

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NORTH CAROLINA
WESTERN DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

Civil Action File No.

**ALTON PERKINS, YILAIME
CORPORATION OF NC, YILAIME
CORPORATION OF NEVADA,
PERKINS HSU EXPORT
CORPORATION, AMERICATOWNE
HOLDINGS, INC., and MABIALA
PHUATI,**

Defendants,

**ALTON AND XIANG MEI LIN PERKINS
FAMILY TRUST,**

Relief Defendant.

COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF

Plaintiff, Securities and Exchange Commission (the “Commission”), files this Complaint for Injunctive and Other Relief and alleges as follows:

OVERVIEW

1. This matter involves an offering fraud by Defendant Alton Perkins (“Perkins”), who raised approximately \$1.1 million through three unregistered

private placement offerings of two companies controlled by him, Defendant Yilaime Corporation of NC (“Yilaime NC”) and Defendant Perkins Hsu Export Corporation (“Perkins Hsu”) (collectively “Perkins Private Entities”).

2. In connection with the fraudulent offer and sale of the securities of those companies, Perkins and the Perkins Private Entities made multiple misrepresentations and omissions between approximately January 2014 and April 2015, including the planned use of the investment proceeds, the entities’ expenses, related party transactions, and Perkins’s own compensation. Contrary to those representations, Perkins diverted approximately three-fourths of the money raised for various personal expenses, including \$580,000 for the purchase of a home, paying his child’s private school tuition, and various living expenses.

3. Perkins also made multiple affirmative representations about his background and qualifications, but failed to disclose his prior criminal and regulatory disciplinary history, including his *nolo contendere* plea arising from an indictment for fraudulent misappropriation and a desist and refrain order relating to his offer and sale of securities in a prior company.

4. Another Perkins-controlled entity, Yilaime Corporation of Nevada (“Yilaime Nevada”) aided and abetted the foregoing fraud by, among other things, acting as the entity through which the investor funds were funneled.

5. Relief Defendant Alton and Xiang Mei Lin Perkins Family Trust (“Perkins Family Trust”) – an entity founded and controlled by Perkins and his wife – was unjustly enriched from the fraud in that it owns the Perkins home purchased with the investors’ funds.

6. Along with Perkins and Yilaime NC, Defendant Mabilia Phuati (“Phuati”), who served as Yilaime NC’s Vice Chairman and Managing Director, also violated the registration provisions of the federal securities laws by, among other things, sending out general solicitation emails seeking investments – including to members of Phuati’s church and the Congolese immigrant communities in North Carolina and Pennsylvania – but failing to ensure that investors were accredited.

7. Finally, between approximately November 2015 and July 2016, Perkins and another Perkins-controlled entity, Defendant AmericaTowne Holdings, Inc. (formerly known as AmericaTowne, Inc.) (“AmericaTowne”) made false claims in AmericaTowne’s public SEC filings, including claiming that the company had two contracts worth nearly \$2 million when they knew (or came to know) that the contracts had little, if any, value.

VIOLATIONS

8. Defendant Perkins has engaged in and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute and will

constitute violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)], Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], and aided and abetted AmericaTowne’s violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1, 13a-11, and 13a-13 thereunder. [17 C.F.R. §§ 240.12b-20, 240.13a-1, 13a-11, and 13a-13].

9. Defendant Yilaime NC has engaged in and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute and will constitute violations of Sections 5(a), 5(c) and 17(a) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)], 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].

10. Defendant Perkins Hsu has engaged in and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute and will constitute violations of Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)], 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].

11. Defendant Yilaime Nevada has engaged in and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute aiding and abetting Perkins, Yilaime NC, and Perkins Hsu’s violations of Section

17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

12. Defendant Phuati has engaged in and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute violations of Sections 5(a) and 5(c) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c)].

13. Defendant AmericaTowne has engaged in and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute and will constitute violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1, 13a-11 and 13a-13 thereunder. [17 C.F.R. §§ 240.12b-20, 240.13a-1, 13a-11, and 13a-13].

DEFENDANTS AND THE RELIEF DEFENDANT

14. Defendant **Alton Perkins**, 68 years old, resides in Wake Forest, North Carolina. Perkins is the Chairman, Chief Executive Officer, and majority shareholder of Yilaime NC, Perkins Hsu, AmericaTowne, and Yilaime Nevada.

15. Defendant **Yilaime Corporation of NC** is a North Carolina corporation formed in May 2013, with its principal place of business in Raleigh, North Carolina. It purports to be in the business of international exports, development, and investments, and is not registered with the Commission in any

capacity. The company is currently under suspension by the Secretary of State of North Carolina.

16. Defendant **Perkins Hsu Export Corporation** is a Nevada corporation formed in October 2013, with its principal place of business in Raleigh, North Carolina. It purports to be in the business of international exports, and is not registered with the Commission in any capacity.

17. Defendant **AmericaTowne Holdings, Inc.** is a Nevada corporation formerly known as ATI Modular Technology Corp. It is the surviving entity following its merger with its subsidiary **AmericaTowne, Inc.**, a Delaware corporation, which merger was deemed effective on August 1, 2018. As a result of the merger, AmericaTowne Holdings, Inc. acquired all the business, contracts, assets and obligations of AmericaTowne, Inc. AmericaTowne, Inc. claimed to be in the business of working with exporters to sell goods and services, primarily to China. During the relevant time, AmericaTowne's securities were registered under Section 12(g) of the Exchange Act, and it filed periodic reports with the Commission pursuant to Section 13(a) of the Exchange Act.

18. Defendant **Yilaime Corporation of Nevada** is a Nevada corporation formed in March 2013, with its principal place of business in Las Vegas, Nevada. It claims to be an intercontinental trade company.

19. Defendant **Mabiala Thomas Phuati**, 58 years old, resides in Knightdale, North Carolina. Phuati was Vice-Chairman and Managing Director of Yilaime NC and a Senior Executive Vice-President of AmericaTowne, Inc. Phuati resigned from these positions on June 5, 2018.

20. Relief Defendant **Alton and Xiang Mei Lin Perkins Family Trust** was formed on or about January 1, 2014. Perkins and his wife are the grantors and investment trustees of the trust and had full control over the trust at all relevant times.

JURISDICTION AND VENUE

21. The Commission brings this action pursuant to Sections 20 and 22 of the Securities Act [15 U.S.C. §§ 77t and 77b] and Sections 21(d) and 21(e) of the Exchange Act [15 U.S.C. §§ 78u(d) and 78u(e)] to enjoin Defendants from engaging in the transactions, acts, practices, and courses of business alleged in this complaint, and transactions, acts, practices, and courses of business of similar purport and object, for civil penalties, and for other equitable relief.

22. This Court has jurisdiction over this action pursuant to Section 22 of the Securities Act [15 U.S.C. §§ 77v] and Sections 21(d), 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e) and 78aa].

23. Defendants, directly and indirectly, made use of the mails and the means and instrumentalities of interstate commerce in connection with the transactions, acts, practices, and courses of business alleged in this complaint.

24. Venue is proper in this Court because certain of the transactions, acts, practices, and courses of business constituting violations of the Securities Act and the Exchange Act occurred in this District, Defendants Perkins and Phuati reside in this District and Defendants Yilaime NC and Perkins Hsu have their principal place of business in this District.

**THE PERKINS PRIVATE ENTITIES' OFFERINGS
AND YILAIME NC'S REGISTRATION VIOLATIONS**

25. The Perkins Private Entities purported to be in the business of developing or exporting goods and services to foreign countries – with a particular focus on China – and Perkins and the Perkins Private Entities (as well as Phuati for Yilaime NC) sought investments to purportedly continue and expand those businesses.

26. Between approximately January 2014 and April 2015, Perkins and the Perkins Private Entities conducted three offerings, summarized below, raising a total of approximately \$1.1 million:

Private Entities Offering	Type of Offering	Amount Offered	Amount Raised	Dates Funds Raised	Investors
Yilaime NC Bond	Reg D	\$15 million	\$37,000	Mar. 11, 2014-Oct. 9, 2014	8
Yilaime NC Stock	Reg D	\$15 million	\$843,265	Jan. 14, 2014-Apr. 23, 2015	67
Perkins Hsu Bond	Reg D	\$22 million	\$175,916	Apr. 15, 2015-Apr. 28, 2015	4

27. None of those offerings were registered with the Commission.

Yilaime NC filed a Form D with respect to its offerings on January 15, 2014, and Perkins Hsu filed a Form D on April 16, 2015, with respect to its offering, claiming that the offerings were exempt from registration pursuant to Rule 506(b) of the Securities Act [17 C.F.R. § 232.506].

28. In violation of the restrictions of Rule 506(b), however, Perkins and Yilaime NC: (a) failed to conduct due diligence with respect to whether the prospective investors were accredited or sophisticated, and (b) sent emails generally soliciting investors.

29. Yilaime's NC Vice-Chairman and Managing Director Phuati, who had responsibility for finding investors for Yilaime NC stock and bond offerings, sent at least 13 general solicitation emails to prospective investors and investors from Congolese immigrant communities in North Carolina and Pennsylvania, without conducting due diligence to ensure those prospective investors were accredited or sophisticated.

30. In fact, several investors in the Yilaime NC stock offering were not accredited investors.

31. Further, while the Yilaime NC stock and bond offerings purportedly required investors to submit questionnaires concerning their accredited status, neither Perkins nor Phuati adhered to this requirement, nor did they provide audited financial statements to any investors.

**PERKINS AND THE PERKINS PRIVATE ENTITIES'
MISREPRESENTATIONS, OMISSIONS AND
MISAPPROPRIATION OF INVESTORS' PROCEEDS**

32. Perkins and Yilaime NC made numerous representations and omissions regarding their planned uses of investment proceeds, entity expenses, related party transactions, and Perkins' own compensation.

33. By way of example, the Yilaime NC stock and bond private placement memoranda ("PPM") contained charts indicating how investor money would be used – including categories for, among other things, marketing and promotion, contract services, office rent, utilities, and website development – and a pro forma financial statement, which projected the anticipated costs of the enterprise for the first five years.

34. The Perkins Private Entity PPMs further noted that Perkins had not received cash compensation, but would be entitled to reimbursement of expenses

incurred while conducting company business, and would share in the profits of the company as a shareholder when dividends were paid.

35. The Perkins Private Entity PPMs also had a specific section for “Related Party Transactions,” which stated that: (a) Perkins and three other owners collectively were owed \$115,000 for pre-development costs of operations, (b) Perkins had provided trademarks to the company in exchange for founders’ stock, and (c) for the Perkins-Hsu PPM, the founders had loaned the company \$750,000 and would be repaid within 12 months.

36. Perkins, the Perkins Private Entities and Phuati raised approximately \$1.1 million for the Perkins Private Entities between approximately January 2014 and April 2015.

37. All of those investors’ funds – regardless of the specific offering – were deposited into a bank account of a different entity owned and controlled by Perkins, Yilaime Nevada.

38. Notwithstanding their representations, Perkins, through a series of transfers and withdrawals aided and abetted by Yilaime Nevada, diverted approximately \$800,000 of investor funds for his own use, including: (i) \$581,463 to purchase his home, which is owned by the Relief Defendant Perkins Family Trust; (ii) \$54,656 to pay personal expenses; (iii) \$23,615 to pay his child’s private school tuition; and (iv) \$138,890 for transfer to his wife’s Coinbase account.

39. Additionally, in the Yilaime NC stock and bond PPMs, Perkins touted his background, including that he is a former decorated U.S. Air Force Officer and Missile Launch Officer, graduated from the University of Southern Illinois, received an M.B.A. from the University of North Dakota, and had a successful business career dating back to 1988.

40. Perkins and Yilaime NC, however, failed to disclose that: (a) in 2000, Perkins pled *nolo contendere* to felony counts of an indictment for fraudulent misappropriation involving military personnel; and (b) in 2008, the California Corporations Commissioner issued a desist and refrain order to Perkins relating to his sale of securities in another company for his failure to disclose his earlier *nolo contendere* plea.

41. Rather than the Yilaime NC stock and bond PPMs providing any of the foregoing information, they misleadingly indicated that Perkins had been exonerated, stating:

Over 10 years ago Mr. Perkins participated in a private business and the Courts sanctioned him. In conjunction with completing a private transaction a state security official who without full material to base its decision made an adverse ruling against him. Upon subsequent review by security officials in Mr. Perkins' home state, it was determined that after investigating "after careful review of the matter and the applicable law we have concluded that no further action is warrant[ed]... and this matter is closed."

THE AMERICATOWNE FALSE FILINGS WITH THE COMMISSION

42. In addition to owning, operating and controlling the Perkins Private Entities and Yilaime Nevada, Perkins also served as the Chairman, Chief Executive Officer and controlling shareholder of AmericaTowne during the period from at least November 2015 through July 2016.

43. In those positions, Perkins oversaw and was responsible for the contents of the filings that AmericaTowne made with the Commission.

44. Perkins directed AmericaTowne to misrepresent in AmericaTowne's public filings that the company had two large contracts, collectively worth approximately \$2 million. In reality, each was of limited or no value.

45. Specifically, on May 2, 2016, AmericaTowne filed a Form 8-K with the Commission announcing that the company had entered into an exporter services agreement with a Nigerian company ("FEMEB"). The filing indicated that the FEMEB contract was for the shipment of machinery and other equipment from Taiwan to Nigeria.

46. Under the purported terms of the agreement, FEMEB was to pay AmericaTowne \$849,000, with \$25,000 due at signing. The FEMEB contract was the largest contract in AmericaTowne's history to date.

47. On August 19, 2016, Perkins received a letter from the president of FEMEB stating that FEMEB was unable to perform under the contract.

48. On September 16, 2016, Perkins and Phuati exchanged emails in which Phuati said that FEMEB was requesting the return of its \$25,000 down payment, and Perkins responded by stating:

There is no way that we are going to take a \$800,000 loss because of a business down turn. What we will do is hold her account in abeyance – suspending her additional payments until the economy turns around and or she has other business opportunities. I will write a letter to this effect. There is no refund forthcoming.

49. On November 14, 2016, AmericaTowne filed its Form 10-Q for the quarter ended September 30, 2016. Notwithstanding the clear knowledge that the FEMEB contract would not be going forward, AmericaTowne's Form 10-Q listed \$849,000 in revenues from service fees charged to FEMEB.

50. On April 14, 2017, AmericaTowne filed its Form 10-K for the period ended December 31, 2016, stating "There was a sales return of \$849,000 for the year ended December 31, 2016." But this filing made no mention of FEMEB, nor that the "sales return" was not a return of revenues, but rather, a contract that had not proceeded. Thus, investors had no way of knowing that the company's largest contract to date had been or was in jeopardy, much less that its contract had effectively become of limited or no value.

51. Additionally, on February 22, 2017, AmericaTowne filed a Form 8-K announcing that it had signed a 15-year agreement with a company that

purportedly exported industrial equipment, auto parts, and provided related services (“the Export Company”).

52. Under the agreement, which was AmericaTowne’s largest contract ever and would account for a substantial amount of AmericaTowne’s revenue, the Export Company agreed to pay AmericaTowne \$1 million, with \$10,000 due at signing. The Export Company further agreed to pay AmericaTowne a transaction fee of 8% for each transaction that AmericaTowne facilitated.

53. Perkins and AmericaTowne knew, however, by no later than April 2017, that the contract with the Export Company was of little or no value. Nevertheless, on November 14, 2017, AmericaTowne filed a Form 8-K announcing only that the contract with the Export Company had been modified on March 17, 2017, to amend the scope of goods provided by the Export Company to include camping stoves and other goods to customers in Nigeria.

54. The press release filed with that Form 8-K stated, “To the extent not amended in the Addendum, the Agreement between the parties remained in full force and effect.”

55. Other than the \$10,000 that was paid at signing, no money has ever been paid under the Export Company contract.

COUNT I
FRAUD

Violations of Section 17(a)(1) of the Securities Act
[15 U.S.C. § 77q(a)(1)]

(Against Defendants Perkins, Yilaime NC, Perkins Hsu)

56. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

57. Between approximately January 2014 and April 2015, Defendants Perkins, Yilaime NC and Perkins Hsu, in the offer and sale of the securities described herein, by the use of means and instruments of transportation and communication in interstate commerce and by use of the mails, directly and indirectly, employed devices, schemes and artifices to defraud purchasers of such securities; all as more particularly described above.

58. Defendants Perkins, Yilaime NC and Perkins Hsu knowingly, intentionally, and/or recklessly engaged in the aforementioned devices, schemes and artifices to defraud.

59. While engaging in the course of conduct described above, Defendants Perkins, Yilaime NC and Perkins Hsu acted with scienter, that is, with an intent to deceive, manipulate or defraud or with a severe reckless disregard for the truth.

60. By reason of the foregoing, Defendants Perkins, Yilaime NC and Perkins Hsu, directly and indirectly, have violated and, unless enjoined, will continue to violate Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

COUNT II
FRAUD

**Violations of Sections 17(a)(2) and 17(a)(3) of the Securities Act
[15 U.S.C. §§ 77q(a)(2) and 77q(a)(3)]**

(Against Defendants Perkins, Yilaime NC, Perkins Hsu)

61. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

62. Between approximately January 2014 and April 2015, Defendants Perkins, Yilaime NC and Perkins Hsu, in the offer and sale of the securities described herein, by use of means and instruments of transportation and communication in interstate commerce and by use of the mails, directly and indirectly:

- a. obtained money and property by means of untrue statements of material fact and omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and
- b. engaged in transactions, practices and courses of business which would and did operate as a fraud and deceit upon the purchasers of such securities; all as more particularly described above.

63. By reason of the foregoing, Defendants Perkins, Yilaime NC and Perkins Hsu, directly and indirectly, have violated and, unless enjoined, will continue to violate Sections 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(2) and 77q(a)(3)].

COUNT III
FRAUD

**Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder
[15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5]**

(Against Defendants Perkins, Yilaime NC, Perkins Hsu)

64. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

65. Between approximately January 2014 and April 2015, Defendants Perkins, Yilaime NC and Perkins Hsu, in connection with the purchase and sale of securities described herein, by the use of the means and instrumentalities of interstate commerce and by use of the mails, directly and indirectly:

- a. employed devices, schemes, and artifices to defraud;
- b. made untrue statements of material fact and 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; and

c. engaged in acts, practices, and courses of business which would and did operate as a fraud and deceit upon the purchasers of such securities; all as more particularly described above.

66. Defendants Perkins, Yilaime NC and Perkins Hsu, intentionally, and/or recklessly engaged in the aforementioned devices, schemes and artifices to defraud, made untrue statements of material facts and omitted to state material facts, and engaged in fraudulent acts, practices and courses of business. In engaging in such conduct, Perkins, Yilaime NC and Perkins Hsu acted with scienter, that is, with an intent to deceive, manipulate or defraud or with a severe reckless disregard for the truth.

67. By reason of the foregoing, Defendants Perkins, Yilaime NC and Perkins Hsu, directly and indirectly, have violated and, unless enjoined, will continue to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Sections (a), (b), and (c) of Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5(a), (b), and (c)].

COUNT IV
AIDING and ABETTING FRAUD

**Aiding and Abetting Perkins', Yilaime NC's and Perkins Hsu's Violations of
Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and
Rule 10b-5 thereunder**

(Against Defendant Yilaime Nevada)

68. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

69. By the conduct described in paragraphs 1 - 41, above, Defendants Perkins, Yilaime NC, and Perkins Hsu violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

70. Defendant Yilaime Nevada substantially assisted these violations.

71. Defendant Yilaime Nevada knew or was reckless in not knowing that it was substantially assisting these violations.

72. Defendant Yilaime Nevada thus aided and abetted the violations in Counts I-III, above.

COUNT V
SECURITIES REGISTRATION

**Violations of Sections 5(a) and (c) of the Securities Act
[15 U.S.C. §§ 77e(a), 77e(c)]**

(Against Defendants Perkins, Yilaime NC and Phuati)

73. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

74. Defendants Perkins, Yilaime NC and Phuati offered and sold securities in connection with the Yilaime NC bond and stock offerings.

75. Defendants Perkins, Yilaime NC and Phuati used interstate transportation, communication or mails in connection with the sale of these securities.

76. At the time of the offer and sale of these securities, no registration statement was in effect as to the securities offered and sold.

77. By reason of the foregoing, Defendants Perkins, Yilaime NC and Phuati have violated and, unless enjoined, will continue to violate Sections 5(a) and (c) of the Securities Act [15 U.S.C. §§ 77e(a) and 77e(c)].

COUNT VI
REPORTING VIOLATIONS

**Violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)]
and Rules 12b-20, 13a-1, 13a-11 and 13a-13 Thereunder
[17 C.F.R. §§ 240.12b-20, 240.13a-1, 13a-11, and 240.13a-13]**

(Against Defendant AmericaTowne)

78. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

79. Section 13(a) of the Exchange Act and Rules 13a-1, 13a-11 and 13a-13 thereunder require certain issuers to file with the Commission annual, periodic and quarterly reports that are accurate in all material respects. In addition, Rule 12b-20 of the Exchange Act requires that such reports contain, in addition to disclosures expressly required by statute and rules, such other information as is necessary to ensure that the statements made in those reports are not, under the circumstances, materially misleading.

80. By the conduct alleged in paragraphs 1-7 and 42-55 herein, AmericaTowne violated Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11 and 13a-13 by filing materially false and/or misleading annual, periodic and quarterly reports with the Commission, including: (a) the November 14, 2016 Form 10-Q; (b) the April 14, 2017 Form 10-K; and (c) the November 14, 2017 Form 8-K.

81. Unless enjoined, AmericaTowne will continue to violate Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11 and 13a-13 thereunder.

COUNT VII
AIDING AND ABETTING REPORTING VIOLATIONS

Aiding and Abetting Violations of Section 13(a) of the Exchange Act [15 U.S.C. § 78m(a)] and Rules 12b-20, 13a-1, 13a-11 and 13a-13 Thereunder [17 C.F.R. §§ 240.12b-20, 240.13a-1, 13a-11, and 240.13a-13]

(Against Defendant Perkins)

82. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

83. By the conduct alleged in paragraphs 1-7 and 42-55 herein, AmericaTowne violated Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1, 13a-11 and 13a-13 by filing materially false and/or misleading annual, periodic and quarterly reports with the Commission.

84. Defendant Perkins substantially assisted these violations.

85. Defendant Perkins knew or was reckless in not knowing that he was substantially assisting these violations by AmericaTowne.

86. Defendant Perkins thus aided and abetted the violations in Count VI, above.

COUNT VIII

(Against Relief Defendant Perkins Family Trust)

87. Paragraphs 1 through 55 are hereby realleged and incorporated herein by reference.

88. Relief Defendant Perkins Family Trust obtained funds and property alleged above as part of and in furtherance of the securities violations alleged above and under circumstances in which it is not just, equitable or conscionable for it to retain the illegal profits.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully prays for:

I.

Findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, finding that Defendants committed the violations alleged.

II.

An order permanently restraining and enjoining Defendants, their officers, agents, servants, employees, and attorneys from the violations alleged herein.

III.

An order requiring Defendants Perkins, Yilaime NC, Yilaime Nevada, Perkins Hsu, and Phuati to disgorge ill-gotten gains or unjust enrichment derived

from the activities set forth in this Complaint, together with prejudgment interest thereon.

IV.

An order requiring Defendants to pay a civil penalty pursuant to Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)] and Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)].

V.

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 Perkins from serving as an officer or director of a public company.

VI.

An order requiring Relief Defendant Perkins Family Trust to disgorge all unjust enrichment or other ill-gotten gains received as a result of the conduct alleged in this Complaint, with prejudgment interest thereon.

VII.

Granting such other and further relief as this Court may deem just, equitable, and appropriate in connection with the enforcement of the federal securities laws and for the protection of investors.

JURY TRIAL DEMAND

The Commission hereby demands a trial by jury as to all issues that may be so tried.

This 13th day of June, 2019.

Respectfully submitted,

/s/M. Graham Loomis
M. Graham Loomis
Regional Trial Counsel
Georgia Bar No. 457868
loomism@sec.gov

Paul Kim
Senior Trial Counsel
Georgia Bar No. 418841
kimpau@sec.gov

Local Rule 83.1 Counsel

Attorneys for Plaintiff
Securities and Exchange Commission
950 East Paces Ferry Road, NE, Suite 900
Atlanta, GA 30326
Tel: (404) 842-7600
Facsimile: (404) 842-7679