

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 83316 / May 24, 2018**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18502**

**In the Matter of**

**JOHN C. KNIGHT,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
PROCEEDINGS PURSUANT TO SECTION  
15(b) OF THE SECURITIES EXCHANGE  
ACT OF 1934, MAKING FINDINGS, AND  
IMPOSING REMEDIAL SANCTIONS**

**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 Sections 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against John C. Knight (“Knight” 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 him and the subject matter of these proceedings and the findings contained in section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Sections 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (the “Order”), as set forth below.

**III.**

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

1. Knight, age 65, is a resident of Longmont, Colorado. Knight is the incorporator, sole owner, and registered agent for Diversified Equities Inc. Knight sold New Global Energy,

Inc. (“New Global”) stock in unregistered transactions through DEI. Knight has previously engaged in the business of selling shares of other entities. Knight is not currently associated with a registered broker-dealer and during the period relevant to this action was not associated with a registered broker-dealer. Knight participated in an unregistered offering of New Global Energy, Inc. stock, which is a penny stock.

2. Diversified Equities Inc., a Colorado corporation with its principal place of business in Boulder, Colorado, is owned and controlled by Knight. DEI sold restricted New Global securities to the public through unregistered offers and sales and the unregistered offers and sales of New Global shares were DEI’s sole source of revenue. DEI is not registered with the Commission.

3. On November 27, 2017, a judgment was entered by consent against Knight, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 and Sections 15(a) and 20(b) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. David Howard Welch, et al., Civil Action Number 17-1968 JFW-AGR, in the United States District Court for the Central District of California.

4. The Commission’s complaint alleged that, Knight, acting through DEI, used the mails or other means or instrumentalities of interstate commerce, effected transactions in or induced or attempted to induce the purchase or sale of securities while neither Knight nor DEI were registered with the Commission as a broker or dealer or while Knight was not associated with an entity registered with the Commission as a broker or dealer. The Commission’s complaint also alleged that, Knight, acting through DEI, offered and sold NGEY securities when no registration statement for the offers and sales was filed or in effect.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Knight be, and hereby is, barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Any reapplication for association by Knight will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against Knight, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a

customer, whether or not related to the conduct that served as the basis for the Commission order;  
and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct  
that served as the basis for the Commission order.

By the Commission.

Brent J. Fields  
Secretary