

**ADMINISTRATIVE PROCEEDING  
BEFORE THE  
SECURITIES COMMISSIONER OF SOUTH CAROLINA**

<b>IN THE MATTER OF:</b>	)	
	)	<b>ORDER TO CEASE AND DESIST</b>
<b>Intertech Solutions, Inc. (f/k/a Amwest</b>	)	
<b>Imaging, Inc.),</b>	)	<b>File No. 2016344</b>
<b>Dback Capital, Inc.,</b>	)	
<b>Sddmf, Inc.,</b>	)	
<b>Cielo, LLC,</b>	)	
<b>12 Pence Consulting, LLC,</b>	)	
<b>Robert McIntosh,</b>	)	
<b>David M. Naylor,</b>	)	
<b>Kenneth Edward Shelton,</b>	)	
<b>Joel C. Duncan,</b>	)	
<b>Daniel Thomas Broyles, Sr.,</b>	)	
<b>William Roth (a/k/a Bill Roth, a/k/a Billy</b>	)	
<b>Roth, a/k/a Al Green), and</b>	)	
<b>Craig Wiita,</b>	)	
	)	
	)	
<b>Respondents.</b>	)	

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**I. PRELIMINARY STATEMENT**

Pursuant to the authority granted to the Securities Commissioner of South Carolina (the “Securities Commissioner”) under the South Carolina Uniform Securities Act of 2005 (the “Act”) and delegated to the Securities Division of the Office of the Attorney General of South Carolina (the “Division”) by the Securities Commissioner, the Division conducted an investigation into the securities-related activities of Intertech Solutions, Inc. (f/k/a Amwest Imaging, Inc.) (“ITEC”), Dback Capital, Inc. (“Dback”), Sddmf, Inc. (“Sddmf”), Cielo, LLC (“Cielo”), 12 Pence Consulting, LLC (“12 Pence”), Robert McIntosh (“McIntosh”), David M. Naylor (“Naylor”), Kenneth Edward Shelton (“Shelton”), Joel C. Duncan (“Duncan”), Daniel Thomas Broyles, Sr. (“Broyles”), William Roth (a/k/a Bill Roth, a/k/a Billy Roth, a/k/a Al Green) (“Roth”), and Craig

Wiita (“Wiita”) (collectively, the “Respondents”) and in connection with its investigation has determined that evidence exists to support the following findings of fact and conclusions of law:

## **II. JURISDICTION**

1. The Securities Commissioner has jurisdiction over this matter pursuant to S.C. Code Ann. § 35-1-601(a).

## **III. RESPONDENTS**

2. ITEC is a non-resident for-profit corporation with its principal place of business at 6619 North Scottsdale Road, Scottsdale, Arizona 85250.

3. Dback was a non-resident for-profit company with its principal place of business at 13601 Preston Road, Suite 548, Dallas, Texas 75240.

4. Sddmf is a non-resident for-profit company with its principal place of business at 2221 Glenbrook Way, Las Vegas, Nevada 89117.

5. Cielois a non-resident company controlled by Respondent Broyles, whose last known address is 30745 Pacific Coast Highway #336, Malibu, California 90265.

6. 12 Pence is a Texas for-profit company with its principal place of business at 2800 Waymaker Way, Unit 41, Austin, Texas 78746.

7. McIntosh is a non-resident with a last known address of 8287 East Nightingale Star Drive, Scottsdale, Arizona 85266.

8. Naylor is a non-resident with a last known address of 8655 East Via de Ventura, Suite G200, Scottsdale, Arizona 85258.

9. Shelton is a non-resident with a last known address of 3408 Wentwood Drive, Dallas, Texas 75225.

10. Duncan is a non-resident with a last known address of 2403 Westlake Drive, Austin, Texas 78746.

11. Broyles is a non-resident with a last known address of 30745 Pacific Coast Highway #336, Malibu, California 90265.

12. Roth is a non-resident with a last known address of 2221 Glenbrook Way, Las Vegas, Nevada 89117.

13. Wiita is a non-resident with last known addresses of 2507 North Woodland Hills Drive, Prescott, Arizona 86305 and 5915 Colorado River Road, Blythe, California 92225.

#### **IV. FINDINGS OF FACT**

14. During the period 2014 to present, ITEC has been listed on the OTC Pink Stock Market and claims to be a company that mines and processes gold.

15. During the period in or about July 2014 to February 2016 (the "Period"), at least seven South Carolina residents ("Investors") invested at least \$357,900 in ITEC stock.

16. ITEC's stock offering was not registered or notice filed with the Division, and it was not exempt from such registration.

17. A mining company was allegedly engaged to conduct mining operations for ITEC, but, in fact, the mining company did not conduct any mining operations, and there is no evidence to suggest that mining would ever be done on ITEC's behalf.

18. Certain ITEC filings and press releases, both placed in the public domain and distributed to investors, contain misleading and false statements.

19. Instead of being used for legitimate mining purposes as expected by Investors, ITEC investor funds were used to fund its “boiler room”<sup>1</sup> stock sale operations and to make payments directly to the directors of the company, the directors’ families, and the directors’ friends. Many of these payments were characterized as “consulting fees.”

20. Naylor, Kueber, Wiita, and McIntosh were the directors of ITEC in or around the Period.

21. During the Period, ITEC stock was sold to Investors through boiler rooms run by Shelton and Duncan. The boiler rooms employed typical penny stock “pump and dump” schemes.<sup>2</sup>

22. During the Period, Naylor served as the Chief Financial Officer, Secretary, Treasurer, and as a Director of ITEC. Naylor had control of the boiler room operations, and he employed Shelton and Duncan to lead and supervise them. Shelton in turn employed Darl Laws, who sold ITEC stock to an Investor. Duncan employed Broyles, who in turn employed Roth. Roth sold ITEC stock to Investors.

23. Naylor received at least 41 payments for “consultant fees” from the ITEC bank account during the Period. The payments exceeded \$70,000.

24. Naylor is not registered with the Division, and he was not registered with the Division during the Period.

25. Shelton, through and as president of Dback, controlled a large boiler room, which sold ITEC stock to unsuspecting investors by way of cold calls.

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<sup>1</sup> For the purposes of this Order, “boiler room” is defined as a company who engages in “boiler-room transactions”; see Black’s Law Dictionary (10th ed. 2014), *available at* Westlaw (defining “boiler-room transactions” as “a high-pressure telephone sales pitch, often of a fraudulent nature”).

<sup>2</sup> In a “pump and dump” scheme, “persons holding certain securities fraudulently inflate their price (the ‘pump’) in order to sell [them] at an artificial profit (the ‘dump’).” United States v. Salmonese, 352 F.3d 608, 612 (2d Cir. 2003).

26. In connection with the ITEC stock offers and sales, on one or more occasions, Shelton and Dback made misleading or false statements of material fact to persons in South Carolina.

27. Dback received at least 186 payments for so-called “consultant fees” from the ITEC bank account during the Period. The payments exceeded \$500,000. In return for its sales and solicitation efforts, Dback also received a percentage of the sale price. The percentage received was often excessive, sometimes as high as fifty percent.

28. Neither Shelton nor Dback are registered with the Division, and they were not registered during the Period.

29. Between April 2015 and March 2016 Shelton, through Dback, employed cold call solicitors who sold ITEC stock to Investors.

30. Duncan, through and as manager of 12 Pence, controlled a large boiler room, which sold ITEC stock to unsuspecting Investors by way of “cold calls.”

31. Duncan and 12 Pence made misstatements of material fact to induce Investors to purchase ITEC stock.

32. 12 Pence received at least 62 payments for “consultant fees” from the ITEC bank account during the Period. The payments exceeded \$200,000.

33. Neither Duncan nor 12 Pence are registered with the Division, and they were not registered during the Period.

34. Broyles, through his company, Cielo, worked for Duncan and managed cold callers, including Roth.

35. Broyles received at least 38 payments for “consulting fees” from the ITEC bank account during the Period. The payments exceeded \$50,000.

36. Cielo received at least 20 payments for “consulting fees” from the ITEC bank account during the Period. The payments exceeded \$100,000.

37. Neither Broyles nor Cielo are registered with the Division, and they were not registered during the Period.

38. Roth, through his company, Sddmf, worked for Broyles and solicited potential investors, including South Carolina investors, to purchase ITEC stock.

39. Roth sold approximately \$200,000 of ITEC stock to Investors.

40. Roth received at least 13 payments for “consulting fees” from the ITEC bank account during the Period. The payments exceeded \$30,000.

41. Sddmf received at least 13 payments for “consulting fees” from the ITEC bank account during the Period. The payments exceeded \$50,000.

42. Neither Roth nor Sddmf are registered with the Division, and they were not registered during the Period.

43. McIntosh was the Chief Executive Officer of ITEC from April 2014 until January of 2016, during which time ITEC stock was sold to Investors.

44. McIntosh received at least 8 payments for “consulting fees” from the ITEC bank account during the Period. The payments exceeded \$50,000.

45. McIntosh is not currently registered with the Division, nor was he registered during the Period.

46. Wiita was the President and a director of ITEC before and during the Period, and he has served as the Chief Executive Officer since January 2016. Wiita held these positions while ITEC stock was sold to Investors.

47. Wiita received at least 117 payments for “consultant fees” from the ITEC bank account during the Period. The payments exceeded \$300,000. In addition, Wiita’s son, Ryan Wiita, received at least 9 payments for “consultant fees” from the ITEC bank account during the Period. The payments exceeded \$10,000.<sup>3</sup>

48. Wiita is not registered with the Division, and he was not registered during the Period.

## **V. CONCLUSIONS OF LAW**

49. The stock offered and sold by Respondents constitutes a security as defined by the Act.

50. The securities offered and sold by ITEC, Dback, Sddmf, Cielo, 12 Pence, Naylor, Shelton, Duncan, Broyles, and Roth were offered and sold in violation of S.C. Code Ann. § 35-1-301.

51. In connection with the events above, ITEC, Dback, Sddmf, Cielo, 12 Pence, McIntosh, Naylor, Shelton, Duncan, Broyles, Roth, and Wiita transacted business in this State as unregistered agents in violation of S.C. Code Ann. § 35-1-402(a).

52. In connection with the events above, ITEC, Dback, Sddmf, Cielo, and 12 Pence employed or associated with an unregistered agent in violation of S.C. Code Ann. § 35-1-402(d).

53. In connection with the events above, Respondents (1) employed a device, scheme, or artifice to defraud; (2) made one or more untrue statements of material fact or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (3) engaged in acts, practices, or courses of business that operated as a fraud or deceit upon the Investor, in violation of S.C. Code Ann. § 35-1-501.

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<sup>3</sup> Upon information and belief, Ryan Wiita did not perform any function for ITEC during the Period.

54. This Order is in the public interest.

**VI. CEASE AND DESIST ORDER**

**NOW THEREFORE**, pursuant to S.C. Code Ann. § 35-1-604(a)(1), it is hereby **ORDERED** that:

- a. Respondents and every successor, affiliate, control person, agent, servant, and employee of Respondents, and every entity owned, operated, or indirectly or directly controlled by or on behalf of Respondents **CEASE AND DESIST** from transacting business in this State in violation of the Act;
- b. Respondents shall jointly and severally pay a civil penalty in the amount of \$1 million if this Order becomes effective by operation of law, or, if a Respondent seeks a hearing and any legal authority resolves this matter, pay a civil penalty in an amount not to exceed \$10,000.00 for each violation of the Act and the actual cost of the investigation or proceeding.

**IT IS FURTHER ORDERED** that, pursuant to S.C. Code Ann. §§ 35-1-604(a)(2) and (3), any exemption from registration with the Division that Respondents may claim to rely upon under S.C. Code Ann. §§ 35-1-201(3)(C), (7), or (8); 35-1-202; 35-1-401(b)(1)(D) or (F); or 35-1-403(b)(1)(C), has been and is **PERMANENTLY REVOKED**.

**VII. REQUIREMENT OF ANSWER AND NOTICE OF OPPORTUNITY FOR HEARING**

Respondents are hereby notified that each has the right to a hearing on the matters contained herein. To schedule such a hearing, a Respondent must file with the Securities Division, Post Office Box 11549, Rembert C. Dennis Building, Columbia, South Carolina, 29211-1549, attention: Securities Division, within thirty (30) days after the date of service of this Order, a

written Answer specifically requesting a hearing. If a Respondent requests a hearing, the Division, within fifteen (15) days after receipt of a request in a record from the Respondent, will schedule a hearing for the Respondent.

Failure by a Respondent to file a written request for a hearing in this matter within the thirty-day (30) period stated above shall be deemed a waiver by that Respondent of the right to such a hearing. Failure of a Respondent to file an Answer, including a request for a hearing, shall result in this Order, including the stated civil penalty and any assessed costs, becoming final as to that Respondent by operation of law.

This Order does not prevent the Division, or any other agency, including without limitation civil and criminal law enforcement agencies, from seeking additional civil or criminal remedies that are available under the Act, including remedies related to the offers and sales of securities by Respondents set forth above.

ENTERED, this the 22 day of April, 2019.

ALAN WILSON  
SECURITIES COMMISSIONER

By:   
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JONATHAN B. WILLIAMS  
Assistant Deputy Attorney General