

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

**FLIK,
COINSPARK,
RYAN S. FELTON,
WILLIAM Q. SPARKS, JR.,
OWEN B. SMITH, and
CHANCE B. WHITE,**

Defendants,

And

**HYPERION HOLDINGS LLC,
STEPHANIE L. BROWN,
DALE W. FELTON, and
JENNIFER FELTON,**

Relief Defendants.

Case No. 1:20-CV-3739-SCJ

**PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S MOTION
TO ENTER FINAL JUDGMENTS AGAINST DEFENDANTS WILLIAM Q.
SPARKS, JR., OWEN B. SMITH, AND CHANCE B. WHITE**

Plaintiff United States Securities and Exchange Commission ("SEC") respectfully requests that the Court enter the attached Final Judgments as to Defendants William Q. Sparks, Jr. ("Sparks"), Owen B. Smith ("Smith"), and Chance B. White ("White"). In support of this motion, the SEC states as follows:

1. On September 10, 2010, the SEC filed the Complaint against, among others, Sparks, Smith and White.

2. Each of these Defendants has agreed to settle this matter.

Accordingly, Sparks, Smith and White have signed Consents, which are attached with the proposed Final Judgments.

3. The proposed Final Judgment as to Sparks permanently enjoins him from violations of Section 5 of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77e]; orders Sparks to pay disgorgement in the amount of \$25,196, plus prejudgment interest thereon in the amount of \$2,796; orders Sparks to pay a civil penalty in the amount of \$25,000 under Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)]; and enjoins Sparks, for a period of five years from the date of Final Judgment, from participating, directly or indirectly, in the issuance, purchase, offer, or sale of any digital asset securities. *See* Exhibit 1.

4. The proposed Final Judgment as to Smith permanently enjoins him from violations of Sections 5 and 17(b) of the Securities Act [15 U.S.C. §§ 77e, 77q(b)]; orders Smith to pay a civil penalty in the amount of \$25,000 under Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)]; and enjoins Smith, for a period of five years from the date of Final Judgment, from participating, directly or indirectly, in the issuance, purchase, offer, or sale of any digital asset securities. *See* Exhibit 2.

5. Similarly, the proposed Final Judgment as to White permanently enjoins him from violations of Sections 5 and 17(b) of the Securities Act [15 U.S.C. §§ 77e, 77q(b)]; orders White to pay a civil penalty in the amount of \$25,000 under Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)]; and enjoins White, for a period of five years from the date of Final Judgment, from participating, directly or indirectly, in the issuance, purchase, offer, or sale of any digital asset securities. *See* Exhibit 3.

6. These proposed Final Judgments, which embody the parties' settlements reached before the filing of this action, are a product of arm's length negotiations between the parties and counsel, and, we respectfully submit, are reasonable, fair, adequate, and in the public interest. *See SEC v. Citigroup Global Markets Inc.*, 673 F.3d 158, 163-68 (2d Cir. 2012) (discussing the factors to consider for approving settlements).

7. Accordingly, the SEC respectfully asks the Court to enter the attached Final Judgments in this case.

Dated: New York, New York
September 11, 2020

Respectfully submitted,

/s/ Richard Hong
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CERTIFICATION OF COMPLIANCE

This is to certify that the foregoing was prepared using Times New Roman 14 point font in accordance with Local Rule 5.1 (B).

/s/ Richard Hong

CERTIFICATE OF SERVICE

I hereby certify that on this date the foregoing was served on counsel for Defendants by via email.

/s/ Richard Hong
Securities and Exchange Commission