

PATRICK R. COSTELLO (FL Bar # 75034)
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-5949
Telephone: (202) 551-3982
Facsimile: (202) 772-9282
Email: costello@sec.gov
Admitted Pursuant to LR 83.1(c)(1)

Attorney for Plaintiff

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

SEMISUB, INC., CURTISS EDWARD
JACKSON, and JAMEY DENISE
JACKSON,

Defendants.

CIVIL NO.

COMPLAINT

Jury Trial Demanded

Plaintiff Securities and Exchange Commission alleges:

I. INTRODUCTION

1. The Commission brings this action to enjoin Defendants from violating the federal securities laws and for other relief. From no later than January

2017 through at least February 2022, Defendants Curtiss Edward Jackson (“Curtiss”) and Jamey Denise Jackson (“Denise”) – acting through Defendant Semisub, Inc. (“Semisub”) – misappropriated at least \$1.5 million from investors in the company. During that time period, Defendants raised approximately \$4.7 million from over one hundred individuals in the United States through the offer and sale of securities in Semisub. In connection with the offer and sale of those securities, Defendants engaged in a scheme to defraud investors, and also engaged in practices that operated as a fraud or deceit upon those investors. In addition, Curtiss and Semisub repeatedly made untrue statements of material fact to those investors.

2. Defendants solicited investments in the form of common stock, preferred shares and promissory notes, purportedly for the purpose of construction and operation of a partially submersible vessel that would be used for commercial sightseeing tours in Hawaii. Through offering documents and other communications, Defendants told investors their funds would be used to construct that vessel and then construct and market additional vessels to potential buyers.

3. Notwithstanding these representations, however, Defendants misappropriated a significant portion of the funds raised to pay for their own personal expenses – including, among other things, a home rental in Hawaii, mortgage payments for a second home in California, car leases, clothing, haircuts,

nail salons, groceries, psychics and recreational drugs. To perpetuate the fraud and solicit additional funds to support their extravagant spending, Defendants repeatedly lied to investors about the status of construction of the vessel and potential business relationships with reputable entities and organizations. To conceal the fraud, Defendants provided misleading financial information to investors.

4. As a result of the conduct alleged in this Complaint, 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, Defendants are reasonably likely to continue to violate the federal securities laws.

5. The Commission therefore respectfully requests the Court enter: (i) permanent injunctions restraining and enjoining Defendants from violating the federal securities laws alleged in this Complaint; (ii) an order directing Defendants to pay disgorgement with prejudgment interest on a joint and several basis; and (iii) an order directing each Defendant to pay a civil money penalty.

II. DEFENDANTS

6. Curtiss, age 69, is a resident of Honolulu, Hawaii. He is the founder of Semisub, and during the relevant time period, served as the chief executive

officer of the company. In that capacity, he directed all aspects of the company's business, including its operations, online presence, communications with investors, and finances, and had control of the company's bank accounts. He is married to Denise and was so during the relevant time period. By virtue of his status as an officer and control person of Semisub, the actions he undertook as described more fully herein may be imputed to the company. On or about November 5, 2009, the California Department of Corporations issued a desist-and-refrain order against Curtiss that, among other things: (i) ordered him to cease and desist from the offer or sale of securities in California; and (ii) determined that he made or caused to be made misrepresentations or omissions of material fact in connection with an offer or sale of securities in violation of section 25401 of the California Corporate Securities Law of 1968.

7. Denise, age 58, is a resident of Lake Worth, Florida. During the relevant time period, she served as president of Semisub. In that capacity, she directed all aspects of the company's business, including its operations, online presence, communications with investors, and finances, and had control of the company's bank accounts. She is married to Curtiss and was so during the relevant time period. By virtue of her status as an officer and control person of Semisub, the actions she undertook as described more fully herein may be imputed to the company.

8. Semisub is a Nevada corporation with its principal place of business in Honolulu, Hawaii. During the relevant time period, Curtiss and Denise served as its principal officers and control persons as described above. The company was formed in 2009 as a successor to Semisub, Inc. CA (“Semisub CA”) as part of a corporate restructuring as further described below. From 2017 through February 2022 alone, at least 129 investors purchased at least \$4.7 million in securities of Semisub.

III. RELATED ENTITIES

9. Semisub LLC is organized in California and has a principal place of business in Honolulu, Hawaii. During the relevant time period, it was managed by Semisub and was formed ostensibly to own and construct Semisub One (“Semisub One”), a partially submersible vessel that would be used for commercial sightseeing tours in Hawaii. Registration records reveal, however, that at least as early as 2014, title of the vessel actually was held by Semisub. During the relevant time period, Curtiss and Denise were members and served as the control persons of Semisub LLC. On or about November 5, 2009, the California Department of Corporations issued a desist-and-refrain order against Semisub LLC that, among other things, ordered it to cease and desist from the offer or sale of securities in California.

10. Semisub CA was a California corporation with its last principal place of business in Honolulu, Hawaii. Curtiss was the founder of Semisub CA and

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