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8
9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11
12 **SECURITIES AND EXCHANGE**
13 **COMMISSION,**

14 **Plaintiff,**

15 **vs.**

16 **MICHAEL M. BECK,**

17 **Defendant,**

18 **AND**

19 **HELEN P. ROBINSON,**

20 **Relief Defendant.**
21

Case No. 2:22-cv-00812

22 **COMPLAINT**

23 Plaintiff Securities and Exchange Commission (“SEC”) alleges:

24 **JURISDICTION AND VENUE**

25 1. The Court has jurisdiction over this action pursuant to Sections 20(b),
26 20(d)(1) and 22(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C.
27 §§ 77t(b), 77t(d)(1) & 77v(a), and Sections 21(d)(1), 21(d)(3)(A), 21(e) and 27(a) of
28

1 the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. §§ 78u(d)(1),
2 78u(d)(3)(A), 78u(e) & 78aa(a).

3 2. Defendants have, directly or indirectly, made use of the means or
4 instrumentalities of interstate commerce, of the mails, or of the facilities of a national
5 securities exchange in connection with the transactions, acts, practices and courses of
6 business alleged in this complaint.

7 3. Venue is proper in this district pursuant to Section 22(a) of the Securities
8 Act, 15 U.S.C. § 77v(a), Section 27(a) of the Exchange Act, 15 U.S.C. § 78aa(a),
9 because certain of the transactions, acts, practices and courses of conduct constituting
10 violations of the federal securities laws occurred within this district.

11 **SUMMARY**

12 4. Between February 2017 and May 2019, Defendant Michael M. Beck,
13 aka @BigMoneyMike6 (“Beck”), used his Twitter platform, where he had as many as
14 3 million followers, to promote and encourage people to buy eight microcap stocks—
15 all without disclosing that he planned to sell, or in some instances was personally
16 selling, his own holdings of the same stocks (a practice known as “scalping”).

17 5. Beck’s scalping scheme involved the following pattern. First, Beck
18 purchased a block of shares of a penny stock, directly and/or through his nominee
19 (his mother), Relief Defendant Helen P. Robinson (“Robinson”). Next, he tweeted to
20 his millions of followers and the public that he would soon be issuing a new stock
21 recommendation, or an “alert.” In many instances, Beck then notified members of his
22 email group, TeamBillionaire, to encourage them to buy the stock ahead of his
23 upcoming recommendation to the public. At times, he also paid third parties to post
24 favorable commentary about the stock on investor message boards, ahead of his
25 recommendation.

26 6. Having purchased the stock, Beck then tweeted out recommendations to
27 buy the stock to his millions of Twitter followers and the public. Throughout his
28 promotional campaigns for the stocks, he failed to disclose his plans to sell, or his

1 ongoing selling of, the very stocks he was promoting.

2 7. As the issuers' stock price and trading volume increased, Beck sold into
3 the artificially inflated market, earning pecuniary gains totaling about \$870,000.

4 8. Through his conduct, defendant Beck violated the antifraud provisions
5 of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, 15 U.S.C. § 78j(b)
6 and 17 C.F.R. § 240.10b-5(a)-(c), as well as the antifraud provisions of Section 17(a)
7 of the Securities Act, 15 U.S.C. § 77q(a)(1)-(3).

8 9. The SEC seeks permanent injunctions against future violations of
9 Exchange Act Section 10(b) and Rule 10b-5 thereunder and Securities Act Section
10 17(a); an order requiring defendant Beck and relief defendant Robinson to disgorge
11 their ill-gotten gains with prejudgment interest; civil penalties against defendant
12 Beck; and a penny stock bar against defendant Beck.

13 **THE DEFENDANT AND THE RELIEF DEFENDANT**

14 10. **Michael M. Beck** ("Beck") resides in San Pedro, California. During the
15 relevant time period, Beck used the Twitter handle "@BigMoneyMike6." He also
16 founded the email group TeamBillionaire.

17 11. Beck had at least one brokerage account at one financial institution in
18 which he traded stock in 2017-2019.

19 12. During 2017-2019, Beck used the email addresses
20 bigmoneymike6@gmail.com, pennystockcult@gmail.com,
21 cryptopennystock@gmail.com, and godzillaprofits@gmail.com.

22 13. **Helen P. Robinson** ("Robinson") resides in San Pedro, California. She
23 is Beck's mother.

24 14. Robinson had at least five brokerage accounts at five financial
25 institutions in which she and/or Beck traded stock in 2017-2019.

26 15. Robinson allowed Beck to use her account to trade stocks.

27 **RELATED ENTITIES**

28 16. **Pick-Ups Plus, Inc.** ("Pick-Ups") is a defunct Delaware corporation,

1 previously located in Newport Beach, California, which sold and installed accessories
2 for sports utility vehicles. On June 18, 2018, the company filed a Form 15-12G with
3 the SEC to terminate the registration of its common stock under Section 12(g) of the
4 Exchange Act. Its common stock was quoted publicly under the ticker symbol
5 “PUPS” on OTC Link (previously “Pink Sheets”), whose parent company is OTC
6 Markets Group, Inc. (“OTC Markets Group”). PUPS is now quoted on OTC Markets
7 Group’s Expert Market, where quotations are unsolicited and distribution of the
8 quotations is limited to broker-dealers and other market professionals.

9 17. **MK Automotive, Inc.** is a Nevada corporation which engaged in retail
10 and commercial automotive diagnostic, maintenance, and repair services. It was
11 quoted on OTC Link under the ticker symbol “MKAU” until July 2017, when it was
12 renamed Clikia Corp. and quoted under the ticker symbol “CLKA.” From
13 December 15, 2017 to September 10, 2020, the company became qualified on six
14 occasions to conduct a Tier 1 offering in reliance on Regulation A. In May 2020, the
15 company was renamed Maison Luxe, Inc. and since April 2021 has been quoted on
16 OTC Link under the ticker symbol “MASN.”

17 18. **Zann Corp.** (“Zann”) is a Nevada corporation located in Las Vegas
18 which purports to be in the early stages of numerous business lines including block
19 chain, information technology, and transportation logistics. Zann is a non-reporting
20 company, and its common stock was quoted on OTC Link under the ticker symbol
21 “ZNNC” but is now quoted on the Expert Market.

22 19. **Vidaroo Corp.** (“Vidaroo”) is a defunct Nevada corporation, which had
23 its principal place of business in Orlando, Florida. It claimed to be in the video
24 streaming and software distribution businesses, but it has no operations. Vidaroo’s
25 common stock is registered with the SEC under Section 12(g) of the Exchange Act,
26 but it has made no filings since March 17, 2014. Its common stock was quoted on
27 OTC Link under the ticker symbol “VIDA” but is now quoted on the Expert Market.

28 20. **Canadian Aerospace Group International, Inc.** (“CASG”) is a

1 defunct Florida corporation, which had its principal place of business in Herriman,
2 Utah and was a developer of aviation products and services. On September 23, 2016,
3 the Florida Secretary of State put the company on inactive status for failing to make
4 required filings. It is a non-reporting company, and its common stock was quoted
5 under the ticker symbol “CASG” on OTC Link. On May 10, 2019, the SEC
6 suspended trading in its securities for ten business days because the company was no
7 longer in operation and had not posted any information to OTC Markets Group or
8 filed any information with the Commission. Exchange Act Rel. No. 85835 (May 10,
9 2019). The stock is now quoted on the Expert Market.

10 21. **Music for Your Life** (“MYLY”) is a Florida corporation with its
11 principal place of business in Las Vegas, Nevada, which operates a network of radio
12 stations. It is a voluntary filer with the SEC, but filed a Form 12b-25 on August 31,
13 2021, stating that it was unable to file its Form 10-K. Its stock was quoted on OTC
14 Link under the ticker symbol “TMGI,” but it is now quoted on the Expert Market. It
15 was formerly known as Music for Your Life Inc. (OTC Link “MYLY”) until
16 August 16, 2018.

17 22. **Peoplesway.com, Inc.** (“Peoplesway”) is a defunct Nevada corporation
18 formerly located in North Carolina, that was a multi-level marketer of wellness
19 products. Its corporate status was revoked in 2014. On October 20, 2005, the
20 company filed a Form 15-12G with the SEC to terminate the registration of its
21 common stock under Section 12(g) of the Exchange Act. Its common stock was
22 quoted on OTC Link under the ticker symbol “PLWY” but is now quoted on the
23 Expert Market.

24 23. **United Consortium Ltd.** (“UCSO”) is a defunct Nevada corporation
25 formerly located in Tampa, Florida, which claimed to have four business lines: legal
26 digital services; blockchain; palm oil; and cannabinoids. Its corporate status was
27 revoked in 2019. It is a non-reporting company whose common stock was quoted on
28 OTC Link under the ticker symbol “UCSO” but is now quoted on the Expert Market.

1 24. The eight companies whose stock Beck scalped (Pick-Ups, MK
2 Automotive, Zann, Vidaroo, CASG, Marquie, Peoplesway, and UCSO) are
3 collectively referred to as the “Issuers.”

4 25. The Issuers’ securities are commonly known as “microcap stocks” or
5 “penny stocks,” which typically trade over OTC Link for pennies or even fractions of
6 a penny per share.

7 THE ALLEGATIONS

8 **A. Summary of Beck’s Scalping Scheme**

9 26. As alleged below, Beck engaged in a fraudulent scheme to promote and
10 manipulate penny stocks, using his Twitter account with the handle
11 @BigMoneyMike6, by encouraging investors to buy the Issuers’ securities while at
12 the same time — contrary to his advice to his millions of Twitter followers, as well as
13 to the viewing public who read his Twitter posts — selling his own holdings of those
14 securities into the inflated price and liquidity that his tweets helped create.

15 27. Beck’s Twitter handle during 2017 to 2019 was @BigMoneyMike6.

16 28. @BigMoneyMike6 had as many as many as 3 million Twitter followers
17 between 2017 and 2019.

18 29. Beck was also the founder of an email group, TeamBillionaire.

19 30. Beck used his Twitter handle to invite his followers to join
20 TeamBillionaire.

21 (a) For example, on or about September 13, 2017, Beck tweeted,
22 “GOT #PENNYSTOCKS? WANNA TURN A \$5,000 INVESTMENT INTO
23 \$50,000+? JOIN #TEAMBILLIONAIRE ASAP.”¹

24 (b) As another example, on or about October 3, 2017, Beck tweeted,
25 “JOIN #TEAMBILLIONAIRE NOW !!!!!!! CHANGE UR FINANCIAL LIFE
26

27 ¹ Beck’s emails and tweets, which often contain typographical and grammatical
28 errors, are quoted verbatim in this complaint.

1 FOREVER.”

2 31. In emails to members of his group, Beck described TeamBillionaire as a
3 “NETWORK of the TRADER for the TRADER,” describing TeamBillionaire’s
4 mission as “to make EVERY SINGLE TRADER in our NETWORK a minimum of
5 200% in profits every month for the rest of their TRADING LIVES from
6 #TEAMBILLIONAIRE ALERTS/PICKS!!!!”

7 32. According to Beck, his TeamBillionaire email group had more than
8 740,000 members in 2017.

9 33. Between 2017 and 2019, Beck’s scalping scheme followed a repeated
10 pattern.

11 34. First, Beck purchased shares of a microcap issuer directly and/or in
12 Robinson’s accounts in advance of his promotional campaign.

13 35. Next, Beck tweeted to his followers and the public that a stock pick alert
14 would be forthcoming.

15 36. Then, a few days before Beck tweeted his stock pick alert, he typically
16 emailed his TeamBillionaire followers, identifying the stock recommendation he
17 planned to promote through Twitter, enabling TeamBillionaire to purchase the stock
18 prior to his Twitter promotions. This preview of the stock recommendation generally
19 increased the stock’s trading volume and price, making the stock look more attractive
20 to potential investors when Beck issued his public recommendation.

21 37. In some instances, Beck paid two third parties to post favorable
22 messages about the stock on Investorshub.com. Like the previews to
23 TeamBillionaire members, the posts generally increased the stock’s trading volume
24 and price, making the stock look more attractive to potential investors when Beck
25 issued his public recommendation.

26 38. Beck then tweeted his stock pick alert, and frequently emailed it to Team
27 Billionaire members, to buy the stock, forecasting high growth and returns. Beck
28 often repeated his stock pick in numerous subsequent tweets and emails.

1 39. As the stock price rose—whether following a preview email to
2 TeamBillionaire, message board posts, or the actual stock pick alert—Beck
3 simultaneously sold the Issuer’s stock in his accounts and/or Robinson’s.

4 40. None of Beck’s recommendations disclosed that Beck was either
5 planning to sell or actually selling the stock while he was recommending that others
6 buy it. Nor did Beck disclose that he had in some cases previewed his alert to his
7 TeamBillionaire group, or secretly paid others to post favorably about the Issuers on
8 investor message boards.

9 41. With respect to each of the Issuers, as detailed below, Beck profited by
10 selling his stock while the market price was artificially inflated during his
11 promotional campaign.

12 **B. Beck’s Scheme to Scalp the Issuers’ Stocks**

13 **1. Beck’s Pick-Ups scalping scheme**

14 42. Pick-Ups is a now-defunct auto accessory company whose stock was
15 trading under the ticker PUPS at around \$0.0035 per share in April 2017.

16 43. Beck began purchasing Pick-Ups stock on or about February 7, 2017, in
17 his own and Robinson’s accounts, when the prevailing market price of Pick-Ups
18 stock was \$0.0004 per share. He continued to purchase shares within the range of
19 \$0.0004 to \$0.0039 per share with the vast majority at prices at \$0.0018 per share or
20 lower.

21 44. On or about April 19, 2017, Beck tweeted that a stock pick was
22 imminent, stating among other things that, “THE APRIL 25TH MEGA ALERT IS
23 LESS THAN A WEEK AWAY” and that, “NEXT TUESDAY COULD NOT ONLY
24 BE MY BIGGEST ALERT EVER BUT COULD BE.. THEE BIGGEST ALERT
25 EVER.”

26 45. In emails between April 23-24, 2017, Beck emailed his TeamBillionaire
27 followers recommending they buy Pick-Ups stock in advance of his planned alert.

28 (a) For example, on or about April 23, 2017, Beck wrote to one

1 follower: “The stock I’m going to get you into is currently trading at \$.005 and will
2 be trading \$.05+ by Tuesday the 25TH . . . The stock that is going to make you a
3 ‘minimum’ of 500% on your investment is..... \$PUPS.”

4 46. Beginning on April 25, 2017 through May 9, 2017, Beck tweeted
5 recommendations to purchase Pick-Ups stock.

6 (a) For example, on or about April 25, 2017, Beck tweeted, “I’VE
7 BOUGHT 27,000,000 SHARES OF \$PUPS TODAY! IM STILL LOADING.. LETS
8 SQUEEZE THE SHORTERS !!!”

9 (b) As another example, on or about May 1, 2017, Beck tweeted,
10 “\$PUPS WILL BE GREEN EVERYDAY TILL CHRISTMAS !!!!! \$PUPS WILL
11 BE AMERICAS #1 STOCK !!!”

12 47. In none of Beck’s tweets or emails recommending that others buy Pick-
13 Ups stock did he disclose that he or his nominee were selling or planning to sell Pick-
14 Ups stock.

15 48. Beck’s statements were materially false and misleading, as he was at that
16 time planning to sell, and was already selling, his holdings of Pick-Ups’ stock. A
17 reasonable investor would want to know, in assessing the quality of a
18 recommendation to buy a stock, whether the person making the recommendation was
19 selling contrary to the recommendation.

20 49. Beck knew that his statements were materially false and misleading
21 because he was aware of his own trading activity.

22 50. During Beck’s promotional campaign, Pick-Ups’ stock price rose from
23 \$0.0050 to \$0.0085 per share, between April 21, 2017 (the last trading day before the
24 first TeamBillionaire email) and April 24, 2017 (the first day of TeamBillionaire
25 emails).

26 51. Trading volume in Pick-Ups stock increased over ten-fold from April 21
27 and April 24, 2017.

28 52. Between April 24, 2017 and May 18, 2017, Beck’s and Robinson’s

1 accounts sold about 45.4 million shares of Pick-Ups stock, for combined sales
2 proceeds of \$218,000.

3 **2. Beck's MK Automotive scalping scheme**

4 53. MK Automotive, now known as Maison Luxe, was previously an
5 automotive maintenance and repair company whose stock was trading under the
6 ticker MKAU, in the range of \$0.0105 to \$0.0135 per share in June 2017.

7 54. Beck had purchased and sold MK Automotive stock since at least 2016,
8 but he began purchasing MK Automotive stock again on or about May 26, 2017, in
9 his own and Robinson's accounts.

10 55. On or about June 27, 2017, Beck tweeted that a new stock pick was
11 imminent, stating, "WHOS READY FOR MY BIGGEST #PENNYSTOCKS
12 ALERT EVER? ON JULY 17TH, 2017 I WILL BE UNLEASHING AN
13 ABSOLUTE MONSTER."

14 56. Between July 17, 2017 and July 27, 2017, Beck tweeted
15 recommendations to buy MK Automotive's stock.

16 (a) For example, on July 17, 2017, Beck tweeted: "\$MKAU IS
17 CURRENTLY TRADING \$.017 ... WITHIN 60 DAYS EXPECT \$1.00+... My
18 LAST MEGA ALERT RAN 4,000% !!! \$MKAU WILL BE MUCH MUCH
19 BIGGER !!!!"

20 (b) As another example, on July 18, 2017, Beck tweeted, "\$MKAU IS
21 GOING TO \$1.00+ WEE
22 LOAD THE BOAT !!!!! CHOooooooooooooo CHOooooooooooooo."

23 57. In none of Beck's tweets recommending that others buy MK
24 Automotive's stock did he disclose that he or his nominee were selling or planning to
25 sell MK Automotive's stock.

26 58. Beck's statements were materially false and misleading, as he was at that
27 time planning to sell, and was even selling, his holdings of MK Automotive's stock.
28 A reasonable investor would want to know, in assessing the quality of a

1 recommendation to buy a stock, whether the person making the recommendation was
2 selling contrary to the recommendation.

3 59. Beck knew that his statements were materially false and misleading
4 because he was aware of his own trading activity.

5 60. During Beck's promotional campaign, MK Automotive's stock price
6 rose from \$0.017 per share on July 16, 2017 (the trading day before Beck's first
7 recommendation tweet) to \$0.024 per share on July 24, 2017.

8 61. Between July 17, 2017 and August 22, 2017, Beck's and Robinson's
9 accounts sold about 13.1 million shares of MK Automotive's stock, for combined
10 sales proceeds of \$254,000.

11 **3. Beck's Zann scalping scheme**

12 62. Zann is a Nevada corporation purportedly in blockchain, information
13 technology and transportation logistics, whose stock was trading under the ticker
14 ZNNC around \$0.009 to \$0.039 per share in September 2017.

15 63. Beck began purchasing Zann stock on or about July 26, 2017, in his own
16 and Robinson's accounts.

17 64. On or about September 13, 2017, Beck tweeted that a stock pick was
18 imminent, stating, "#TEAMBILLIONAIRE ANNOUNCEMENT: I WILL BE
19 RELEASING MY BIGGEST #PENNYSTOCKS ALERT EVER ON SEPT. 26TH."

20 65. Beck paid two third parties to post favorable commentary about Zann on
21 investor message boards on or about September 24-25, 2017.

22 (a) For example, one such message stated, as to Zann, "This holding
23 Co. has lots going for itself and with this share structure it's worth having a long term
24 outlook."

25 66. Between September 26-27, 2017, Beck made recommendations to
26 purchase Zann's stock.

27 (a) For example, on September 26, 2017, Beck tweeted, "LOAD UP
28 ALL THE \$ZNNC U CAN!!!" and "\$ZNNC IS BEIN LOADED

1 BY SMART MONEY.”

2 67. In none of Beck’s tweets, or the message board posts he procured
3 recommending that others buy Zann’s stock, did he disclose that he or his nominee
4 were selling or planning to sell Zann’s stock.

5 68. Beck’s statements were materially false and misleading, as he was at that
6 time planning to sell, and was even selling, his holdings of Zann’s stock. A
7 reasonable investor would want to know, in assessing the quality of a
8 recommendation to buy a stock, whether the person making the recommendation was
9 selling contrary to the recommendation.

10 69. Beck knew that his statements were materially false and misleading
11 because he was aware of his own trading activity.

12 70. During Beck’s promotional campaign, Zann’s stock price rose from
13 \$0.039 per share on September 22, 2017 (the day before the message board posts
14 began) to \$0.069 per share on September 25, 2017 (the first trading day following the
15 message board posts) on trading volume that was ten times higher than on
16 September 22, 2017.

17 71. Between September 25, 2017 and September 26, 2017, Beck’s and
18 Robinson’s accounts sold about 1.39 million shares of Zann’s stock, for combined
19 sales proceeds of \$82,000.

20 **4. Beck’s Vidaroo scalping scheme**

21 72. Vidaroo is a now-defunct video streaming and software distribution
22 company, whose stock was trading under the ticker VIDA in the range of \$0.0011 to
23 \$0.0038 per share in October 2017.

24 73. Beck had purchased and sold Vidaroo stock beginning by at least 2016,
25 and he began purchasing Vidaroo stock on or about May 26, 2017, in his own and
26 Robinson’s accounts.

27 74. On or about October 3, 2017, Beck tweeted that a stock pick was
28 imminent, stating, “ON OCTOBER 31ST, IM ALERTING THE MEGA

1 #PENNYSTOCKS...‘CHANGE-UR_LIFE ALERT’ SIGN UP NOW 2 GET IN
2 EARLY.”

3 75. Between October 30, 2017 and December 11, 2017, Beck tweeted
4 recommendations to purchase Vidaroo’s stock.

5 (a) For example, on October 30, 2017, Beck tweeted, “\$VIDA IS
6 CURRENTLY TRADING AT \$.0045 & WILL CLOSE TOMORROW AT
7 \$.005+ ...ITS GUARANTEED 2 GO UP 10% A DAY (EZ PROFITS).”

8 (b) As another example, on November 3, 2017, Beck tweeted,
9 “\$VIDA WILL GO UP EVERYDAY TILL CHRISTMAS !!! ITS GOING TO \$.05+
10 (CURRENT PRICE \$.0053).”

11 76. In none of Beck’s tweets recommending that others buy Vidaroo stock
12 did he disclose that he or his nominee were selling or planning to sell Vidaroo stock.

13 77. Beck’s statements were materially false and misleading, as he was at that
14 time he planning to sell, and was even selling, his holdings of Vidaroo’s stock. A
15 reasonable investor would want to know, in assessing the quality of a
16 recommendation to buy a stock, whether the person making the recommendation was
17 selling contrary to the recommendation.

18 78. Beck knew that his statements were materially false and misleading
19 because he was aware of his own trading activity.

20 79. During Beck’s promotional campaign, Vidaroo’s stock price rose from
21 \$0.0038 per share on October 27, 2017 (the trading day before Beck tweeted his
22 recommendation) to \$0.0049 per share between on October 30, 2017 (the day he
23 began to recommend purchasing Vidaroo).

24 80. Between October 30, 2017 and December 11, 2017, Beck’s and
25 Robinson’s accounts sold about 17.2 million shares of Vidaroo’s stock, for combined
26 sales proceeds of \$110,000.

27 **5. Beck’s CASG scalping scheme**

28 81. CASG is a now-defunct aviation company whose stock was trading

1 under the ticker CASG in the range of \$.0018 to \$0.0035 per share in April 2018.

2 82. Beck began purchasing CASG stock on or about January 2, 2018, in his
3 own and Robinson's accounts.

4 83. On or about April 20, 2018, Beck tweeted that a stock pick was
5 imminent, stating, "ON MAY 1ST, I WILL BE ALERTING THE MOST
6 PROFITABLE #PENNYSTOCK ALERT IN HISTORY!!!!!"

7 84. Beck paid two third parties to post favorable commentary about CASG
8 on investor message boards between April 25, 2018 and May 1, 2018.

9 (a) For example, on April 28, 2018, one such post stated, as to CASG,
10 "It looks like something big is going on here. Check out the volume on Friday."

11 85. Beck issued his stock alert recommending CASG on May 1, 2018,
12 tweeting: "TURN UR \$1,000 INVESTMENT INTO \$20,000.00+ WITH \$CASG
13 THE #1 #PENNYSTOCK IN THE WORLD !!!"

14 86. In none of Beck's tweets or the message board posts he procured
15 recommending that others buy CASG stock did he disclose that he or his nominee
16 were selling or planning to sell CASG stock.

17 87. Beck's statements were materially false and misleading, as he was at that
18 time selling his holdings of CASG's stock. A reasonable investor would want to
19 know, in assessing the quality of a recommendation to buy a stock, whether the
20 person making the recommendation was selling contrary to the recommendation.

21 88. Beck knew that his statements were materially false and misleading
22 because he was aware of his own trading activity.

23 89. CASG's stock price rose from \$0.0035 per share on April 24, 2018 (the
24 day before the message board posts that Beck paid for first appeared) to \$0.0048 per
25 share on April 25, 2018.

26 90. On April 30, 2018 (the first trading day after Beck emailed
27 TeamBillionaire members about his CASG stock recommendation) the stock price
28 rose from a previous day's closing price of \$0.0082 to \$0.0138 per share on about

1 322% higher trading volume.

2 91. Between April 26, 2018 and May 1, 2018, Beck's and Robinson's
3 accounts sold about 8.5 million shares of CASG stock, for combined sales proceeds
4 of \$218,000.

5 **6. Beck's Marquie scalping scheme**

6 92. Marquie is a radio station company whose stock was trading under the
7 ticker TMGI in the range of \$0.041 to \$0.096 per share in November 2018.

8 93. Beck began purchasing Marquie stock on or about November 27, 2018,
9 in Robinson's accounts.

10 94. On or about November 5, 2018, Beck tweeted that a stock pick was
11 imminent, stating, "MY NEXT MEGA ALERT IS DECEMBER 18TH."

12 95. Beck then emailed his TeamBillionaire group in advance of issuing his
13 stock alert for Marquie, to encourage them to buy ahead of his public alert.

14 96. For example, on or about December 15, 2018, Beck emailed his
15 TeamBillionaire group:

16 The MEGA December 18th alert will be released to the
17 masses at 9:00 am est on the 18th of DECEMBER.

18 There will be a GLOBAL release to every TRADER on the
19 planet via all platforms on SOCIAL MEDIA .

20 When I tweet that I will be releasing the BIGGEST
21 PROFIT RUNNER in pennystock history, I'm not

22 joking, I'm dead serious....December 18th will be

23 HISTORIC and many traders will either quit their 9-5 jobs,

24 buy a business, buy property all around the world,

25 RETIRE, become Philanthropists, take a 5-STAR CRUISE

26 around the world, buy a minor league baseball team etc

27 etc....

28 I will be getting you in on the 17TH (You will be able to

1 buy a day early before I alert the world on the 18th) . You
2 will be receiving the alert Sunday morning the 16th so you
3 can figure out how much stock you want to buy so you can
4 ACHIEVE your FINANCIAL DREAMS.....”

5 97. On December 18, 2018, Beck tweeted his recommendations to purchase
6 Marquie’s stock, stating: “THIS YEARS MEGA MAGICAL CHRISTMAS ALERT
7 IS GOING TO BE.....\$MYLI !!!!!!!BUY EVERYTHING YOU CAN
8 UNDER \$1.00+ BEFORE THE HERBALIFE MERGER NEWS DROPS!!!
9 \$MYLI IS GOING TO \$10+ (CURRENT PRICE \$.44). TURN UR \$5,000
10 INVESTMENT INTO \$100,000+.”

11 98. In none of Beck’s tweets, emails or message board posts recommending
12 that others buy Marquie stock did he disclose that he or his nominee were selling or
13 planning to sell Marquie stock.

14 99. Beck’s statements were materially false and misleading, as he had
15 already begun selling his holdings of Marquie’s stock on December 17, 2018. A
16 reasonable investor would want to know, in assessing the quality of a
17 recommendation to buy a stock, whether the person making the recommendation was
18 selling contrary to the recommendation.

19 100. Beck knew that his statements about Marquie were materially false and
20 misleading, because he was aware of his own trading activity.

21 101. Marquie’s stock price rose from \$0.29 per share on December 14, 2018
22 (the trading day before Beck’s first TeamBillionaire email) to \$0.40 per share on
23 December 17, 2018 (the first trading day following Beck’s first Team Billionaire
24 email).

25 102. Between December 17, 2018 and December 20, 2018, Robinson’s
26 accounts sold about 343,000 shares of Marquie’s stock, for sales proceeds of \$41,000.

27 **7. Beck’s Peoplesway scalping scheme**

28 103. Peoplesway is a now-defunct wellness company whose stock was

1 trading under the ticker PLWY in the range of \$0.0027 to \$0.0060 per share in
2 February 2019.

3 104. Beck began purchasing Peoplesway stock on or about September 5,
4 2018, in Robinson's accounts.

5 105. On or about February 28, 2019, Beck tweeted that a stock pick was
6 imminent, stating, "ON MARCH 12TH, I WILL BE ALERTING THE 'MEGA
7 GODZILLA ALERT!!! THIS WILL BE THE BIGGEST RUNNER IN
8 #PENNYSTOCKS HISTORY !!! EXPECT TO TURN UR \$10,000 INVESTMENT
9 INTO \$150,000+."

10 106. On or about March 11, 2019, Beck emailed his TeamBillionaire group to
11 give them a preview that he would be recommending PLWY stock, stating:

12 Guess what FAM? I'm getting you in EARLY March the
13 11th so you can avoid the STRESS of buying a
14 stock that will keep going up and up and up on March the
15 12th. I dont want you to chase the stock to \$.25+ on
16 Tuesday March 12th. I want to get you in under \$.05
17 Tomorrow so you can lock in your profits and enjoy the
18 EASIEST profits you have ever made in your life...

19
20 I'm so excited for you, me and the #MONEYGANG
21 because we are all GOING to EAT FIRST and PROFIT
22 FIRST before the major announcement to the WORLD on
23 March the 12th. Drum roll please.....The BIGGEST
24 RUNNER IN PENNY STOCK HISTORY IS GOING TO
25 BEPLWY!"

26 107. Peoplesway's stock price rose from \$0.011 to \$0.027 per share from
27 March 8, 2019 (the trading date before Beck's first Team Billionaire email) and
28 March 11, 2019 (the first trading date after Beck's Team Billionaire email) on trading

1 volume about 1,760% higher trading volume.

2 108. On March 11, 2019, Robinson's accounts sold about 3.56 million shares
3 of Peoplesway stock, for sales proceeds of \$78,000.

4 109. Between March 12-14, 2019, Beck tweeted his recommendations to
5 purchase Peoplesway stock.

6 110. For example, on or about March 12, 2019, Beck tweeted: "IM GOING
7 TO PERSONALLY PUNISH EVERY SINGLE SHORT SELLER ON \$PLWY !!!!
8 I WILL FORCE THOSE B*TCHES TO COVER OVER \$.10 !!! SH*T JUST GOT
9 REAL !!!!"

10 111. As another example, on or about March 14, 2019, Beck tweeted: "IM
11 LOADING \$PLWY ON THE BIDSITS GOING BACK UP.....I BUY
12 'PANIC'.....NO NEED TO WORRY WHEN #BMM IS ON BIDS."

13 112. In none of Beck's tweets, emails or message board posts recommending
14 that others buy Peoplesway stock did he disclose that he or his nominee were selling
15 or planning to sell Peoplesway stock.

16 113. Beck's statements were materially false and misleading, given that as of
17 March 11, 2019, he had sold his entire position of PLWY and was not buying the
18 stock. A reasonable investor would want to know, in assessing the quality of a
19 recommendation to buy a stock, whether the person making the recommendation was
20 selling contrary to the recommendation.

21 114. Beck knew that his statements were materially false and misleading
22 because he was aware of his own trading activity.

23 **8. Beck's UCSO scalping scheme**

24 115. Pick-Ups is a now-defunct company purportedly in the business of
25 digital services, blockchain, palm oil and cannabis, whose stock was trading under
26 the ticker UCSO in the range of \$0.0055 to \$0.0099 per share in March 2019.

27 116. Beck began purchasing UCSO's stock on or about April 9, 2019, in
28 Robinson's accounts.

1 117. On or about March 31, 2019, Beck tweeted that a stock pick was
2 imminent, stating, “ARE U READY FOR THE BIGGEST #PENNYSTOCKS
3 ALERT IN HISTORY? GET READY TO TURN UR \$5,000 INVESTMENT INTO
4 \$100,000+ ON MAY 1ST!”

5 118. On or about April 29, 2019, Beck emailed his TeamBillionaire group to
6 preview that UCSO would be the stock pick, stating:

7 I will be getting you..... there first with the release of the
8 MEGA May 1st alert !! Here’s the good news..... I am
9 not going to make you wait till May 1st to get the GAME-
10 CHANGING SUPER MEGA ALERT. I'm giving you the
11 alert April 29th which is 48 hours before the WORLD (
12 general public) receives it.

13 119. On or about May 1, 2019, Beck tweeted his alert recommending the
14 purchase of UCSO, writing:

15 #MONEYGANG, NO NEED FOR \$UCSO TO RUN
16 CRAZY TO \$.10 TODAY...LOAD UP EVERYTHING U
17 CAN UNDER \$.06!!! TOMORROW WE LOAD
18 EVERYTHING UNDER \$.07...SLOW & STEADY
19 ALWAYS WINS THE RACE. BUYING \$UCSO WILL
20 BE THE BEST FINANCIAL DECISION U HAVE EVER
21 MADE IN UR LIFE !!!

22 120. In none of Beck’s tweets or emails recommending that others buy
23 UCSO’s stock did he disclose that he or his nominee were selling or planning to sell
24 UCSO’s stock.

25 121. Beck’s statements were materially false and misleading, as he was at that
26 time selling his holdings of UCSO’s stock. A reasonable investor would want to
27 know, in assessing the quality of a recommendation to buy a stock, whether the
28 person making the recommendation was selling contrary to the recommendation.

1 122. Beck knew that his statements were materially false and misleading
2 because he was aware of his own trading activity.

3 123. During Beck's promotional campaign, UCSO's stock price rose from
4 \$0.065 per share on April 26, 2019 (the trading day before Beck's Team Billionaire
5 email) to an intraday high of \$0.08 per share on April 29, 2019 (the day of Beck's
6 Team Billionaire email) on about 232% increased trading volume.

7 124. Between April 29, 2019 and May 2, 2019, Robinson's accounts sold
8 about 228,000 shares of UCSO stock, for sales proceeds of \$15,000.

9 **C. Beck's Scienter and/or Negligence**

10 125. Beck intentionally, knowingly and/or recklessly carried out his scalping
11 scheme in the Issuers' stocks.

12 126. Beck knew that he did not disclose to his Twitter or TeamBillionaire
13 followers his intentions to sell, nor his actual sales, of the Issuers' stock, when
14 recommending they purchase the same stocks.

15 127. Beck conducted his trades in part through his nominee, Robinson,
16 concealing the amount of his own trading.

17 128. Beck covertly paid third parties to post favorable commentary about
18 more than one of the Issuers, concealing his role in promoting the Issuers' stock.

19 129. Beck's scheme showed a repeated pattern of conduct occurring over a
20 period of years as to the eight Issuers.

21 130. In the alternative, Beck was negligent in recommending the Issuers'
22 stocks without revealing that he was selling, or intended to sell, the Issuers' stocks.

23 131. Beck enjoyed illicit profits from his scheme. In total, between February
24 2017 and May 2019, Beck, through his and his nominee's account, earned \$870,000
25 in sales proceeds:
26
27
28

<u>No.</u>	<u>Issuer</u>	<u>Sales Proceeds</u>
1.	Pick-Ups	\$218,000
2.	MK Automotive	\$254,000
3.	Zann	\$82,000
4.	Vidaroo	\$110,000
5.	CASG	\$72,000
6.	Marquie	\$41,000
7.	Peoplesway	\$78,000
8.	UCSO	\$15,000
	TOTAL	\$870,000

132. Of the sales proceeds, approximately \$358,000 were from trades in Beck's account and approximately \$512,000 were from trades in Robinson's accounts.

D. Beck Concealed Material Information About His Trading

133. It would have been important to a reasonable investor to know that Beck was selling, or intended to sell, the Issuers' stocks, at the time that he was recommending others purchase the stocks.

134. That Beck was selling the Issuers' stocks, or intended to sell their stock, and profit from a run-up in the stocks' price generated by his own recommendations, would have been important to a reasonable investor in evaluating Beck's recommendation that the investor purchase the Issuers' stocks.

FIRST CLAIM FOR RELIEF

Fraud in the Connection with the Purchase and Sale of Securities

Violations of Section 10(b) of the Exchange Act and Rule 10b-5

(against Defendant Beck)

135. The SEC realleges and incorporates by reference paragraphs 1 through 134 above.

136. Defendant Beck intentionally and/or recklessly engaged in a scheme to

1 scalp the Issuers' stock. Through his promotional campaign, consisting of his
2 tweeted stock alerts, emails to his TeamBillionaire group, and message board posts he
3 procured in others' names, Beck manipulated the Issuers' stock price so he could sell
4 at inflated prices. Beck failed to disclose that he was simultaneously selling or
5 intended to sell the very stock he recommended that others purchase. Beck's
6 deceitful pattern persisted over the eight Issuers' stocks, over a period of years,
7 garnering him over \$900,000 in illicit profits in his account and that of his nominee.

8 137. By engaging in the conduct described above, Defendant Beck, acting
9 with scienter, directly or indirectly, in connection with the purchase or sale of a
10 security, by the use of means or instrumentalities of interstate commerce, of the
11 mails, or of the facilities of a national securities exchange: (a) employed devices,
12 schemes, or artifices to defraud; (b) made untrue statements of a material fact or
13 omitted to state a material fact necessary in order to make the statements made, in the
14 light of the circumstances under which they were made, not misleading; and (c)
15 engaged in acts, practices, or courses of business which operated or would operate as
16 a fraud or deceit upon other persons.

17 138. By engaging in the conduct described above, Defendant Beck violated,
18 and unless restrained and enjoined will continue to violate, Section 10(b) of the
19 Exchange Act, 15 U.S.C. § 78j(b), and Rules 10b-5(a), 10b-5(b), and 10b-5(c)
20 thereunder, 17 C.F.R. §§ 240.10b-5(a), 240.10b-5(b) & 240.10b-5(c).

21 **SECOND CLAIM FOR RELIEF**

22 **Fraud in the Offer or Sale of Securities**

23 **Violations of Section 17(a) of the Securities Act**

24 **(against Defendant Beck)**

25 139. The SEC realleges and incorporates by reference paragraphs 1 through
26 134 above.

27 140. Defendant Beck Defendant Beck intentionally, recklessly, and/or
28 negligently engaged in a scheme to scalp the Issuers' stock. Through his promotional

1 campaign, consisting of his tweeted stock alerts, emails to his TeamBillionaire group,
2 and message board posts he procured in others' names, Beck manipulated the Issuers'
3 stock price so he could sell at inflated prices. Beck failed to disclose that he was
4 simultaneously selling or intended to sell the very stock he recommended that others
5 purchase. Beck's deceitful pattern persisted over the eight Issuers' stocks, over a
6 period of years. By means of his materially false and misleading statements, Beck
7 obtained over \$900,000 in illicit profits in his account and that of his nominee.

8 141. By engaging in the conduct described above, Defendant Beck has,
9 directly or indirectly, in the offer or sale of securities, and by the use of means or
10 instruments of transportation or communication in interstate commerce or by use of
11 the mails directly or indirectly: (a) employed devices, schemes, or artifices to
12 defraud; (b) obtained money or property by means of untrue statements of a material
13 fact or by omitting to state a material fact necessary in order to make the statements
14 made, in light of the circumstances under which they were made, not misleading; and
15 (c) engaged in transactions, practices, or courses of business which operated or would
16 operate as a fraud or deceit upon the purchaser.

17 142. Defendant Beck, with scienter, employed devices, schemes and artifices
18 to defraud; with scienter or negligence, obtained money or property by means of
19 untrue statements of a material fact or by omitting to state a material fact necessary in
20 order to make the statements made, in light of the circumstances under which they
21 were made, not misleading; and, with scienter or negligence, engaged in transactions,
22 practices, or courses of business which operated or would operate as a fraud or deceit
23 upon the purchaser.

24 143. By engaging in the conduct described above, Defendant Beck has
25 violated, and unless restrained and enjoined will continue to violate, Sections
26 17(a)(1), 17(a)(2), and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(1),
27 77q(a)(2), & 77q(a)(3).
28

PRAYER FOR RELIEF

WHEREFORE, the SEC respectfully requests that the Court:

I.

Issue findings of fact and conclusions of law that Defendant committed the alleged violations.

II.

Issue judgment, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, permanently enjoining Defendant Beck and his officers, agents, servants, employees and attorneys, and those persons in active concert or participation with him, who receive actual notice of the judgment by personal service or otherwise, and each of them, from violating Section 10(b) of the Exchange Act [15 U.S.C. §§ 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5] and Securities Act Section 17(a) [15 U.S.C. §77q(a)].

III.

Order Defendant Beck and Relief Defendant Robinson to disgorge all funds received from their illegal conduct, together with prejudgment interest thereon, pursuant to Securities Exchange Act of 1934, Sections 21(d)(5) and 21(d)(7) [15 U.S.C. §§ 78u(d)(5) and 78u(d)(7)].

IV.

Order Defendant Beck to pay civil penalties under Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)] and Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)].

V.

Enter an order against Defendant Beck, pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), prohibiting him from participating in an offering of penny stock.

VI.

Retain jurisdiction of this action in accordance with the principles of equity and

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

4 **VII.**

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

7
8 Dated: February 7, 2022

9 */s/Amy Jane Longo*

10 Amy Jane Longo

11 Roberto Tercero

12 Attorneys for Plaintiff

13 Securities and Exchange Commission
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