

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10745 / January 16, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19129

In the Matter of

CHAD STARKEY,

Respondent.

**ORDER CONCERNING CIVIL PENALTY
AND TERMINATING CEASE-AND-DESIST
PROCEEDINGS**

I.

The Securities and Exchange Commission (“Commission”) instituted an Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order against Chad Starkey (“Starkey”) on April 2, 2019 (“Order Instituting Proceedings”).

In anticipation of those proceedings, Starkey submitted an Offer of Settlement in which, among other things, he agreed to additional proceedings in these proceedings to determine what, if any, civil penalties pursuant to Section 8A(g) of the Securities Act against him are in the public interest, in light of his cooperation in this matter.

II.

In connection with the anticipated additional proceedings, Starkey has submitted an Offer of Settlement (“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, Starkey consents to the entry of this Order Concerning Civil Penalty and Terminating Cease-and-Desist Proceedings (“Order”), as set forth below.

III.

On the basis of this Order and Starkey's Offer, the Commission finds¹ that, in the view of the Division of Enforcement ("Division"), Starkey fully complied with his obligations under a cooperation agreement entered into by him and the Division.

The Commission is not imposing a civil penalty based upon Starkey's cooperation in a Commission investigation and related enforcement action. If at any time following the entry of the Order, the Division obtains information indicating that Starkey knowingly provided materially false or misleading information or materials to the Commission or in a related proceeding, the Division may, at its sole discretion and with prior notice to Starkey, petition the Commission to reopen this matter and seek an order directing that Starkey pay a civil money penalty. Starkey may contest by way of defense in any resulting administrative proceeding whether he knowingly provided materially false or misleading information, but may not: (1) contest the findings in the Order Instituting Proceedings; or (2) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to accept Starkey's Offer.

Accordingly, pursuant to Section 8A of the Securities Act, it is hereby ORDERED that these proceedings are terminated.

By the Commission.

Vanessa A. Countryman
Secretary

¹ The findings herein are made pursuant to Starkey's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.