors that N1 Belize and NanoSave planned to sell or license the purported patents to other companies and generate returns anywhere between 200% and 1200% for patent unit investors. Investors were also given an option to sell their patent unit back to N1 Belize or NanoSave in exchange for free trading and/or restricted common stock ("common stock") of the respective companies.

6. During the relevant time period, Defendants used unregistered sales agents to cold-call investors using sales scripts and offering materials containing materially misleading statements and omissions. Hatfield drafted the materially misleading sales scripts and Lovern hired the sales agents and provided the scripts to them to cold-call and fraudulently convince

investors to purchase the patent units. Lovern aided and abetted the sales agents in acting as unregistered brokers by hiring them to sell the patent units knowing they were not registered with the Commission as brokers or dealers.

7. Investor funds from the sale of N1 Belize and NanoSave patent units were deposited into domestic bank accounts of NanoSave and N1 Technologies, Inc., n/k/a NanoSave Technologies, Inc. ("N1 Florida"). These funds were then transferred to accounts controlled by Hatfield, Lovern, and Hatfield's wife, Johanne Hatfield ("J. Hatfield"), and used by Hatfield and Lovern for personal expenditures and to pay undisclosed 35%-40% commissions to unregistered sales agents.

8. Ultimately, N1 Belize, NanoSave, Hatfield, and Lovern made material misrepresentations and omissions to investors concerning: (i) the use of investors' funds; (ii) commissions paid to sales agents; (iii) Hatfield's control over N1 Belize and NanoSave and his and Lovern's history of fraudulent conduct; (iv) the potential amount of expected returns; and (v) the market value of the companies' purported patents.

9. As a result of the conduct alleged in this Complaint:

(a) Defendants N1 Belize and NanoSave violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a), 77e(c), 77q(a), and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5;

(b) Defendant Hatfield violated Sections 5(a), 5(c), and 17(a) of the Securities Act, 15 U.S.C. §§ 77e(a), 77e(c), 77q(a), and Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5; and is liable as a control person under Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a), for N1 Belize and

NanoSave's violations of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5; and

(c) Defendant Lovern violated Sections 5(a), 5(c), and 17(a) of the Securities Act, 15 U.S.C. §§ 77e(a), 77e(c), 77q(a), and Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5; aided and abetted violations of Section 15(a) of the Exchange Act, 15 U.S.C. § 78o(a); and is liable as a control person under Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a), for N1 Belize and NanoSave's violations of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder, 17 C.F.R. § 240.10b-5.

10. Unless restrained and enjoined, Defendants are reasonably likely to continue to violate the federal securities laws.

11. The Commission therefore respectfully requests the Court enter an order: (i) permanently restraining and enjoining Defendants from violating the federal securities laws, including a conduct-based injunction against Hatfield and Lovern restraining and enjoining them, from directly or indirectly, including through any entity they own or control: (a) participating in the issuance, purchase, offer, or sale of any security, or (b) engaging in activities for purposes of inducing or attempting to induce the purchase or sale of any security; provided, however, that such injunction shall not prevent either of them from purchasing or selling securities listed on a national securities exchange for their own personal account; (ii) directing Defendants to pay disgorgement with prejudgment interest; (iii) directing Defendants to pay civil monetary penalties; (iv) imposing penny stock and officer and director bars against Hatfield and Lovern; (v) commanding Hatfield to comply with a prior Commission order issued against him; and (vi) granting such other further relief that may be necessary and appropriate.

JURISDICTION AND VENUE

12. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(c), 20(d)(1) and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(c), 77t(d)(1), and 77v(a); and Sections 21(d), 21(e) and 27(a) of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u(e), and 78aa(a).

13. This Court has personal jurisdiction over Defendants and venue is proper in this District because, among other things, certain of the transactions, acts, practices, and courses of business constituting the violations alleged in this Complaint occurred in this District and because Defendants transacted business in this District and/or participated in the offer, purchase, or sale of securities in this District.

14. In connection with the conduct alleged in this Complaint, Defendants, directly and indirectly, singularly or in concert with others, have made use of the means or instrumentalities of interstate commerce, the means or instruments of transportation or communication in interstate commerce, and of the mails.

DEFENDANTS

15. **N1 Belize** is a Belize City, Belize corporation which was incorporated as an "International Business Company." During the relevant period, N1 Belize described itself as a "Global leader in Nano and Bio Technology Research" that was "engaged in the development and distribution of Genetically Engineered Organisms for the treatment of infectious diseases," and purported to hold numerous valuable patents. N1 Belize's common stock trades on OTC Link (formerly known as "Pink Sheets"). At all relevant times, N1 Belize's common stock qualified as a penny stock. In February 2015, N1 Belize acquired 100% of N1 Florida's assets in exchange for 2 billion shares of N1 Belize common stock. In October 2015, N1 Belize obtained a majority interest in NanoSave, purportedly in exchange for two patents.

16. **NanoSave** is a Wyoming corporation headquartered in Cheyenne, Wyoming and purports to be a "Global Leader in Nano and Biotechnology Research and Development" that holds numerous patents. NanoSave's common stock trades on OTC Link. At all relevant times, NanoSave's common stock qualified as a penny stock.

17. **Hatfield**, age 60, is a resident of Safety Harbor, Florida. Hatfield is the former President of the predecessor company to N1 Florida and is the registrant of N1 Belize and NanoSave's websites. Hatfield is a prolific SEC recidivist whose involvement in prior fraudulent securities schemes has resulted in: two federal injunctions; a finding of contempt of court in connection with another securities offering; broker-dealer, investment adviser, and penny stock bars; two state securities commission orders; and a criminal conviction. Specifically, on February 14, 1996, the Commission barred Hatfield from associating with any broker, dealer, municipal securities dealer, investment adviser or investment company and participating in any offering of a penny stock. Administrative Proceeding File No. 3-8948 (February 14, 1996). Hatfield's complete disciplinary history is detailed in Appendix A.

18. **Lovern**, age 61, is a resident of Atlanta, Georgia. Lovern was the President, CEO, and Director of N1 Belize, and is the current CEO and Director of NanoSave and N1 Florida. Lovern was the subject of a 1998 Federal Trade Commission civil action alleging that Lovern and a company he controlled engaged in a deceptive scheme to defraud consumers nationwide through the telemarketing of credit cards. See FTC, et al. v. SureChek Systems, Inc., et al., Civil Action No. 97-cv-2015 (JTC) (N.D. Ga.). Lovern was permanently enjoined from, among other things, violating the Telemarketing Sales Rule, 16 C.F.R. Part 310, and making misrepresentations to consumers concerning the costs or conditions of receiving extensions of credit.

RELATED INDIVIDUAL AND ENTITIES

19. **J. Hatfield**, age 59, is a resident of Safety Harbor, Florida and is the wife of Hatfield. J. Hatfield was the COO, Secretary, and Director of N1 Belize, and is the current (i) Secretary and Director of NanoSave, and (ii) COO and Chairman of N1 Florida. J. Hatfield was listed in N1 Belize's periodic disclosure statements posted on OTC Markets as its largest shareholder. J. Hatfield is the authorized manager of Nano Solutions LLC ("Nano Solutions"), which received approximately $88,000 of investor proceeds.

20. **N1 Florida** is a Florida corporation headquartered in Atlanta, Georgia. During the relevant period, investor money from the sale of patent units was deposited into N1 Florida's bank accounts. In February 2017, N1 Florida changed its name to NanoSave Technologies, Inc. – the same corporate name of NanoSave.

21. **Avanta Studios, LLC** ("Avanta") is a Florida limited liability company managed by Hatfield. Avanta received approximately $320,120 of investor proceeds.

22. **Nano 1 Technologies, Inc.** ("Nano 1") is a Florida corporation and Lovern is listed as its sole director and registered agent. Nano 1 received approximately $267,985 of investor proceeds.

STATEMENT OF FACTS

A. N1 Belize And NanoSave Patent Offerings

23. Defendants utilized sales agents to contact investors to solicit them to invest in patent units or fractional patent units of the following patents that N1 Belize and NanoSave allegedly owned:

Patent Name	**Patent Valuation/1% Ownership Investment Amount**	**Patent Holder**
Tungstalon	$2,000,000/$20,000	NanoSave
NanoBolt Battery	$2,000,000/$20,000	NanoSave
N1 Organic	$2,000,000/$20,000	NanoSave
Tungsten Hull Coat	$2,000,000/$20,000	NanoSave
Dynamicon Solar Kinetic Generator	$8,000,000/$80,000	NanoSave
Viritron VDX	$8,000,000/$80,000	NanoSave
Viritron VPN	$8,000,000/$80,000	NanoSave
Viritron Mini Labs	$8,000,000/$80,000	NanoSave

NanoSave's financial statements for the period ending December 31, 2016, posted on OTC Markets' website, stated that in October 2015, NanoSave "acquired" from N1 Belize the Tungsten Hull Coat and N1 Organic patents in exchange for 350 million shares of NanoSave common stock. NanoSave also stated in these financial statements that N1 Belize "contributed" the remaining patents listed above during the third and fourth quarters of 2016.

24. Defendants structured each patent unit investment the same way. Investors were given the option to buy 1 patent unit, representing a 1% ownership of the patent, or a fractional patent unit in each patent, based on the values referenced in paragraph 22 of this Complaint. The offering materials stated that N1 Belize or NanoSave intended to sell, license, manufacture, or market the particular patent to companies "worldwide," and the net profits from the sales of such patents would be divided amongst the investors based on the number of patent units each investor owned. The offering materials also stated that investors would have a "buy back option" to sell their patent unit back to N1 Belize or NanoSave in exchange for common stock of the respective companies. Defendants made these representations without ever disclosing to prospective investors that neither N1 Belize nor NanoSave possessed a patent issued by the USPTO.

25. The offering materials for all of the above referenced patents consisted of: (i) a document describing the particular patent; (ii) a "Pro Forma Statement" detailing the value of the patent, the use of investors' proceeds, the potential amount of expected returns, and the buy-back option; (iii) a cover letter signed by Lovern confirming the investor's patent unit purchase; and (iv) a purchase agreement with instructions where to send payment via wire or check to either N1 Florida or NanoSave's bank account. Once the purchase agreement was executed, the investor would receive a "package" containing a confirmation letter, the agreement (countersigned by Lovern), and a certificate of ownership of the patent unit(s). The offering materials for the Viritron patents also stated that N1 Belize or NanoSave would pay patent unit owners an annual stock royalty of 10%, but no such royalties were ever paid to patent unit investors.

26. Lovern provided sales agents with materially misleading scripts that Hatfield authored to solicit investors. The scripts stated, among other things, that: (i) the sales agents were "intellectual property specialists or patent brokers;" (ii) N1 Belize or NanoSave was "selling 1% ownership units in the patent;" and (iii) the company would pay out 1% of all "worldwide sales" to the patent owners. In reality, the sales agents were not intellectual property specialists or patent brokers, nor were they even registered brokers. Instead, the sales agents read from the sales scripts and offering materials for each patent, which Hatfield also drafted. These offering materials included a Pro Forma Statement, which made materially misleading and omissive claims regarding how investors could make money from N1 Belize or NanoSave selling or licensing patents Defendants did not possess or own.

27. At Lovern's direction, the sales agents would cold-call potential investors using specific scripts for each patent and would send investors the offering materials. Hatfield and

Lovern paid sales agents a 35%-40% commission for each sale of a fractional or whole patent unit.

B. Misrepresentations And Omissions Of Material Fact

1. N1 Belize and NanoSave's Ownership of Patents

28. Defendants made materially false and misleading statements and omissions of material fact to raise money from unsuspecting investors by offering them a "direct ownership" interest in various patents based on the falsehood that N1 Belize and NanoSave actually were issued such patents by the USPTO, when they were not. These material misrepresentations were made in: (i) N1 Belize and NanoSave's press releases and financial disclosures on OTC Markets' website; (ii) offering materials disseminated to potential investors; and (iii) scripts given to sales agents who directly solicited potential investors to invest in the companies' patents.

29. Specifically, Defendants misrepresented that N1 Belize and NanoSave actually owned or otherwise were issued valid patents when, in fact, neither company nor Hatfield himself has ever been issued any patents by the USPTO. In fact, Hatfield has only filed patent applications with the USPTO – 23 of which have been either rejected or expired – and 7 provisional patent applications and 2 utility patent applications are pending.

30. A provisional patent application is an application filed with the USPTO that provides a means to establish an early effective filing date in a later filed nonprovisional patent application, and is automatically abandoned 12 months after its filing date and is not examined by the USPTO. A nonprovisional utility patent application is examined by a USPTO patent examiner and may be issued as a patent only if all the requirements for patentability are met.

Neither the filing of a provisional patent application nor a nonprovisional patent utility confers on the applicant a right to the issuance of a patent.

31. N1 Belize and NanoSave falsely claimed ownership of patents in their quarterly reports and press releases posted on OTC Markets during the relevant period. Starting in October 2015, N1 Belize stated in a press release that it was "focused on R&D for future licensing of its patented Viritron VDX, VPN and Mini Lab anti-bacterial treatments for Staphylococcus and Streptococcus bacterial infections." Thereafter, on January 26, 2017, NanoSave also falsely claimed ownership of patents in a press release on OTC Markets' website stating it had "acquired all rights and titles to the Viritron VDX, Viritron VPN and Viritron Mini Lab patents, representing an overall increase IP valuation." The press release quoted Lovern, who claimed the acquisition "unites all the Nano Technology patents and products under one roof allowing investors to own a part of all our innovations with one stock." Thereafter, N1 Belize represented in its fourth quarter 2016 financial statements, posted on OTC Markets' website on March 31, 2017, that it "contributed" certain of these patents to NanoSave.

32. Defendants also made material misstatements and omissions in the offering materials disseminated to investors. For example, offering materials for the Viritron VDX patent listed purported USPTO patent numbers and stated N1 Belize "intends to sell or license the Viritron VDX patent worldwide to Pharmaceutical customers" without disclosing that the USPTO never issued any patents to N1 Belize. Moreover, the sales agents hired by Lovern told several investors at his direction that N1 Belize either owned or had developed the Viritron VDX patent. The sales scripts drafted by Hatfield stated falsely that the company had just "patented a cure for Staph infection called the Viritron VDX."

33. Further, on February 1, 2017, NanoSave issued a press release touting an agreement it signed with Phage Consultants ("Phage"), a medical research company in Dansk, Poland, for Phage to develop "a genetically enhanced bacteriophage that will be highly effective in treating Staphylococcus infections in connection with the "Viritron VDX treatment," for which Nanosave claimed it had a patent. However, NanoSave and Phage never entered into any such agreement and NanoSave did not have a patent for the Viritron VDX treatment.

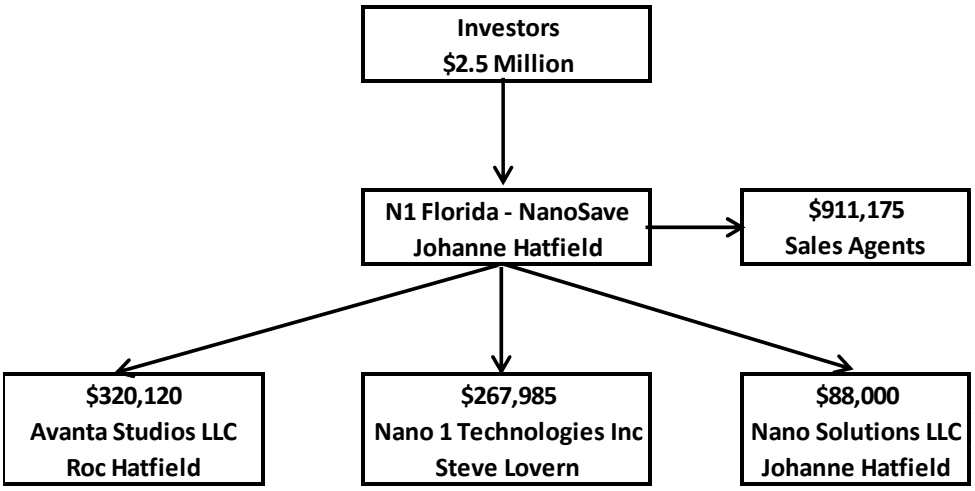
34. Defendants made similar material misstatements and omissions concerning N1 Belize and NanoSave's ownership of the non-Viritron patents, including: (i) press releases posted on OTC Markets titled, for example, "N1 Technologies Inc. Patents NanoBolt Battery" and others touting both companies' patents and efforts to monetize their "patent portfolio;" (ii) N1 Belize and NanoSave financial statements posted on OTC Markets valuing each purported patent under "Intangible Assets;" (iii) offering materials listing USPTO patent numbers and stating how investors could make money once N1 Belize or NanoSave sold or licensed the patent; and (iv) scripts used by sales agents to sell patent units in N1 Belize or NanoSave's other purported patents.

2. Use of Investor Funds

35. The offering materials stated that investor funds would be used to "set up manufacturing and produce" the non-Viritron patents or to "engage genetic scientists to write the Utility Patent" for the Viritron-related patents. Investors were also specifically told by sales agents that their investment in the N1 and/or NanoSave patents would be used for further research and development and to bring the patent to market to sell to various companies.

36. Despite these representations, as set forth in the chart below (which identifies the authorized signatory for each account), much of the investor proceeds were misused and

misappropriated by Lovern and Hatfield for personal expenditures. Although investor money was initially deposited into N1 Florida or NanoSave bank accounts, 63% of the $2.5 million in total investor proceeds was transferred to accounts controlled by Hatfield, Lovern, J. Hatfield, and to pay undisclosed commissions to sales agents:



37. The other 37% of investor proceeds was used to pay the companies' business expenses such as: legal and auditor/bookkeeper fees; rent; online advertising; a business credit card; and other expenses.

3. Undisclosed Commissions Paid to Sales Agents

38. The offering materials also failed to disclose that N1 Belize and NanoSave used investor money to pay sales agents – unregistered brokers – commissions of up to 40% when selling N1 Belize and NanoSave's patent units.

39. During the relevant period, Defendants posted advertisements on Craigslist seeking experienced sales agents to sell N1 Belize and NanoSave's patent units. After a sales agent responded to the Craigslist advertisement, Lovern would forward the offering materials and related documents (that Hatfield authored) to the sales agent. Once a sales agent made a

sale, Lovern would email Hatfield stating the specific amount of commissions the broker was to be paid. Lovern sent numerous emails to Hatfield during the relevant period concerning sales agent commissions.

40. Defendants never disclosed to investors through sales agent, offering materials, or in any press release, financial statement, or other material posted on OTC Markets or the companies' websites that investor funds were being used to pay up to 40% commissions to sales agents for each sale of a fractional or whole patent unit.

4. Hatfield's Control Over N1 Belize and NanoSave and Hatfield and Lovern's History of Fraudulent Conduct

41. Defendants concealed Hatfield's control over, and substantial involvement in, N1 Belize and NanoSave, and, consequently, Hatfield, N1 Belize and NanoSave failed to disclose to investors his significant recidivist history, including his criminal violations of the securities laws, as detailed in Appendix A.

42. N1 Belize issued quarterly reports and press releases on OTC Markets that listed Lovern and J. Hatfield as the sole officers of N1 Belize. Similarly, after October 2015, when N1 Belize allegedly acquired a majority interest in NanoSave in exchange for two purported N1 Belize patents, NanoSave issued quarterly reports and press releases on OTC Markets listing Lovern and J. Hatfield as its sole officers. Further, Lovern and J. Hatfield's professional backgrounds and qualifications were touted in N1 Belize and NanoSave's business plans which were disseminated to sales agents and investors. Absent from any of the companies' materials is any mention of Hatfield, his control over N1 Belize and NanoSave, and his recidivist history.

43. Although Lovern and J. Hatfield were named as officers and directors of N1 Belize and NanoSave, in reality, it was Hatfield who controlled the day-to-day operations of both companies, including: (i) drafting N1 Belize and NanoSave's press releases which he and

Lovern posted on OTC Markets and other websites; (ii) reviewing and approving quarterly financial statements and other periodic disclosures for N1 Belize and NanoSave disseminated on OTC Markets; (iii) drafting documents concerning N1 Belize and NanoSave's purported patents, including offering materials; (iv) drafting scripts used by sales agents to solicit investors to invest in N1 Belize and NanoSave's patents; and (v) controlling payments made to Lovern, N1 Belize and NanoSave's auditors/bookkeepers, sales agents, and other related expenses. Hatfield also filed provisional patent applications with the USPTO and registered N1 Belize and NanoSave's websites containing information about the companies' purported patents.

44. Hatfield attempted to conceal his control of N1 Belize and NanoSave by having his company, Avanta, enter into a consulting agreement with N1 Belize in which Avanta allegedly provided "marketing, business development, IP development opportunities" in exchange for $12,000 per month. Monthly payments to Avanta rarely were $12,000; instead the payments were consistent with the amount of monthly inflows of investor money from the sales of patent units. Hatfield further concealed his identity and involvement in N1 Belize and NanoSave (and, accordingly, his disciplinary history) through Lovern and his wife, J. Hatfield, being listed as officers and directors of the companies.

45. Lovern's prior 1998 FTC civil action, in which the FTC permanently enjoined him from violating the Telemarketing Sales Rule and making material false and misleading statements to consumers concerning receiving extensions of credit was also never disclosed to investors. Lovern's disciplinary history would be material to investors in N1 Belize's and NanoSave's patent units because the issuance of that injunction involved fraudulent, deceptive acts.

5. Potential Amount of Expected Returns

46. The offering materials for the various patents, including each patent's Pro Forma Statement, as well as the sales agent scripts Hatfield authored, falsely included materially misleading and omissive statements that investors could generate multiples of their investments in the patent units. For example, in the Viritron VDX patent Pro Forma Statement, Defendants represented that a patent unit purchased for $80,000 unit could generate a $1 million return for the investor. The Pro Forma Statement – under the heading "How much could I make?" – stated N1 Belize intended to sell or license the Viritron VDX patent to a major pharmaceutical company, and that "[s]imilar patents in this arena have sold for $100 million up to $250 million dollars," such that the Viritron VDX patent, if sold on the "low end" at $100 million, would generate $1 million return for each patent unit holder. Defendants made these claims while failing to disclose that neither Hatfield nor N1 Belize possessed a Viritron VDX patent to sell or license.

47. Offering materials for N1 Belize and NanoSave's other purported patents (referenced in paragraph 22 of this Complaint) made similar, materially misleading and omissive statements regarding outsized returns that patent unit investors could expect, without ever disclosing that the USPTO had not issued any such patents to N1 Belize, NanoSave, or Hatfield.

48. In addition to the offering materials, sales scripts drafted by Hatfield encouraged sales agents to ask, "What if I could show you how you could take a minimum of just 20,000 thousand dollars, own a piece of an extremely valuable patent, and then potentially turn that 20,000 thousand dollars into 40,000, 60,000 or even 80,000 thousand dollars?" without ever disclosing that the USPTO had not issued any such patents to N1 Belize, NanoSave, or Hatfield.

6. The Market Value of N1 Belize and NanoSave's Patents

49. Defendants also made materially misleading and omissive statements regarding the market value of the purported patents themselves. The Pro Forma Statements provided to sales agents and investors listed the value of each patent and the corresponding value of a 1% patent unit. The Pro Forma Statements were materially misleading and omissive because they stated that patent unit values were based on either appraisals or audits of the purported patents when, in reality, no such patents had ever been issued by the USPTO and, as a result, no appraisals or audits were ever obtained.

C. The Patent Units Are Securities Being Sold in Unregistered Transactions

50. Defendants offered and sold patent units to investors through investment contracts offering a 1% ownership interest in particular patents purportedly owned by N1 Belize and NanoSave. The purchase of these patent units involved an investment of money. The offering materials provided to investors included Pro Forma Statements and other information explaining how investors could make money from their investment.

51. Investors were entirely dependent on the expertise and efforts of N1 Belize, NanoSave, Hatfield, and Lovern to sell or license the purported patents in order for investors to obtain any promised returns. Investors had no role in operating N1 Belize or NanoSave, and they had no role marketing, selling, or licensing the patents. Instead, investors relied solely on N1 Belize, NanoSave, Hatfield, and Lovern to oversee the investments and make distributions accordingly.

52. During the relevant time period, Defendants raised millions of dollars in continuous offerings and sales of patent units to at least 77 investors. No registration statement

was filed or in effect with the Commission pursuant to the Securities Act with respect to the securities offered and sold by Defendants.

53. Moreover, Defendants made no effort to determine whether the prospective investors were accredited within the meaning of the federal securities laws. Defendants solicited investors by means of general solicitation, via websites and online videos that were freely accessible to the public, and through sales agents who made cold calls to solicit investors.

D. Lovern Hired and Paid Unregistered Sales Agents to Solicit Investors to Purchase Securities in the Form of Patent Units.

54. The sales agents hired by Lovern acted as unregistered brokers. They solicited the vast majority of the funds from investors for N1 Belize and NanoSave, touted the merits of the investments, and answered investors' questions concerning N1 Belize, NanoSave, and the purported patent units.

55. Lovern knew, or was reckless in not knowing, that the sales agents were not registered as brokers or associated with a registered broker-dealer, and provided substantial assistance to the sales agents in connection with their violations of Section 15(a)(1) of the Exchange Act. Lovern hired and communicated with the sales agents, and provided them with scripts and the patent unit offering materials. He also informed sales agents of the 35%-40% commissions they would receive when they sold N1 Belize or NanoSave's factional or whole patent units, and notified Hatfield when commissions needed to be paid to sales agents who sold patent units.

E. Hatfield's Violation of a Prior Commission Order

56. On February 14, 1996, the Commission barred Hatfield from associating with any broker, dealer, municipal securities dealer, investment adviser or investment company and participating in any offering of a penny stock.

57. Hatfield violated his penny stock bar through his control over, and participation in, the day-to-day operations of N1 Belize and NanoSave, both of which issued stock which qualified as penny stock under the federal securities laws.

58. Hatfield authored press releases that contained materially false and misleading statements about both companies' operations and financial activities. These press releases induced trading in N1 Belize's and NanoSave's common stock quoted on OTC Link. Moreover, Hatfield authored the offering materials to sell patent units issued by N1 Belize and NanoSave, which were securities that allowed investors to convert their patent units into common stock of N1 Belize or NanoSave.

CLAIMS FOR RELIEF

COUNT 1

Violation of Sections 17(a)(1) of the Securities Act
(Against All Defendants)

59. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

60. Defendants, in the offer or sale of securities by use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly knowingly or recklessly employed devices, schemes, or artifices to defraud.

61. By reason of the foregoing, Defendants violated and, unless enjoined will continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a)(1).

COUNT 2

Violation of Sections 17(a)(2) of the Securities Act
(Against All Defendants)

62. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

63. Defendants, in the offer or sale of securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly negligently obtained money or property by means of untrue statements of material facts or omissions to state material facts necessary in order to make the statements made, in the light of the circumstances under they were made, not misleading.

64. By reason of the foregoing, Defendants violated, and unless enjoined will continue to violate, Section 17(a)(2) of the Securities Act, 15 U.S.C. § 77q(a)(2).

COUNT 3

Violation of Sections 17(a)(3) of the Securities Act
(Against All Defendants)

65. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

66. Defendants, in the offer or sale of securities by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly negligently engaged in transactions, practices, or courses of business which operated or would have operated as a fraud or deceit upon the purchasers.

67. By reason of the foregoing, the Defendants violated, and unless enjoined will continue to violate, Section 17(a)(3) of the Securities Act, 15 U.S.C. § 77q(a)(3).

COUNT 4

Violation of Section 10(b) and Rule 10b-5(a) of the Exchange Act
(Against All Defendants)

68. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

69. Defendants, directly or indirectly, by the use of any means or instrumentalities of interstate commerce, or of the mails, knowingly or recklessly employed devices, schemes, or artifices to defraud in connection with the purchase or sale of securities.

70. By reason of the foregoing, Defendants violated, and unless enjoined will continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5(a), 17 C.F.R. § 240.10b-5(a).

COUNT 5

Violation of Section 10(b) and Rule 10b-5(b) of the Exchange Act
(Against All Defendants)

71. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

72. Defendants, directly or indirectly, by the use of any means or instrumentality of interstate commerce or of the mails, knowingly or recklessly made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

73. By reason of the foregoing, Defendants violated, and unless enjoined will continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5(b), 17 C.F.R. § 240.10b-5(b).

COUNT 6

Violation of Sections 10(b) and Rule 10b-5(c) of the Exchange Act
(Against All Defendants)

74. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

75. Defendants, directly or indirectly, by the use of any means or instrumentality of interstate commerce or of the mails, knowingly or recklessly engaged in acts, practices, and courses of conduct of business which have operated, are now operating, or will operate as a fraud upon the purchasers of such securities.

76. By reason of the foregoing, Defendants violated, and unless enjoined will continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Exchange Act Rule 10b-5(c), 17 C.F.R. § 240.10b-5(c).

COUNT 7

Violation of Section 20(a) of the Exchange Act
(Against Hatfield and Lovern)

77. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

78. From no later than January 2015 through May 2017, Hatfield and Lovern, directly or indirectly, violated 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.

79. As the persons who, directly or indirectly, controlled N1 Belize and NanoSave from no later than January 2015 through May 2017, Hatfield and Lovern are liable jointly and severally with and to the same extent as N1 Belize and NanoSave for the above-referenced violations of the Exchange Act and rules and regulations thereunder committed by N1 Belize and NanoSave.

80. As the persons who, directly or indirectly, controlled N1 Belize and NanoSave from no later than January 2015 through May 2017, Hatfield and Lovern did not act in good faith, and directly or indirectly induced the act or acts that constituted the above-referenced violations of the Exchange Act and the rules and regulations thereunder committed by N1 Belize and NanoSave.

81. By reason of the foregoing, Hatfield and Lovern are liable for these violations by N1 Belize and NanoSave pursuant to Section 20(a) of the Exchange Act, 15 U.S.C. § 78t(a).

COUNT 8

Violation of Sections 5(a) and 5(c) of the Securities Act (Against All Defendants)

82. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

83. No registration statement was filed or in effect with the Commission pursuant to the Securities Act with respect to the securities and transactions issued by N1 Belize and NanoSave described in this Complaint and no exemption from registration existed with respect to these securities and transactions.

84. From at least January 2015, Defendants, directly and indirectly:

(a) made use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell securities, through the use or medium of a prospectus or otherwise;

(b) carried or caused to be carried securities through the mails or in interstate commerce, by any means or instruments of transportation, for the purpose of sale or delivery after sale; or

(c) made 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,

without a registration statement having been filed or being in effect with the Commission as to such securities or transactions.

85. By reason of the foregoing, Defendants violated and, unless enjoined will continue to violate, Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c).

COUNT 9

Aiding and Abetting Violations of Sections 15(a)(1) of the Exchange Act (Against Lovern)

86. The Commission repeats and realleges Paragraphs 1 through 58 of its Complaint.

87. From no later than January 2015 through May 2017, Lovern hired and communicated with sales agents on behalf of N1 Belize and NanoSave, and the sales agents, directly or indirectly, by the use of the means and instrumentalities of interstate commerce, while acting as brokers or dealers, engaged in the business of effecting transactions in securities for the accounts of others, effected transactions in securities, or induced or attempted to induce the purchase and sale of securities, without registering as a broker-dealer in accordance with Section 15(b) of the Exchange Act, 15 U.S.C. § 78o(b).

88. Lovern knew or was reckless in not knowing that the sales agents were not registered under Section 15(b) of the Exchange Act.

89. Lovern knowingly or recklessly provided substantial assistance to the sales agents in connection with their violations of Section 15(a)(1) of the Exchange Act.

90. By reason of the foregoing, Lovern aided and abetted, and unless enjoined will continue to aid and abet, the sales agents' violations of Section 15(a)(1) of the Exchange Act, 15 U.S.C. § 78o(a)(1).

COUNT 10

Violations of Commission Cease and Desist Order (Against Hatfield)

91. The Commission repeats and realleges paragraphs 1 through 58 of its Complaint.

92. On February 14, 1996, the Commission barred Hatfield from associating with any broker, dealer, municipal securities dealer, investment adviser or investment company; and, participating in any offering of a penny stock. Administrative Proceeding File No. 3-8948 (February 14, 1996).

93. By reason of the foregoing, Hatfield has violated, and unless ordered to comply will violate, the Commission's February 14, 1996 order barring him from participating in any

offering of a penny stock. Accordingly, the Court should issue an order pursuant to Section 20(c) of the Securities Act and Section 21(e) of the Exchange Act commanding Hatfield to comply with the prior Commission Order.

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests the Court find the Defendants committed the violations alleged, and:

I.

Permanent Injunction

Issue a Permanent Injunction restraining and enjoining Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating the federal securities laws alleged in this Complaint.

II.

Conduct-Based Injunction

Issue a Permanent Injunction restraining and enjoining Hatfield and Lovern, from directly or indirectly, including through any entity they own or control: (i) participating in the issuance, purchase, offer, or sale of any security, or (ii) engaging in activities for purposes of inducing or attempting to induce the purchase or sale of any security; provided, however, that such injunction shall not prevent either of them from purchasing or selling securities listed on a national securities exchange for his own personal account.

III.

Disgorgement

Issue an Order directing Defendants to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

IV.

Civil Penalty

Issue an Order directing Defendants to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d).

V.

Penny Stock Bar

Issue an Order, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d)(6) of the Exchange Act, 15 U.S.C. § 78u(d)(6), barring Hatfield and Lovern from participating in any future offering of a penny stock.

VI.

Officer and Director Bar

Issue an Order, 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), barring Hatfield and Lovern from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act or that is required to file reports pursuant to Section 15(d) of the Exchange Act.

VII.

Compliance Order

Issue an Order, pursuant to Section 20(c) of the Securities Act, 15 U.S.C. § 77t(c), and Section 21(e) of the Exchange Act, 15 U.S.C. § 78u(e), commanding Hatfield to comply with a prior Commission order issued against him.

VIII.

Further Relief

Grant such other and further relief as may be necessary and appropriate.

IX.

Retention of Jurisdiction

Further, the Commission respectfully requests that the Court retain jurisdiction over this action and over Defendants in order to implement and carry out the terms of all orders and decrees that may hereby be entered, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

DEMAND FOR JURY TRIAL

The Commission hereby demands trial by jury.

Dated: October 3, 2017

Respectfully submitted,

By: _____

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APPENDIX A
Hatfield's Disciplinary History

1. SEC Civil Injunction Actions and Administrative Proceedings

a. SEC v. Centuri Mining Corp., Roc G. Hatfield et al., Case No. 88-1741-CIV-T-15B (M.D. Fla.)

On June 27, 1989, the United States District Court for the Middle District of Florida entered a Final Judgment of Permanent Injunction and Other Relief against Hatfield and others, by consent, prohibiting future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Section 10(b) and Rule 10b-5 of the Exchange Act based on offering and selling unregistered securities, including making material misrepresentations and omissions concerning, among other things, the purported gold mining operations of Centuri Mining Corp. ("Centuri"). The Court also ordered $338,000 in joint and several disgorgements against Hatfield, Centuri and another defendant.

b. SEC v. Marada Global Corporation, Roc G. Hatfield, et al., Case No. 94-CV-1504 (M.D. Fla.)

On September 22, 1994, the Commission filed a complaint for civil injunctive relief against Hatfield and others wherein it alleged, among other things, that from August 1993 through September 1994, Marada Capital Inc. ("Marada Capital"), under Hatfield's control, sold at least $2 million of unregistered penny stock of two Marada Global Corporation ("Marada Global") subsidiaries, Marada Air, Inc. ("Marada Air") and Marada Casino Resort ("Marada Casino"), to at least 200 investors nationwide at $1 per share by using boiler rooms and other high pressure tactics. On September 8, 1995, the United States District Court for the Middle District of Florida entered a Final Judgment of Permanent Injunction and Other Relief against Hatfield, by consent, enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act and Section 10(b), 15(a) and 15(g) and Rules 10b-5, 15g-2, 15g-4 and 15g-9 of the Exchange Act (the "Final Judgment"). In addition, the Court ordered Hatfield, individually, to disgorge $1,941,000, payment of which was later waived.

On March 26, 2002, the Commission filed an ex parte motion to reopen the Marada matter and for an order to show cause why Hatfield and Global Diamond Fund Inc. ("GDF") should not be held in civil contempt for violating the Final Judgment in connection with Hatfield fraudulently offering unregistered securities in the form of "nine month 24% APR high yield secured notes" through GDF, a private company he founded and operated. On May 7, 2002, the Court entered an order holding Hatfield and GDF in civil contempt for violating the Final Judgment and providing other relief. On September 16, 2002, the Court ordered Hatfield to disgorge $25,000 owed to the sole GDF defrauded investor. Although Hatfield agreed to a payment schedule, he reneged and was held in contempt again by the Court on June 12, 2003, resulting in Hatfield being arrested and incarcerated. Hatfield was subsequently released from custody of the United States Marshall and fulfilled his disgorgement obligation on May 23, 2006.

c. In the Matter of Roc G. Hatfield,
Administrative Proceeding File No. 3-8948

On February 14, 1996, the Commission instituted and simultaneously settled administrative proceedings brought against Hatfield arising out of SEC v. Marada Global Corporation. The Commission accepted Hatfield's Offer of Settlement whereby he consented to a permanent bar from association with any broker, dealer, municipal securities dealer, investment adviser or investment company; and, participation in any offering of a penny stock.

2. State Criminal Conviction

The State of California v. Rockey Guwan Hatfield,
Case No. CR62312

On April 4, 1995, Hatfield, as the chairman and chief executive officer of Marada Global, was the subject of an arrest warrant for charges of defrauding certain residents of the State of California by selling them unregistered shares of Marada Air and Marada Casino stock. On October 11, 1995, Hatfield was arraigned and remanded to the custody of the sheriff for Riverside County. On February 16, 1996, Hatfield pled guilty to the crimes of fraud, false pretenses and the unlawful sale of securities in the State of California. Hatfield was sentenced to two years in state prison. Hatfield was released on parole since he had already served one year in state prison at the time of the sentencing hearing. On September 23, 1997, Hatfield completed his term of parole.

3. State Actions

a. In the Matter of Marada Global Corporation, Roc G. Hatfield, et al.,
File No. X-94056(E)

On July 27, 1994, the Commissioner of Securities for the State of Wisconsin entered a Summary Order of Prohibition and Revocation of Exemptions against Marada Global, Hatfield and other respondents based on their offering of unregistered securities by using letters, advertisements and other offering materials to solicit at least one offeree in Wisconsin to purchase shares of common stock of two Marada Global subsidiaries, Marada Air and Marada Casino, as part of a purported exempt offering of securities.

b. In the Matter of Centuri Mining Corp., Roc G. Hatfield, et al.,
Docket No. 8712-14

On December 16, 1987, the State of Pennsylvania Securities Commission issued a Summary Order to Cease and Desist (the "Summary Order") against Hatfield, Centuri and others for violating Sections 201, 301 and 401 of the Pennsylvania Securities Act of 1972. The Summary Order prohibited Hatfield and others from offering or selling unregistered and non-exempt securities by and through an unregistered broker-dealer or agent by advertising, through public media advertisements and direct mailings, to

Pennsylvania residents. In general, the solicitation materials offered 1% of Centuri's unregistered common stock for $25,000 to be used to purchase mining and lumbering equipment for the purposes of mining gold in one of six gold mines located in Colombia, South America.