

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 73560 / November 7, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-16263

In the Matter of

Joshua Wayne Lankford,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND NOTICE OF HEARING**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Joshua Wayne Lankford.

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Respondent, 40 years old, currently resides in Fort Worth, Texas. Respondent was the Vice-President of broker-dealer Barron Moore, until his resignation in the fall of 2005. Respondent possessed NASD series 7, 24, and 63 licenses until October 2007 when FINRA barred him from associating with any FINRA member for failing to testify and to provide documents. After leaving Barron Moore, Respondent operated an entity known as the Lankford Media Group.

B. RESPONDENT’S INJUNCTION AND PENNY STOCK BAR

2. On July 27, 2011, a final judgment by default was entered against Respondent, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and barring him from

participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock in the civil action entitled *Securities and Exchange Commission v. George David Gordon et al.*, Case No. 09 CV-061 CVE, in the United States District Court for the Northern District of Oklahoma.

3. The Commission's complaint, filed on February 10, 2009, alleged that: Respondent and two others (the "Defendants") engaged in a scheme to defraud the public by manipulating the share prices of three penny stocks (National Storm Management Group, Inc. ("NLST"), Deep Rock Oil and Gas, Inc. ("DPRK"), and Global Beverages Solutions, Inc. ("GBVS") collectively referred to as "Target Stocks"). A penny stock is typically considered a stock with a per share market price of less than \$5.00 that is traded on the over-the-counter market, not on a national stock exchange (e.g., the New York Stock Exchange). According to the complaint, to execute their scheme to defraud, the Defendants, including the Respondent, acting in concert with other persons, obtained market domination in the Target Stocks; engaged in coordinated trading activity, including the use of illegal matched orders; and created and distributed to the public deceptive promotional materials, all of which generated the false appearance of investor interest in the Target Stocks thereby artificially inflating the prices of the shares. According to the complaint, the Defendants, including the Respondent, acting in concert with other persons, sold shares of the same three Target Stocks they were recommending that the public buy. This scheme is commonly referred to as a "pump and dump" because the perpetrators artificially inflate or "pump" the price of a stock and then sell their own shares (the "dump"), at the artificially inflated "pumped" price. The complaint alleged that the Defendants' scheme to defraud was perpetrated from the spring of 2005 through December 2006 and derived illegal trading profits totaling in excess of \$20 million.

C. RESPONDENT'S CRIMINAL CONVICTION BY GUILTY PLEA

4. On May 16, 2013, Respondent was convicted by guilty plea of one count of Money Laundering in violation of 18 U.S.C. §§ 1957 in the United States District Court for the Northern District of Oklahoma in the case of *United States of American v. Joshua Wayne Lankford*, Case Number 09-CR-013-JHP. On May 21, 2013, Respondent was sentenced to a term of imprisonment of eighty-four months.

5. The indictment, filed on January 15, 2009, alleged that Respondent was a licensed stock broker and part-owner of a brokerage firm called Barron Moore, and beneficially owned and controlled accounts for the receipt, purchase, and sale of stock of NLST, DPRK and GBVS. The indictment alleged that Respondent and others conspired to commit securities fraud, wire fraud and money laundering, and that it was purpose of the conspiracy that Respondent and others, would and did enrich themselves through the fraudulent manipulation of various stocks, including the stocks of NLST, DPRK and GBVS by gaining control and ownership of free trading shares of stock; concealing their ownership of that stock by parking their shares using various nominee accounts; manipulating the trading volume and share price of the stock by secretly coordinating their trading; disseminating false and misleading promotional materials that failed to disclose material information in order to artificially inflate the trading volume and stock price; and selling

shares of stock in the market at artificially inflated prices to unsuspecting investors. The count of the indictment to which Respondent pleaded guilty alleged, *inter alia*, that respondent knowingly engaged in a monetary transaction in criminally derived property derived from wire fraud and fraud in the sale of securities.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent 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.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness

or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary pursuant to delegated authority.

Brent J. Fields
Secretary