

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10087 / June 2, 2016

SECURITIES EXCHANGE ACT OF 1934
Release No. 77979 / June 2, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17273

In the Matter of

DONALD J. STOECKLEIN,
ESQ.

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS,
PURSUANT TO SECTION 8A OF THE
SECURITIES ACT OF 1933, SECTIONS 4C
AND 15(b) OF THE SECURITIES
EXCHANGE ACT OF 1934, AND RULE
102(e)(1) OF THE COMMISSION'S RULES
OF PRACTICE, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS AND A
CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), Sections 4C¹ and 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”), and Rule 102(e)(1)(iii)² of the Commission’s Rules of Practice against Donald J. Stoecklein (“Respondent”).

¹ Section 4C provides, in pertinent part, that:

The Commission may censure any person, or deny, temporarily or permanently, to any person the privilege of appearing or practicing before the Commission in any way, if that person is found . . . (3) to have willfully violated, or willfully aided and abetted the violation of, any provision of the securities laws or the rules and regulations thereunder.

² Rule 102(e)(1)(iii) provides, in pertinent part, that:

The Commission may . . . deny, temporarily or permanently, the privilege of appearing or practicing before it . . . to any person who is found . . . to have willfully violated, or willfully aided and abetted the violation of any provision of the Federal securities laws or the rules and regulations thereunder.

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Administrative and Cease-And-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Sections 4C and 15(b) of the Securities Exchange Act of 1934, and Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds³ that:

Respondent

1. Stoecklein, age 68, resides in San Diego, California. At all relevant times, he was an attorney licensed to practice in the State of California. He practiced securities law, including the preparation and filing of documents with the Commission. In 1995, Stoecklein consented to the entry of a Commission order that he cease and desist from committing or causing any future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. In re Donald J. Stoecklein, Rel. No. 33-7207 (Sept. 1, 1995) (“1995 Cease-and-Desist Order”). In 2012 and 2013, Respondent participated in an offering of NuGold Resources, Inc. (“NuGold”) stock, which is a penny stock.

Other Relevant Entity

2. NuGold is a Nevada corporation headquartered in Citrus, California. It purports to be in the business of buying and selling gold. On October 12, 2012, NuGold filed a registration statement on Form S-1, seeking to register the offer and sale of 450,000 of its shares of common stock for \$0.15 per share in a \$67,500 public offering. The NuGold registration statement was amended nine times, most recently on December 12, 2013 (hereinafter, NuGold’s initial Form S-1 registration statement and all amendments thereto are collectively referred to as the “NuGold Registration Statements”). NuGold’s registration statement has not become effective.

³ The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Background

3. From October 2012 to December 2013, NuGold falsely stated in the NuGold Registration Statements that NuGold's named CEO, who is not Stoecklein, was NuGold's sole officer, director, and employee ("CEO"). The NuGold Registration Statements also stated falsely that "[W]e are reliant upon [CEO] to make appropriate decisions." In reality, Stoecklein controlled and directed virtually all of the company's operations. In particular, Stoecklein opened and controlled NuGold's bank account (over which the CEO had no signatory authority), negotiated transactions on NuGold's behalf but without the CEO's input, and obtained the CEO's blanket permission to use his signature on documents, including the NuGold Registration Statements. In addition, Stoecklein was primarily responsible for preparing all of NuGold's Registration Statements filed with the Commission. The NuGold Registration Statements never disclosed Stoecklein's control over NuGold's operations or the 1995 Cease-and-Desist Order against Stoecklein.

4. From October 2012 to December 2013, the NuGold Registration Statements also stated that the CEO "received 4,100,000 shares of common stock, at a price of \$0.01 per share as the founder of NuGold Resources, Inc. . . . The proceeds from the sale of the shares to [CEO], \$41,000, constituted the majority portion of the initial cash capitalization of the company." These statements were false and misleading. NuGold's CEO did not contribute the \$41,000 to NuGold. Rather, Stoecklein contributed the money to the company.

5. The false statements in NuGold's Registration Statements regarding the CEO's sole control over NuGold and the source of the initial cash capitalization for NuGold were material. NuGold's failure to disclose Stoecklein's 1995 Cease-and-Desist Order was also material given his control over the company.

Violations

6. As a result of the conduct described above, Stoecklein willfully violated Sections 17(a)(1) and 17(a)(3) of the Securities Act.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Stoecklein's Offer.

Accordingly, pursuant to Section 8A of the Securities Act, Sections 4C and 15(b) of the Exchange Act, and Rule 102(e)(1)(iii) of the Commission's Rules of Practice, it is hereby ORDERED that:

A. Respondent Stoecklein shall cease and desist from committing or causing any violations and any future violations of Section 17(a)(1) and (3) of the Securities Act.

B. Respondent Stoecklein be, and hereby is:

(1) prohibited 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 that Act; and

(2) barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent, or other person who engages in activities with a broker, dealer, or issuer for purposes of the issuance or trading of any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

C. Respondent Stoecklein is denied the privilege of appearing or practicing before the Commission as an attorney.

D. Stoecklein shall, within 10 days of the entry of this Order, pay a civil money penalty in the amount of \$80,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717.

E. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Stoecklein as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to C. Dabney O'Riordan, Division of Enforcement, Securities and Exchange Commission, 444 South Flower Street, Suite 900, Los Angeles, CA 90071.

F. Amounts ordered to be paid as civil money penalties pursuant to this Order 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, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he 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 Securities and Exchange Commission. 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 proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent 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).

By the Commission.

Brent J. Fields
Secretary