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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

SECURITIES AND EXCHANGE COMMISSION, Civil Action No. \_\_\_\_\_

Plaintiff,

vs.

**COMPLAINT**

FRANCISCO ABELLAN,  
VEGA STAR CAPITAL, SL,  
EU EQUITY HOLDINGS INC.,  
KLO FINANCIAL SERVICES INC.,  
GENE HEW-LEN,  
NXGEN HOLDINGS, INC., formerly known as  
GHL TECHNOLOGIES, INC.,

Defendants,

and

APOLLO CORPORATION,  
D&O INTERNATIONAL CORP.,  
HALSTON CAPITAL LTD.,  
INSIGHT MARKETING &  
COMMUNICATIONS INC.,  
LACROIX INTERNATIONAL  
HOLDINGS LTD.,  
MEDIA PACIFIC INC.,  
MORTENSEN FINANCIAL LTD.,  
OMNI CONSULTING SERVICES INC.,

Relief Defendants.

1 Plaintiff Securities and Exchange Commission (the “Commission”) alleges:

2 **SUMMARY OF THE ACTION**

3 1. The defendants in this action together executed a scheme to manipulate the public  
4 market for shares of a small company formerly known as GHL Technologies, Inc. (“GHLT”).  
5 Beginning in late 2005, defendants illegally sold millions of shares of the Bremerton, Washington,  
6 company without providing the required information about its business to potential investors. The  
7 scheme was carried out by defendant Gene Hew-Len, GHLT’s president and Chief Executive  
8 Officer, and defendant Francisco Abellan, a Spanish stock promoter, and with the substantial  
9 assistance of defendant GHLT and defendants Vega Star Capital, SL (“Vega Star”), EU Equity  
10 Holdings Inc. (“EU”), and KLO Financial Services Inc. (“KLO”), foreign companies owned and  
11 controlled by Abellan.

12 2. Defendants’ illegal conduct occurred in two phases. In the first, from late 2005 to  
13 early 2006, Hew-Len and Abellan reorganized GHLT and caused it to issue nearly seven million  
14 shares of stock to Abellan’s companies, which paid \$500,000 to GHLT and Hew-Len. In the  
15 reorganization of GHLT, defendants obtained a stock listing for the company which allowed public  
16 trading of the company’s shares. Defendants, however, did not provide important information about  
17 the company’s business and finances to the public by registering the sale of GHLT shares to  
18 Abellan’s company with the Securities and Exchange Commission (the “Commission”). Defendants  
19 illegally evaded registering the transaction by pretending that it was a private sale and that Abellan’s  
20 companies intended to hold the shares as part of a long-term “investment.”

21 3. During the spring of 2006—within weeks of the GHLT stock sale to Abellan’s  
22 companies—defendants completed the second phase of the scheme. Abellan and his companies  
23 successfully dumped their shares on an unsuspecting market after defendants hyped the stock in a  
24 publicity campaign using misleading promotional mailers and press releases containing false claims  
25 about the company. By selling his shares after touting the stock, Abellan and his companies made  
26 more than \$13 million in profits. Abellan wired the illicit proceeds out of the United States to bank  
27 accounts in Andorra, a small principality between France and Spain.

28 4. The Commission seeks a judgment against all defendants enjoining them from future

1 | violations of the securities laws. The Commission also requests that the Court require Abellan and  
2 | Hew-Len each to pay a civil penalty for their violations and that the judgment prohibit them from  
3 | participating in any future offerings of penny stock. The Commission requests that the judgment bar  
4 | Hew-Len from serving in the future as an officer or director of any public company. Finally, the  
5 | Commission requests that the judgment require all defendants and relief defendants to disgorge any  
6 | of the benefits they received from violations of the federal securities laws.

#### 7 | **JURISDICTION, VENUE, AND INTRADISTRICT ASSIGNMENT**

8 | 5. The Commission brings this action pursuant to Sections 20(b) and 20(d) of the  
9 | Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77t(b) and 77t(d)] and Sections 21(d) and  
10 | 21(e) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78u(d) and 78u(e)].

11 | 6. This Court has jurisdiction over this action pursuant to Sections 20(b) and 22(a) of the  
12 | Securities Act [15 U.S.C. §§ 77t(b) and 77v(a)] and Sections 21(d), 21(e), and 27 of the Exchange  
13 | Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa].

14 | 7. Venue is proper in this district pursuant to Section 22 of the Securities Act [15 U.S.C.  
15 | § 77v] and Section 27 of the Exchange Act [15 U.S.C. § 78aa]. GHLT’s principal place of business  
16 | is in the Western District of Washington, and Hew-Len resides in the Western District of  
17 | Washington. Acts or transactions constituting violations of the federal securities laws occurred in  
18 | this district.

19 | 8. Assignment to the Tacoma Division is appropriate pursuant to Local Civil Rule 5(e)  
20 | because acts and omissions giving rise to the Commission’s claims occurred, among other places, in  
21 | Kitsap County.

22 | 9. All defendants, directly or indirectly, made use of the means or instrumentalities of  
23 | interstate commerce, or of the mails, or of the facilities of a national securities exchange in  
24 | connection with the transaction, acts, practices, and courses of business alleged herein.

#### 25 | **DEFENDANTS**

26 | 10. **Francisco Abellan**, also known as “Frank Abel,” age 37, is a Spanish citizen and  
27 | resident of Barcelona, Spain. A stock promoter, he buys and sells shares of small companies in the  
28 | United States.

1 11. **Vega Star Capital, SL** is a Spanish venture capital and investment consulting  
2 company based in Barcelona, Spain. Abellan is an officer and director of Vega Star and has an  
3 ownership interest in the company.

4 12. **EU Equity Holdings Inc.** is a purported investment company incorporated in Panama  
5 in mid-2005. Abellan has an ownership interest in the company.

6 13. **KLO Financial Services Inc.** is a purported investment company incorporated in  
7 Panama in mid-2005. Abellan has an ownership interest in the company.

8 14. **Gene Hew-Len**, age 38, lives in Bremerton, Washington. Hew-Len is President and  
9 CEO of NXGen Holdings, Inc., which was known as GHL Technologies, Inc. during 2005 and 2006.

10 15. **NXGen Holdings, Inc.** was incorporated in Nevada in December 2005, with its  
11 principal place of business in Bremerton, Washington. The company was previously known as  
12 **GHL Technologies, Inc.** and was an installer of Global Positioning System (“GPS”) devices for  
13 commercial and emergency vehicles. According to financial statements for fiscal year 2005, the  
14 company had net income of approximately \$36,000 on revenue of approximately \$606,000. The  
15 company’s stock began actively trading on the Pink Sheets on April 21, 2006, under the ticker  
16 symbol “GHLT.” The company was a “penny stock” issuer during the relevant period: its shares  
17 traded for less than \$5.00 per share and it met the other requirements of Section 3(a)(51) of the  
18 Exchange Act [15 U.S.C. § 78c(a)(51)] and Rule 3a51-1 thereunder [17 C.F.R. § 240.3a51-1].

19 **RELIEF DEFENDANTS**

20 16. **Apollo Corporation** is named as a defendant in this action solely for the purpose of  
21 ensuring complete relief. Defendant is a Dominican Republic company that holds an account at a  
22 financial institution in the principality of Andorra. Abellan transferred illicit proceeds of the scheme  
23 described in this Complaint into the company’s account.

24 17. **D&O International Corp.** is named as a defendant in this action solely for the  
25 purpose of ensuring complete relief. Defendant is a Panama company that holds an account at a  
26 financial institution in the principality of Andorra. Abellan transferred illicit proceeds of the scheme  
27 described in this Complaint into the company’s account.

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1 18. **Halston Capital Ltd.** is named as a defendant in this action solely for the purpose of  
2 ensuring complete relief. Defendant is a British Virgin Islands company that holds an account at a  
3 financial institution in the principality of Andorra. Abellan transferred illicit proceeds of the scheme  
4 described in this Complaint into the company's account.

5 19. **Insight Marketing & Communications Inc.** is named as a defendant in this action  
6 solely for the purpose of ensuring complete relief. Defendant is a Panama company that holds an  
7 account at a financial institution in the principality of Andorra. Abellan transferred illicit proceeds of  
8 the scheme described in this Complaint into the company's account.

9 20. **Lacroix International Holdings Ltd.** is named as a defendant in this action solely for  
10 the purpose of ensuring complete relief. Defendant is a British Virgin Islands company that holds an  
11 account at a financial institution in the principality of Andorra. Abellan transferred illicit proceeds of  
12 the scheme described in this Complaint into the company's account.

13 21. **Media Pacific Inc.** is named as a defendant in this action solely for the purpose of  
14 ensuring complete relief. Defendant is a Panama company that holds an account at a financial  
15 institution in the principality of Andorra. Abellan transferred illicit proceeds of the scheme described  
16 in this Complaint into the company's account.

17 22. **Mortensen Financial Ltd.** is named as a defendant in this action solely for the  
18 purpose of ensuring complete relief. Defendant is a Belize company that holds an account at a  
19 financial institution in the principality of Andorra. Abellan transferred illicit proceeds of the scheme  
20 described in this Complaint into the company's account.

21 23. **Omni Consulting Services Inc.** is named as a defendant in this action solely for the  
22 purpose of ensuring complete relief. Defendant is a Panama company that holds an account at a  
23 financial institution in the principality of Andorra. Abellan transferred illicit proceeds of the scheme  
24 described in this Complaint into the company's account.

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**FACTUAL ALLEGATIONS**

**A. Hew-Len Forms GHL Technologies, Inc. and Obtains Stock Listing with Abellan's Assistance**

24. In 2004, Gene Hew-Len incorporated Emergency Vehicles Installation, Inc. ("EVI") as a start-up company for installing and servicing GPS-based navigation and vehicle tracking equipment on commercial and government vehicles. In June 2005, Hew-Len sought advice about how to take his company public and met Francisco Abellan. Abellan offered to help Hew-Len turn EVI into a public company and to raise capital by finding investors for him. Abellan advised Hew-Len through a series of steps to accomplish this plan, communicating frequently by e-mail and Web-based instant messaging.

25. In October 2005, Abellan and Hew-Len executed an agreement to form a new company called GHL Technologies, Inc. The stated purpose of the agreement was to transform the new company into a publicly-traded company quoted on the Pink Sheets, a marketplace for public trading of shares of primarily small companies that do not qualify to be listed on stock exchanges. The agreement required GHLT, once formed, to issue seven million shares to "designees" of Abellan in exchange for the \$500,000. Abellan's company, Vega Star, agreed to pay GHLT \$50,000 immediately, followed by additional payment to GHLT by "designees": \$250,000 upon GHLT's listing on the Pink Sheets, and \$200,000 one month later. The agreement did not provide for any form of compensation to Vega Star or Abellan; however, it obligated Abellan and Hew-Len to agree on the timing and content of all press releases from GHLT.

26. In September 2005, Abellan referred Hew-Len to an attorney, who assisted Hew-Len to incorporate GHLT in Nevada as a "holding company" for the operating subsidiary, EVI. Abellan then identified a shell company whose shares were quoted on the Pink Sheets. At Abellan's direction, GHLT acquired the shell company and, as a result of the merger, shares of GHLT were quoted on the Pink Sheets. Active trading in GHLT stock began on April 21, 2006.

1           **B.     At Abellan’s Direction, Hew-Len and GHLT Offer and Sell GHLT Shares**  
2           **to Two Panamanian Investment Companies Owned by Abellan**

3           27.     At the same time that Abellan and Hew-Len were organizing GHLT in order to create  
4 a publicly-traded entity, they were also preparing a public offering of its stock. In early 2006,  
5 Abellan informed Hew-Len that he had found two investors to participate in the offering: EU Equity  
6 Holdings, Inc. and KLO Financial Services, Inc., both Panamanian investment companies. Abellan  
7 had an ownership interest in both EU and KLO.

8           28.     On February 9, 2006, EU and KLO signed agreements in which each offered to  
9 purchase 3.5 million GHLT shares for \$250,000. In the subscription agreements, EU and KLO stated  
10 that they intended to acquire the GHLT shares “for investment, and not with a view to resale or  
11 distribution” to the public. These representations by EU and KLO were necessary for the transaction  
12 to be considered a “private sale,” exempt from public registration with the Commission. The EU and  
13 KLO representations were false, however, and in fact Abellan was preparing to sell the shares to  
14 public.

15           29.     Hew-Len agreed on behalf of GHLT and authorized the issuance of the shares to EU  
16 and KLO. Based on EU and KLO’s false representations about their investment intent, Abellan and  
17 Hew-Len instructed GHLT’s stock transfer agent to issue the shares to EU and KLO.

18           30.     The GHLT stock sale to EU and KLO was not registered with the Commission. Had  
19 the transactions been registered, GHLT would have been required to provide important and detailed  
20 information about the company’s business and finances to potential investors in the public  
21 marketplace.

22           31.     Within weeks, EU and KLO each assigned 500,000 shares of GHLT stock (one  
23 million shares total) to Abellan’s company, Vega Star. Abellan countersigned the respective  
24 agreements and Hew-Len received copies.

25           32.     On about March 22, 2006, GHLT’s stock transfer agent electronically deposited a  
26 total of 5.8 million shares of GHLT stock into two separate brokerage accounts in Florida opened by  
27 Abellan for EU and KLO. Abellan held the power of attorney over the EU and KLO accounts. That  
28 same day, as contemplated by the agreements EU and KLO had with Vega Star, the GHLT stock

1 transfer agent also deposited one million shares into Vega Star's brokerage account with the same  
2 Florida brokerage firm.

3 33. In exchange for the GHLT shares, EU and KLO collectively paid GHLT \$500,000  
4 through a series of wire transfers in April and May 2006. Out of those funds, Hew-Len personally  
5 received \$200,000 from GHLT.

6 **C. Abellan, Vega Star, and Hew-Len Tout GHLT Stock**  
7 **in a Misleading Promotional Campaign**

8 34. The Misleading Mailer: In early April 2006, Abellan arranged for a mass mailing of  
9 "The Street Stock Report," an eight-page, full-color, glossy promotional mailer touting GHLT stock.  
10 Acting through Vega Star, Abellan hired the printer, prepared content for the mailer, provided the  
11 destination addresses, and paid approximately \$984,000 for printing and postage. In an effort to keep  
12 his involvement hidden, Abellan directed the printer to remove from the mailer and envelopes the  
13 identity of the printing company, the origin of the mailing, his own name, Vega Star's name, and any  
14 permanent addresses associated with him or his companies. Abellan directed the printer to use a post  
15 office box in Connecticut as a return address. The mailer also referred to an associated publicly-  
16 available Web site, TheStreetStockReport.com, which exclusively touted GHLT stock during the  
17 relevant period.

18 35. The mailer featured multiple pages of hyperbolic statements about GHLT and the  
19 market for GPS technology, such as "GHLT STOCK COULD SEE A 500%-1000% PROFIT IN  
20 THE COMING MONTHS!" and "GHLT needs to capture only 0.14% of this \$757 billion market to  
21 realize \$1 BILLION IN REVENUE!" The "recommendation" for GHLT stock was listed in multiple  
22 places as a "STRONG BUY," and several statements urged investors to act quickly and buy the stock  
23 "aggressively" in order to gain the highest returns.

24 36. Among the glowing recommendations of GHLT stock, the mailer failed to state that  
25 its creators and distributors—Abellan and Vega Star—owned shares of GHLT stock and that, at the  
26 time of the mailer's distribution, they intended to sell the shares for a profit to the public.

27 37. In small print, the mailer included a lengthy "disclaimer" designed to mislead  
28 recipients and potential investors. The disclaimer falsely stated that "TSSR [The Street Stock

1 Report] and its management fully disclose that they receive fees from profiled companies or agents  
2 representing the profiled companies. These fees may be paid in cash or in stock and they will be  
3 fully disclosed in each profile. . . . TSSR has been compensated twenty five thousand dollars for  
4 coverage of GHL Technologies, Inc. by MG Marketing Enterprises, who paid one million and  
5 seventy thousand dollars to distribute this mailer.” This statement was false: It was Abellan, through  
6 Vega Star, who paid for the mailer, not “MG Marketing Enterprises.”

7 38. In addition, the disclaimer falsely suggested that “The Street Stock Report” was an  
8 independent company and did not disclose Abellan and Vega Star’s involvement in the creation or  
9 distribution of the mailer. Finally, the disclaimer was misleading because it failed to state that the  
10 actual creators and distributors of the mailer, Abellan and Vega Star, actually owned shares of GHLT  
11 stock and had a present intent to sell the shares.

12 39. Over a three-day period, from approximately May 16 to May 18, 2006, Abellan and  
13 Vega Star caused the mailer to be sent by U.S. mail to 2.1 million addresses in the United States.

14 40. At about the same time as Abellan and Vega Star created and distributed the  
15 misleading mailer, Hew-Len prepared a coordinated series of press releases for GHLT. In December  
16 2005, Abellan urged Hew-Len to hire an investor relations consultant to assist with press releases and  
17 a web designer to produce a GHLT Web site. Hew-Len agreed and, at Abellan’s direction, spent the  
18 next few months preparing a series of press releases to be issued each week during a 45-day period.

19 41. From about April 24 to about May 23, 2006, GHLT issued nine press releases over the  
20 public wire services and posted them on its company Web site. Three press releases, discussed  
21 below, contain materially false statements concerning the scope of GHLT’s contracts with major  
22 customers.

23 42. The False Trimble Press Release: On May 15, 2006, Hew-Len issued a press release  
24 on behalf of GHLT announcing a “new relationship” that its operating subsidiary, EVI, had entered  
25 into with GPS technology manufacturer Trimble Navigation Ltd. The release stated that the  
26 agreement would “represent multi-million-dollar revenues for the company over the next several  
27 years” and that “Trimble ... has indicated that it will refer as much installation business as EVI can  
28 assume.”

1           43.     The press release was false. In reality, EVI had entered into two non-exclusive  
2 agreements more than eight months earlier that allowed EVI to conduct third-party sales and  
3 installation of Trimble products, but did not in any way obligate Trimble to refer any volume of  
4 business to EVI or otherwise ensure any revenue for EVI. By the terms of the agreement, Trimble  
5 explicitly reserved rights to sell through competing vendors in the same region, as well as directly to  
6 customers. Moreover, the sales agreement was terminable by either party without cause after a one-  
7 year term, and the installation agreement was terminable by either party without cause at any time.  
8 Hew-Len was aware of the terms of the Trimble agreements at the time he reviewed and approved  
9 the press release.

10           44.     In addition, Hew-Len was aware GHLT had provided Trimble with a draft of the press  
11 release before issuing it and Trimble refused to approve its contents. Three days after GHLT issued  
12 the release, a Trimble executive sent an e-mail to Hew-Len reiterating Trimble's objection to the  
13 accuracy of the release and informing Hew-Len that it contained "a lot of misleading information."  
14 Trimble requested that GHLT remove the release from its Web site immediately, but GHLT did not  
15 do so. On June 1, 2006, Trimble terminated its agreements with EVI as a result of the false press  
16 release.

17           45.     The False Titan America Press Release: On May 17, 2006, Hew-Len issued a press  
18 release on behalf of GHLT announcing that its subsidiary EVI had begun servicing a "multi-year  
19 agreement with Titan America, a leading U.S. cement and building materials producer, whereby EVI  
20 will provide GPS installation and maintenance for all of Titan's fleet vehicles nationwide."

21           46.     The press release was false because the terms of EVI's agreement with Titan specified  
22 only a month-to-month contract that did not obligate Titan to use EVI, and it applied only to a small  
23 number of vehicles in Florida and Virginia. Hew-Len was aware of the terms of the Titan agreement  
24 at the time he reviewed and approved the press release.

25           47.     After voicing its objections to Hew-Len about the misleading release, Titan issued its  
26 own press release on June 1, 2006 entitled "Titan America Denies Vendor Claim of Multi-Year  
27 Contract." Titan's release explained that "the statements published by GHL Technologies are  
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1 inaccurate,” and that the relevant agreement was in reality “a short-term, month-by-month contract  
2 . . . for only a small portion of our fleet.”

3 48. Under pressure from Titan, on June 2, 2006, Hew-Len and GHLT posted a new press  
4 release on its company Web site “clarifying” that EVI’s agreement with Titan “is in its pilot phase,  
5 not a multi-year contract, and does not include all of Titan’s fleet vehicles nationwide.” GHLT  
6 further admitted that its earlier release had been “erroneous.” Hew-Len did not issue the clarifying  
7 release through the public wire services, however, nor did he remove the earlier false release from the  
8 GHLT Web site. On June 5, 2006, Titan terminated its agreement with EVI as a result of the false  
9 press release.

10 49. The False CEMEX Press Release: On May 22, 2006, Hew-Len issued a press release  
11 on behalf of GHLT entitled “EVI Selected to Provide Nationwide GPS Installation Services for  
12 CEMEX USA.” The release stated that CEMEX “has selected EVI to provide GPS installation  
13 services for CEMEX’s U.S.-based fleet vehicles,” and that under the terms of the agreement, “EVI  
14 will equip CEMEX USA’s domestic fleet vehicles,” and referred to CEMEX’s sizeable nationwide  
15 presence as one of the largest cement companies in the United States.

16 50. The press release was false because EVI’s actual agreement with CEMEX was not  
17 “nationwide”—the agreement only provided for EVI to complete installations in 257 vehicles in  
18 North and South Carolina at a price of \$300 per vehicle. Like the Titan agreement, EVI’s agreement  
19 with CEMEX was month-to-month and could be terminated by CEMEX at any time without cause.  
20 Hew-Len was aware of the terms of the CEMEX agreement at the time he reviewed and approved the  
21 false press release.

22 **D. As GHLT Share Price and Trading Volume Spike,**  
23 **Abellan Dumps His Shares**

24 51. The misleading promotion of GHLT stock through Abellan’s The Street Stock Report  
25 mailer and Hew-Len’s false press release campaign dramatically increased the share price and trading  
26 volume of GHLT stock in May and June 2006. In the two weeks prior to May 15, 2006, when  
27 Abellan, Vega Star, Hew-Len, and GHLT commenced the promotional campaign, GHLT stock  
28 traded at an average price of \$1.83 per share with an average trading volume of 433,400 shares per

1 day. In contrast, from May 15 to 23, 2006, after the campaign began, the average price of GHLT  
2 stock climbed nearly 30 percent to \$2.37 per share, and the average trading volume increased 1,438  
3 percent to 6,664,600 shares per day. On the most active trading day, May 22, 2006, GHLT's stock  
4 price closed at \$2.88 per share on volume of 21,498,100 shares. GHLT's stock price continued to  
5 increase in June 2006, reaching a high of \$8.80 per share on or about June 19, 2006. As of August  
6 2008, the stock trades for less than one penny per share on minimal volume.

7 52. On May 22, 2006, Abellan and Vega Star sold all one million GHLT shares that had  
8 been deposited into Vega Star's Florida brokerage account, obtaining profits of \$1,539,439.

9 53. Using his power of attorney, Abellan placed the orders to sell GHLT stock in the  
10 Florida brokerage accounts for EU and KLO. In a series of sales beginning on March 22, 2006—the  
11 day the stock was deposited in the accounts—to May 23, 2006, Abellan sold all of EU and KLO's 5.8  
12 million GHLT shares. EU and KLO's largest sales occurred on May 22, 2006, after the false press  
13 releases and misleading promotional mailer had been disseminated and GHLT's stock price had risen  
14 dramatically. On that day, Abellan sold 1,092,225 shares in EU's account and 1,639,173 shares in  
15 KLO's account. As a result of their GHLT stock sales, EU obtained proceeds of \$6,577,668 and  
16 KLO obtained proceeds of \$5,461,529. After deducting the \$500,000 that EU and KLO paid GHLT  
17 for the stock, their collective profits totaled \$11,539,197.

18 54. The GHLT stock sold by Abellan through the Vega Star, EU, and KLO accounts was  
19 purchased by public investors, which had no access to GHLT's true financial condition. No  
20 registration statement had been filed with the Commission on behalf of GHLT at the time of its stock  
21 sales to EU and KLO or at the time of the subsequent sales in the public market. Had the transactions  
22 been registered, as required, GHLT would have been required to provide important and detailed  
23 public disclosures about the company's business and finances. Investors were harmed both by the  
24 lack of information about GHLT, and by the false and misleading mailer and press releases issued by  
25 Abellan, Vega Star, Hew-Len and GHLT.

26 55. Within three days of their final sales of GHLT stock, Abellan wired all of Vega Star's,  
27 EU's and KLO's profits from their Florida brokerage accounts to bank accounts in their names  
28 located in Andorra, a small principality located between France and Spain.



1 61. By engaging in the conduct described above, Abellan, Vega Star, Hew-Len, and  
2 GHLT, and each of them, directly or indirectly, in connection with the purchase or sale of securities,  
3 by the use of means or instrumentalities of interstate commerce, or the mails, with scienter:

- 4 a. Employed devices, schemes, or artifices to defraud;
- 5 b. Made untrue statements of material facts or omitted to state material facts  
6 necessary in order to make the statements made, in the light of the circumstances  
7 under which they were made, not misleading; and
- 8 c. Engaged in acts, practices, or courses of business which operated or would operate  
9 as a fraud or deceit upon other persons, including purchasers and sellers of  
10 securities.

11 62. By reason of the foregoing, Abellan, Vega Star, GHLT, and Hew-Len, and each of  
12 them, have violated and, unless restrained and enjoined, will continue to violate Section 10(b) of the  
13 Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5].

14 **PRAYER FOR RELIEF**

15 WHEREFORE, the Commission respectfully requests that this Court:

16 I.

17 Permanently enjoin defendants Abellan, EU, KLO, Vega Star, Hew-Len, and GHLT, and  
18 each of them, from directly or indirectly violating Sections 5(a) and 5(c) of the Securities Act  
19 [15 U.S.C. § 77e(a) and 77e(c)].

20 II.

21 Permanently enjoin Abellan, Vega Star, Hew-Len, and GHLT, and each of them, from  
22 directly or indirectly violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and  
23 Rule 10b-5 thereunder [17 U.S.C. § 240.10b-5].

24 III.

25 Order Abellan and Hew-Len, and each of them, to pay a civil penalty pursuant to  
26 Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d) of the Exchange Act  
27 [15 U.S.C. § 78u(d)].  
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IV.

Order Abellan, Vega Star, Hew-Len, EU and KLO, and each of them, to disgorge all benefits that they obtained from their violations of the securities laws, with prejudgment interest.

V.

Order each of the relief defendants to disgorge the benefits that they obtained from defendants' violations of the securities laws, with prejudgment interest.

VI.

Prohibit Hew-Len, pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], from serving as an officer or director of any entity having a class of securities registered with the Commission pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)].

VII.

Pursuant to Section 21(d)(6) of the Exchange Act [15 U.S.C. § 78u(d)(6)], prohibit Abellan and Hew-Len, and each of them, from participating in any offering of penny stock.

VIII.

Retain jurisdiction of this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that may be entered, or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

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IX.

Grant such other and further relief as this Court may determine to be just and necessary.

Dated:

Respectfully submitted,

/s/ Lloyd A. Farnham  
LLOYD A. FARNHAM

MARC J. FAGEL  
ROBERT L. TASHJIAN  
tashjianr@sec.gov  
JENNIFER L. SCAFE  
scafej@sec.gov  
LLOYD A. FARNHAM  
farnhaml@sec.gov

Attorneys for Plaintiff  
SECURITIES AND EXCHANGE COMMISSION  
44 Montgomery Street, Suite 2600  
San Francisco, California 94104  
Telephone: (415) 705-2500  
Facsimile: (415) 705-2501