

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10380 / June 29, 2017

SECURITIES EXCHANGE ACT OF 1934
Release No. 81049 / June 29, 2017

ADMINISTRATIVE PROCEEDING
File No. 3-18053

In the Matter of

NIGEL G. LINDSAY

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS,
PURSUANT TO SECTION 8A OF THE
SECURITIES ACT OF 1933 AND SECTIONS
15(b) AND 21C OF THE SECURITIES
EXCHANGE ACT OF 1934, 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”) and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Nigel G. Lindsay (“Respondent”).

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 and Sections 15(b) and 21C of the Securities Exchange Act of 1934, 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 finds¹ that:

Summary

1. Respondent was the sole officer, director, and majority shareholder of First Independence Corp. ("First Independence"), a Florida corporation, from approximately February 6, 2013 until approximately May 3, 2013. Respondent, 44 years old, is a resident of Concord, North Carolina. Respondent participated in an offering of the stock of First Independence, which was a penny stock.

Other Relevant Entities and Persons

2. First Independence, incorporated in Florida on February 9, 2012, registered an offering of 3,000,000 shares of common stock pursuant to a registration statement effective as of August 7, 2012. As of February 6, 2013, First Independence's stated principal place of business was in Concord, North Carolina. On May 3, 2013, First Independence underwent a change of control pursuant to a stock purchase agreement. Prior to that change of control, First Independence had at least two undisclosed parents, promoters, and control persons ("undisclosed control persons").

Background

3. One of the undisclosed control persons approached Respondent to be the sole officer and director of a company whose sole purpose was to be sold as a public vehicle. This undisclosed control person told Respondent that Respondent would be the sole officer and director of the company in name only, and would be paid a flat fee upon the sale of the company. That company had been incorporated as First Independence on February 9, 2012.

4. On April 11, 2012, First Independence filed a Form S-1 registration statement seeking to register the offer and sale of 3,000,000 common shares in a \$34,500 public offering, and amended its statement on May 21, 2012, June 14, 2012 and July 31, 2012 (together, the "Registration Statement"). The Registration Statement became effective as of August 7, 2012.

5. According to First Independence's filings with the Commission, starting on or about February 6, 2013, Respondent was the President, Secretary, Treasurer, Director, Principal Executive Officer, Principal Financial Officer, majority shareholder, and sole member of management of First Independence.

¹ 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.

6. First Independence's filings with the Commission materially misrepresented that Respondent controlled First Independence starting on or about February 6, 2013. Respondent knew at all material times that, to the contrary, First Independence was capitalized, operated and otherwise controlled by at least one of the undisclosed control persons, none of whom was disclosed in any of First Independence's filings with the Commission.

7. First Independence's Commission filings materially misrepresented that First Independence's business plan was to "plan and develop a facility to private label our pourable food products." Respondent took no actions toward any such business plan for First Independence. Respondent knew at all material times that First Independence had no purpose other than to engage in a merger or acquisition with an unidentified entity. Therefore, First Independence was an undisclosed "blank check company" as defined in Rule 419 under the Securities Act.

8. Respondent signed documents in furtherance of First Independence's sole purpose as a public vehicle for merger or acquisition, including securities purchase agreements, correspondence to broker-dealers, shareholder consents, and stock transfer instructions. These documents contained false statements related to the sale of First Independence's shares, the nature and pursuit of First Independence's purported business plan, the involvement of Respondent and the undisclosed control persons in First Independence, and the accuracy of First Independence's corporate records and Commission filings.

9. Respondent took these various actions at the direction one of the undisclosed control persons. Respondent received \$5,000 upon the sale of First Independence as the flat fee agreed upon with this undisclosed control person that had no correlation to Respondent's purported ownership of First Independence shares or the terms of the stock purchase agreement signed by Respondent.

10. As a result of the conduct described above, Respondent willfully violated Section 13(b)(5) of the Exchange Act, which prohibits a person from knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any book, record or account described in Section 13(b)(2) of the Exchange Act.

11. As a result of the conduct described above, Respondent willfully violated Rule 13b2-1 under the Exchange Act, which prohibits a person from directly or indirectly falsifying or causing to be falsified any book, record, or account subject to Section 13(b)(2)(A) of the Exchange Act.

12. As a result of the conduct described above, Respondent willfully aided and abetted and caused violations by the undisclosed control persons of Section 17(a) of the Securities Act, which prohibits fraudulent conduct in the offer or sale of securities.

13. As a result of the conduct described above, Respondent willfully aided and abetted and caused violations by the undisclosed control persons of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, which prohibit fraudulent conduct in connection with the purchase or sale of securities.

14. As a result of the conduct described above, Respondent willfully aided and abetted and caused violations by First Independence of Section 13(b)(2)(A) of the Exchange Act, which requires that an issuer which is required to file reports pursuant to Section 15(d) of the Exchange Act make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the issuer.

Disgorgement and Civil Penalties

15. Respondent has submitted a sworn Statement of Financial Condition dated December 27, 2016 and other evidence, and has asserted his inability to pay prejudgment interest on the disgorgement ordered herein or a civil penalty.

Undertaking

16. Respondent has undertaken not to act 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. In determining whether to accept the Offer, the Commission has considered this undertaking.

IV.

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

Accordingly, pursuant to Section 8A of the Securities Act and Sections 15(b) and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent Lindsay shall cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act, Sections 10(b), 13(b)(2)(A), and 13(b)(5) of the Exchange Act and Rules 10b-5 and 13b2-1 of the Exchange Act.

B. Respondent Lindsay be, and hereby is 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 in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

C. Respondent shall pay disgorgement of \$5,000.00 and prejudgment interest of \$626.40 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), but that payment of such amount (except for \$5,000.00) is waived based upon Respondent's sworn representations in his Statement of Financial Condition dated December 27, 2016 and other documents submitted to the Commission. Payment shall be made in the following installments: \$384.62 within 10 days of the date of this Order, \$384.62 within 95 days of the date of this Order, \$384.62 within 185 days of the date of this Order, \$384.62 within 275 days of the date of this Order, \$384.62 within 365 days of

the date of this Order, \$384.62 within 455 days of the date of this Order, \$384.62 within 545 days of the date of this Order, \$384.61 within 635 days of the date of this Order, \$384.61 within 725 days of the date of this Order, \$384.61 within 815 days of the date of this Order, \$384.61 within 905 days of the date of this Order, \$384.61 within 995 days of the date of this Order, and \$384.61 within 1085 days of the date of this Order. If any payment is not made by the date the payment is required by this Order, the entire outstanding balance of disgorgement, plus any additional interest accrued pursuant to SEC Rule of Practice 600, shall be due and payable immediately, without further application.

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 Nigel G. Lindsay 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 Glenn S. Gordon, Associate Regional Director, Division of Enforcement, Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, Florida 33131.

D. Based upon Respondent's sworn representations in his Statement of Financial Condition dated December 27, 2016 and other documents submitted to the Commission, the Commission is not imposing a penalty against Respondent.

E. The Division of Enforcement ("Division") may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondent provided accurate and complete financial information at the time such representations were made; and (2) seek an order directing payment of prejudgment interest and the maximum civil penalty allowable under the law. No other issue shall be considered in connection with this petition other than whether the financial information provided by Respondent was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondent may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of prejudgment interest

or a penalty should not be ordered; (3) contest the imposition of prejudgment interest or the maximum penalty allowable under the law; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

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