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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

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SECURITIES AND EXCHANGE  
COMMISSION,

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Plaintiff,

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vs.

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DAVID HOWARD WELCH,  
MARC JAY BRYANT,  
JOHN CHARLES KNIGHT,  
PERRY DOUGLAS WEST,  
BIO-GLOBAL RESOURCES, INC.,  
DIVERSIFIED EQUITIES, INC.,  
DIVERSIFIED EQUITIES  
DEVELOPMENT, INC.,  
and NEW GLOBAL ENERGY, INC.,

22

Defendants.

Case No. 5:17-cv-1968-JFW (AGRxx)

Hon. John F. Walter

**FINAL JUDGMENT AS TO  
NEW GLOBAL ENERGY INC.**

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This matter came before the Court on the Plaintiff Securities and Exchange Commission's ("SEC" or "Commission") unopposed motion for final judgment pursuant to Federal Rule of Civil Procedure 54(b) as to Defendant New Global Energy Inc. ("Defendant"). The Securities and Exchange Commission having filed a Complaint and Defendant having entered a general appearance; consented to the

1 Court's jurisdiction over it and the subject matter of this action; consented to entry of  
2 this Final Judgment without admitting or denying the allegations of the Complaint  
3 (except as to jurisdiction); waived findings of fact and conclusions of law; and  
4 waived any right to appeal from this Final Judgment:

5 **I.**

6 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED, that Defendant  
7 New Global Energy Inc. is permanently restrained and enjoined from violating  
8 Section 5 of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77e] by,  
9 directly or indirectly, in the absence of any applicable exemption:

10 (a) Unless a registration statement is in effect as to a security, making use of  
11 any means or instruments of transportation or communication in interstate commerce  
12 or of the mails to sell such security through the use or medium of any prospectus or  
13 otherwise;

14 (b) Unless a registration statement is in effect as to a security, carrying or  
15 causing to be carried through the mails or in interstate commerce, by any means or  
16 instruments of transportation, any such security for the purpose of sale or for delivery  
17 after sale; or

18 (c) Making use of any means or instruments of transportation or  
19 communication in interstate commerce or of the mails to offer to sell or offer to buy  
20 through the use or medium of any prospectus or otherwise any security, unless a  
21 registration statement has been filed with the Commission as to such security, or  
22 while the registration statement is the subject of a refusal order or stop order or (prior  
23 to the effective date of the registration statement) any public proceeding or  
24 examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, that, as  
26 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also  
27 binds the following who receive actual notice of this Final Judgment by personal  
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1 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and  
2 attorneys; and (b) other persons in active concert or participation with Defendant or  
3 with anyone described in (a).

4 **II.**

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
6 Defendant New Global Energy Inc. is barred from participating in an offering of  
7 penny stock, including engaging in activities with a broker, dealer, or issuer for  
8 purposes of issuing, trading, or inducing or attempting to induce the purchase or sale  
9 of any penny stock, with the right to apply for reentry after three years to the  
10 appropriate self-regulatory organization, or if there is none, to the Commission. A  
11 penny stock is any equity security that has a price of less than five dollars, except as  
12 provided in Rule 3a51-1 under the Securities Exchange Act of 1934 (“Exchange  
13 Act”) [17 C.F.R. 240.3a51-1].

14 **III.**

15 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
16 Defendant New Global Energy Inc. is liable for disgorgement of \$1,203,899.00,  
17 representing profits gained as a result of the conduct alleged in the Complaint,  
18 together with prejudgment interest thereon in the amount of \$171,063.00, for a total  
19 of \$1,374,962.00. Based on Defendant New Global Energy Inc.’s sworn  
20 representations in its Statement of Financial Condition dated October 4, 2018, and  
21 other documents and information submitted to the Commission, however, the Court is  
22 not ordering New Global Energy to pay a civil penalty and payment of all  
23 disgorgement and prejudgment interest is waived. The determination not to impose a  
24 civil penalty and to waive payment of disgorgement and prejudgment interest is  
25 contingent upon the accuracy and completeness of New Global Energy Inc.’s  
26 Statement of Financial Condition. If at any time following the entry of this Final  
27 Judgment the Commission obtains information indicating that New Global Energy  
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1 Inc.'s representations to the Commission concerning its assets, income, liabilities, or  
2 net worth were fraudulent, misleading, inaccurate, or incomplete in any material  
3 respect as of the time such representations were made, the Commission may, at its  
4 sole discretion and without prior notice to Defendant, petition the Court for an order  
5 requiring Defendant to pay the unpaid portion of the disgorgement, pre-judgment and  
6 post-judgment interest thereon, and the maximum civil penalty allowable under the  
7 law. In connection with any such petition, the only issue shall be whether the  
8 financial information provided by Defendant was fraudulent, misleading, inaccurate,  
9 or incomplete in any material respect as of the time such representations were made.  
10 In its petition, the Commission may move this Court to consider all available  
11 remedies, including, but not limited to, ordering Defendant to pay funds or assets,  
12 directing the forfeiture of any assets, or sanctions for contempt of this Final  
13 Judgment. The Commission may also request additional discovery. Defendant may  
14 not, by way of defense to such petition: (1) challenge the validity of the Consent or  
15 this Final Judgment; (2) contest the allegations in the Complaint filed by the  
16 Commission; (3) assert that payment of disgorgement, pre-judgment and post-  
17 judgment interest or a civil penalty should not be ordered; (4) contest the amount of  
18 disgorgement and pre-judgment and post-judgment interest; (5) contest the  
19 imposition of the maximum civil penalty allowable under the law; or (6) assert any  
20 defense to liability or remedy, including, but not limited to, any statute of limitations  
21 defense. Defendant shall also pay post-judgment interest on any delinquent amounts  
22 pursuant to 28 U.S.C. § 1961.

#### 23 IV.

24 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
25 Defendant New Global Energy Inc.'s Consent is incorporated herein with the same  
26 force and effect as if fully set forth herein, and that it shall comply with all of the  
27 undertakings and agreements set forth therein, including, but not limited to, the  
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1 undertakings to:

2 (a) Accept the return of 1,000,000 shares of New Global Energy Inc.  
3 common stock from Perry Douglas West and cancel the common shares by returning  
4 them to treasury stock within 30 days of filing of the Consent;

5 (b) Cancel the May 2, 2016 Stock Option Agreement which provided Perry  
6 Douglas West with options to purchase 1,000,000 shares of New Global Energy Inc.  
7 at \$0.30 per share, with the agreement to cancel the Stock Option Agreement to be  
8 signed within 30 days of the filing of the Consent;

9 (c) Enter into a written agreement with Perry Douglas West in which he  
10 waives payment of \$400,292.00 in legal fees that the company owes to him for legal  
11 services, with the agreement to be signed within 30 days of the filing of the Consent;  
12 and

13 (d) Certify, in writing, compliance with the undertakings set forth above.  
14 The certification shall identify the undertakings, provide written evidence of  
15 compliance in the form of a narrative, and be supported by exhibits sufficient to  
16 demonstrate compliance. The Commission staff may make reasonable requests for  
17 further evidence of compliance, and Defendant agrees to provide such evidence.  
18 Defendant shall submit the certification and supporting material to Kurt L. Gottschall,  
19 Assistant Regional Director, 1961 Stout Street Suite 1700, Denver, Colorado 80294,  
20 no later than sixty (60) days from the date of the completion of the undertakings.

21 **V.**

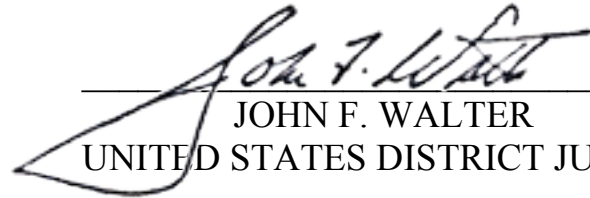
22 **IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED** that  
23 this Court shall retain jurisdiction of this matter for purposes of enforcing the terms of  
24 this Judgment.  
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**VI.**

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and without further notice.

Dated: 12/26/19

  
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JOHN F. WALTER  
UNITED STATES DISTRICT JUDGE