

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10418 / September 28, 2017

SECURITIES EXCHANGE ACT OF 1934
Release No. 81750 / September 28, 2017

ADMINISTRATIVE PROCEEDING
File No. 3 - 18230

In the Matter of

**SUCCESS HOLDING
GROUP INTERNATIONAL,
INC.,**

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 8A OF THE SECURITIES ACT
OF 1933 AND SECTION 21C OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING A
CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) and Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Success Holding Group International, Inc. (“Success Holding” or “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 it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 and Section 21C of

the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.¹

III.

On the basis of this Order and Respondent’s Offer, the Commission finds² that:

Summary

1. Success Holding violated the securities registration provisions of the Securities Act by selling shares of its stock in an unregistered transaction to an individual it hired to provide investor relations services while knowing that the individual planned to immediately resell the shares to the public. Success Holding also violated the financial reporting provisions of the Exchange Act by failing to file Forms 10-Q or Forms 10-K for any periods since the period ended June 30, 2015.

Respondent

2. Success Holding Group International, Inc. (CIK 1572699) is a Nevada corporation with its registered address in Fort Wayne, Indiana and its operations in Taiwan. According to its most recent Form 10-K, Success Holding is “in the business of conducting training seminars primarily in China and the business of investing in the production of Internet short films in China ... [and] developing a specialty drink.” The Respondent’s common stock is registered with the Commission pursuant to Section 12(g) of the Exchange Act and is traded on OTCQB under the symbol SHGT. Success Holding registered that stock pursuant to Section 12(g) on November 5, 2014. The majority of Success Holding’s shares are owned by Success Holding Group Corp. (“SHGR”), a company owned and controlled by Success Holding’s principals.

Facts

Success Holding Violated the Securities Registration Requirements

3. In April 2014, SHGR purchased all of the outstanding shares of Macco International Corp. (“Macco”) and changed Macco’s name to Success Holding Group International, Inc. It appears that the shares were purchased in two blocks: first, SHGR directly acquired 6.2 million shares held by Macco’s principals pursuant to a stock purchase agreement;

¹ Concurrently with this Order, the Commission also has instituted an Order Instituting Administrative Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934, Making Findings, Accepting Settlement, Implementing Settlement, and Staying Proceedings to Implement Settlement against Success Holding.

² 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.

second, SHGR acquired control of 2.97 million shares from several other individual shareholders. SHGR and its principals owned and controlled all of Success Holding's outstanding shares.

4. In May 2014, Success Holding entered into a contract with Micheal Skerry under which Skerry agreed to provide investor relations services and aid in raising capital for the company in exchange for \$120,000. Around the same time, Skerry told Success Holding that he also could help it raise money by selling shares of its stock to the public. In order to get the necessary shares, Skerry entered into an agreement with Success Holding and its principals that allowed Skerry to purchase shares of Success Holding stock at predetermined prices ranging from \$0.10 to \$2.50 per share.

5. In June 2014, Skerry paid \$36,000 to Success Holding in exchange for 360,000 shares of Success Holding stock and deposited the shares into a brokerage account under his control shortly thereafter. The share certificate for the securities did not contain a restrictive legend and Success Holding did not file a registration statement in connection with the offer or sale of these securities to Skerry. No exemptions from registration were available for the sale of stock by Success Holdings to Skerry.

6. Once Skerry deposited the shares of Success Holding stock into his brokerage account, he quickly began selling the shares on the open market approximately five weeks after he acquired them. He also began taking steps to generate interest in the company by assisting the Respondent in drafting and editing press releases, sending out blast emails to potential investors, posting messages on public websites, speaking with potential investors and hiring another promoter to recommend Success Holding to the promoter's contacts.

7. At the time Skerry began his selling activity, his shares represented substantially all of the Success Holding shares that were readily available for trading. In fact, not a single share of Success Holding stock traded on OTCQB before Skerry's first sale in July 2014. From July 2014 to December 2014, Skerry sold all of the shares that he received from Success Holding to the public through OTCQB.

Success Holding Violated the Financial Reporting Requirements

8. On August 20, 2015, Success Holding filed a quarterly report containing financial statements on Form 10-Q for the period ended June 30, 2015. Since that time, Success Holding has not filed any periodic reports, including the required Forms 10-Q for the periods ended September 30, 2015, March 31, 2016, June 30, 2016, September 30, 2016, March 31, 2017 and June 30, 2017 and the required Forms 10-K for the periods ended December 31, 2015 and December 31, 2016.

9. On March 18, 2017, Success Holding's auditor for the past seventeen months notified the company that it was resigning as Success Holding's Registered Independent Accounting Firm without having issued any reports or opinions on the company's financial statements. Success Holding has not yet announced the engagement of a new auditor.

Violations

10. As a result of the conduct described above, Success Holding violated Sections 5(a) and 5(c) of the Securities Act. Section 5(a) of the Securities Act provides that, unless a registration statement is in effect as to a security, it is unlawful for any person, directly or indirectly, to engage in the sale of securities in interstate commerce. Section 5(c) of the Securities Act provides a similar prohibition against offers to sell, or offers to buy, unless a registration statement has been filed.

11. As a result of the conduct described above, Success Holding violated Section 13(a) of the Exchange Act and Rules 13a-1 and 13a-13 thereunder, which require every issuer of a security registered pursuant to Section 12 of the Exchange Act to file with the Commission information, documents, and annual and quarterly reports as the Commission may require, on the appropriate forms and within the period specified on the form.

Undertakings

Respondent has undertaken to:

12. By no later than 5:30 p.m. ET on October 15, 2017, file with the Commission the following filings (the “Filings”):

- (1) a Form 10-K containing financial results for the yearly and quarterly periods set forth in Attachment A hereto;
- (2) a Form 10-Q for the quarterly period ended March 31, 2017; and
- (3) a Form 10-Q for the quarterly period ended June 30, 2017.

Each of the Filings shall be made in accordance with the technical and substantive requirements for EDGAR documents, and in accordance with the requirements of Section 13(a) of the Exchange Act and rules and regulations thereunder. If Success Holding makes each of the Filings by no later than 5:30 p.m. ET on October 15, 2017, and the Division of Enforcement does not notify Success Holding of a deficiency pursuant to paragraph 13(1) below, the Division of Enforcement shall notify the Office of the Secretary of the Commission of Success Holding’s compliance with the undertaking set forth in this paragraph, and the Section 12(j) proceeding shall be terminated in accordance with the Order Instituting Administrative Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934, Making Findings, Accepting Settlement, Implementing Settlement, and Staying Proceedings to Implement Settlement entered against Success Holding on September 28, 2017, via entry of an Order Terminating Administrative Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934.

13. If Success Holding makes each of the Filings by 5:30 p.m. ET on October 15, 2017, but the Division of Enforcement concludes, in consultation with the Division of

Corporation Finance and any other appropriate staff, that any of the Filings fail to comply with the undertaking set forth in paragraph 12 above:

- (1) The Division of Enforcement will notify Success Holding within 30 calendar days following the date of the Filings (or, if the last day of the period falls on a weekend or federal holiday, on the first business day immediately thereafter) of the nature of the deficiency or deficiencies in the Filings;
- (2) Success Holding will then have 30 calendar days following this notification (or, if the last day of the period falls on a weekend or federal holiday, on the first business day immediately thereafter) to remedy any identified deficiency or deficiencies in the Filings and resubmit the Filings;
- (3) If Success Holding fails to resubmit the Filings pursuant to paragraph 13(2) above, or if Success Holding resubmits such Filings and the Division of Enforcement concludes, in consultation with the Division of Corporation Finance and any other appropriate staff, that any such Filings fail to remedy the identified deficiency or deficiencies, the Division of Enforcement shall notify the Office of the Secretary of the Commission and Success Holding of its conclusion within 30 calendar days following this failure (or, if the last day of the period falls on a weekend or federal holiday, on the first business day immediately thereafter), and the registration of each class of Success Holding's securities registered pursuant to Exchange Act Section 12 will be revoked pursuant to Exchange Act Section 12(j) in accordance with the Order Instituting Administrative Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934, Making Findings, Accepting Settlement, Implementing Settlement, and Staying Proceedings to Implement Settlement entered against Success Holding on September 28, 2017, via entry of an Order Making Findings and Revoking Registration of Securities Pursuant to Section 12(j) of the Securities Exchange Act of 1934;
- (4) If Success Holding resubmits its Filings pursuant to paragraph 13(2) above, and the Division of Enforcement does not advise Success Holding within 30 calendar days following the date of the resubmitted Filings (or, if the last day of the period falls on a weekend or federal holiday, on the first business day immediately thereafter) of the nature of any deficiency or deficiencies in the Filings, then the Division of Enforcement shall notify the Office of the Secretary of the Commission of its conclusion and the Section 12(j) proceeding shall be terminated in accordance with the Order Instituting Administrative Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934, Making Findings, Accepting

Settlement, Implementing Settlement, and Staying Proceedings to Implement Settlement entered against Success Holding on September 28, 2017, via entry of an Order Terminating Administrative Proceedings Pursuant to Section 12(j) of the Securities Exchange Act of 1934.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Success Holding's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 8A of the Securities Act, Respondent Success Holding cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act

B. Pursuant to Section 21C of the Exchange Act, Respondent Success Holding cease and desist from committing or causing any violations and any future violations of Section 13(a) of the Exchange Act and Rules 13a-1 and 13a-13 thereunder.

C. Respondent shall comply with the undertakings enumerated in Section III above; provided, however, that solely for the purpose of complying with those undertakings, Success Holding shall not be deemed to have violated Section 13(a) of the Exchange Act and Rules 13a-1 and 13a-13 thereunder.

D. Respondent shall pay disgorgement of \$36,000, prejudgment interest of \$3,737 and civil penalties of \$100,000 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). Payment shall be made in the following installments:

- (1) \$34,935 within 90 days of entry of this Order;
- (2) \$34,934 within 180 days of entry of this Order;
- (3) \$34,934 within 270 days of entry of this Order; and
- (4) \$34,934 within 360 days of entry of this Order.

If any payment is not made by the date the payment is required by this Order, the entire balance of disgorgement, prejudgment interest and civil penalties, plus any additional interest accrued pursuant to SEC Rule of Practice 600 and 31 U.S.C. §3717, 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 Success Holding Group International, Inc. 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 Anne C. McKinley, Assistant Director, Division of Enforcement, Securities and Exchange Commission, 175 West Jackson Boulevard, Suite 1450, Chicago, IL 60604.

E. 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, it shall not argue that it is entitled to, nor shall it 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 it 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.

By the Commission.

Brent J. Fields
Secretary