

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
MIAMI DIVISION**

**CASE NO.**

**SECURITIES AND EXCHANGE COMMISSION,** )  
)  
**Plaintiff,** )  
**v.** )  
)  
**BRUCE PALMER and** )  
**ACCESSKEY IP, INC.,** )  
)  
**Defendants.** )  
\_\_\_\_\_)

**COMPLAINT**

Plaintiff Securities and Exchange Commission alleges as follows:

**I. INTRODUCTION**

1. During January and February 2010, Defendants Bruce Palmer and AccessKey IP, Inc. engaged in a fraudulent kickback scheme involving AccessKey common stock in violation of the federal securities laws.

2. Palmer, the President, CFO, and Secretary of AccessKey, paid an illegal kickback of 30 million shares of restricted AccessKey stock to a purported corrupt stock broker so he would purchase 90 million shares of AccessKey stock. Unbeknownst to the Defendants, the corrupt stock broker was actually an undercover FBI agent, and the middleman between Palmer and the stock broker was actually a cooperating witness.

3. Palmer attempted to conceal the kickback by issuing the shares to the broker's girlfriend and drafting three AccessKey press releases to attempt to provide a reason for the anticipated higher-than-normal trading volume created by the large purchase. Palmer did not know the broker's girlfriend was a fiction created by the FBI.

4. Palmer created this scheme in an effort to generate the appearance of market interest in his company, induce public purchases of its stock, and rapidly increase the stock's trading price.

5. As a result of the conduct described in this Complaint, the Defendants violated Section 17(a) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. § 77q(a); and Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. § 78j(b) and 17 C.F.R. §240.10b-5. Unless restrained and enjoined, they are reasonably likely to continue to violate the securities laws.

6. The Commission respectfully requests that the Court enter: (1) a permanent injunction restraining and enjoining the Defendants from violating the federal securities laws; (2) an order directing the Defendants to pay civil money penalties; (3) an order barring Palmer from acting as an officer or director of a public company; and (4) an order barring Palmer from participating in any offering of penny stock.

## **II. DEFENDANTS**

7. Palmer is the CFO, President, and Secretary of AccessKey. He resides in Placitas, New Mexico.

8. AccessKey is a Nevada corporation with its principal place of business in Albuquerque, New Mexico. It purports to be in the business of developing technology related to recording and viewing television shows over Internet broadband connections. During the relevant time period, its common stock was quoted on the OTC Bulletin Board. Currently it is quoted on the Pink Sheets operated by Pink OTC Markets, Inc. under the symbol "AKYI." Until April 2010, when it filed a Form 15 deregistering its stock, AccessKey's common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act.

9. AccessKey's stock is a "penny stock" as defined by the Exchange Act. At all times relevant to this Complaint, the stock's shares traded at less than \$5.00 per share. In fact, at all times relevant, the stock traded at, or under, one cent a share.

10. During the same time period, AccessKey's stock did not meet any of the exceptions to penny stock classification pursuant to Section 3(a)(51) and Rule 3a51-1 of the Exchange Act. For example, the company's stock: (1) did not trade on a national securities exchange; (2) was not an "NMS stock," as defined in 17 C.F.R. § 242.242.600(b)(47); (3) did not have net tangible assets (i.e., total assets less intangible assets and liabilities) in excess of \$5,000,000; and (4) did not have average revenue of at least \$6,000,000 for the last three years. *See* Exchange Act, Rule3a51-1(g).

### **III. JURISDICTION AND VENUE**

11. The Court has jurisdiction over this action pursuant to Sections 20(d) and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(d) and 77v(a); and Sections 21(d) and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d) and 78aa.

12. This Court has personal jurisdiction over the Defendants, and venue is proper in the Southern District of Florida, because many of the Defendants' acts and transactions constituting violations of the Securities Act and the Exchange Act occurred in the Southern District of Florida. For example, Palmer met with the cooperating witness in Fort Lauderdale, Florida to plan the fraudulent scheme detailed in this complaint. Additionally, in planning the scheme, Palmer sent numerous e-mails to the cooperating witness in the District during the times relevant to the Complaint.

13. The Defendants, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce, or of a means or instrumentality of interstate commerce, or of the mails, in connection with the conduct alleged in this Complaint.

#### **IV. THE FRAUDULENT SCHEME**

14. In January 2010, Palmer sought a partner to construct a manipulation scheme to falsely generate the appearance of market interest in AccessKey's common stock. During this same time period, Palmer entered into discussions with the cooperating witness to create such a scheme.

##### **A. Palmer Meets with the Cooperating Witness**

15. On February 2, 2010, Palmer traveled from New Mexico to Fort Lauderdale to meet with the cooperating witness to discuss the specific details of the plan. At this meeting, Palmer agreed to a scheme whereby a broker, whom the cooperating witness recommended, would purchase a large amount of AccessKey stock for the broker's customer accounts.

16. The cooperating witness told Palmer the broker owed a fiduciary duty to his customers, and there would be a problem if the broker's supervisors or the Commission discovered the kickback. Palmer agreed the kickback should remain undisclosed and paid to a third party. In order to disguise this payment, Palmer agreed to issue stock constituting the kickback in the broker's girlfriend's name.

17. During this meeting, Palmer indicated he wanted to "take out" some sellers that were "driving down the price" of AccessKey's stock. He also stated he believed the right scheme could raise the price of the stock from one fifth of a penny to between five and ten cents per share.

18. Also at this meeting, Palmer provided the cooperating witness with three AccessKey press releases. Palmer told the cooperating witness he would issue these press releases in an effort to conceal the anticipated higher than normal trading volume associated with the broker's purchase.

**B. Palmer Issues AccessKey Shares as a Kickback**

19. Hours later, Palmer agreed to issue 30 million restricted shares of AccessKey stock in exchange for the broker purchasing 90 million shares of AccessKey stock for his customer's accounts. As discussed in the previous meeting, Palmer agreed to issue these shares to the broker's girlfriend. Palmer confirmed the terms of this scheme via e-mail.

20. On February 3, 2010, AccessKey issued the 30 million restricted shares in the broker's girlfriend's name. Palmer issued these shares in his capacity as Secretary of AccessKey.

21. On February 16, 2010 AccessKey issued a press release touting a "new set-top box and open internet broadcast device." Palmer, in his position at AccessKey, timed this release in an effort to mask any spike in trading volume.

22. On February 17, 2010, the FBI, posing as the corrupt broker, purchased 540,000 shares of AccessKey stock on the open market for \$1,998.00.

23. In the ten previous trading days, the volume for AccessKey shares was approximately 2.3 million shares per day. The FBI's February 17, 2010 stock purchase constituted 9% of AccessKey's trading volume for that day.

24. On February 18, 2010, the cooperating witness told Palmer the broker's compliance office questioned the AccessKey stock purchase. As a result, the broker was purportedly too nervous to continue the deal.

25. After hearing the deal was on hold, Palmer sent an e-mail to the cooperating witness indicating he would “hold” the next press release until the broker resolved the issues.

### **COUNT I**

#### **Fraud In Violation of Section 17(a)(1) of the Securities Act**

26. The Commission realleges and incorporates paragraphs 1 through 25 of its Complaint.

27. From January through February 2010, the Defendants directly and indirectly, by use of the, means or instruments of transportation or communication in interstate commerce and by use of the mails, in the offer or sale of securities, as described in this Complaint, knowingly, willfully or recklessly employed devices, schemes or artifices to defraud.

28. By reason of the foregoing, the Defendants, directly and indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. §77q(a).

### **COUNT II**

#### **Fraud in Violation of Section 10(b) and Rule 10b-5 of the Exchange Act**

29. The Commission realleges and incorporates paragraphs 1 through 25 of its Complaint.

30. From January through February 2010, the Defendants, directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails in connection with the purchase or sale of securities, knowingly, willfully or recklessly:

(a) employed devices, schemes or artifices to defraud;

(b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the

light of the circumstances under which they were made, not misleading; or

(c) engaged in acts, practices and courses of business which have operated, are now operating and will operate as a fraud upon the purchasers of such securities.

31. By reason of the foregoing, the Defendants directly or indirectly violated and, unless enjoined, are reasonably likely to continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.

**RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests that the Court:

**I.**

**Declaratory Relief**

Declare, determine, and find that the Defendants have committed the violations of the federal securities laws alleged in this Complaint.

**II.**

**Permanent Injunctive Relief**

Issue a Permanent Injunction restraining and enjoining the Defendants, their officers, agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from violating Section 17(a) of the Securities Act and Section 10(b) and Rule 10b-5 of the Exchange Act, as indicated above.

**III.**

**Penalties**

Issue an Order directing the Defendants to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d); and Section 21(d) of the Exchange Act, 15 U.S.C. § 78(d)(3).

**IV.**

**Penny Stock Bar**

Issue an Order barring Palmer from participating in any offering of penny stock, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), for the violations alleged in this Complaint.

**V.**

**Officer & Director Bar**

Issue an Order pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), barring Palmer from serving as an officer or director of a public company.

**VI.**

**Further Relief**

Grant such other and further relief as may be necessary and appropriate.

**VII.**

**Retention of Jurisdiction**

Further, the Commission respectfully requests that the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or



to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Respectfully submitted,

October 7, 2010

By: s/ James M. Carlson

James M. Carlson  
Senior Trial Counsel  
Florida Bar # A5501534  
Telephone: (305) 982-6328  
Facsimile: (305) 536-4154  
E-mail: [CarlsonJa@sec.gov](mailto:CarlsonJa@sec.gov)

Jessica M. Weiner  
Senior Counsel  
Florida Bar # 0148423  
Direct Dial: (305) 982-6395  
E-mail : [WeinerJ@sec.gov](mailto:WeinerJ@sec.gov)

Attorneys for Plaintiff  
**SECURITIES AND EXCHANGE  
COMMISISON**  
801 Brickell Avenue, Suite 1800  
Miami, Florida 33131  
Telephone: (305) 982-6300  
Facsimile: (305) 536-4154