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CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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BY: *JA* DEPUTY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

April 2018 Grand Jury

18 CR 307 1 WQH

UNITED STATES OF AMERICA,

Case No.

Plaintiff,

I N D I C T M E N T

v.

Title 18, U.S.C., Sec. 371 -
Conspiracy to Commit Securities
Fraud; Title 15, U.S.C.,
Secs. 78j(b), 78ff, and Title 17,
C.F.R., Sec. 240.10b-5 -
Securities Fraud; Title 18,
U.S.C., Sec. 981(a)(1)(C), and
Title 28, U.S.C., Sec. 2461(c) -
Criminal Forfeiture

GANNON GIGUIERE (1),
OLIVER LINDSAY (2),

Defendants.

The Grand Jury charges, at all times material:

INTRODUCTORY ALLEGATIONS

Relevant Individuals and Entities

1. Defendant GANNON GIGUIERE, a resident of Newport Coast, California, worked as a stock promoter in Southern California, and controlled TheMoneyStreet.com.

2. Defendant OLIVER LINDSAY, a resident of Georgetown, Cayman Islands, operated an offshore brokerage firm known as CMGT Capital Management (the "Offshore Brokerage Firm").

cc: PRETRIAL

1 MAY

1 3. TheMoneyStreet.com was a stock promotion website.

2 4. Kelvin Medical, Inc. ("Kelvin Medical") was a Nevada
3 Corporation with its principal place of business in Nevada City,
4 California. Kelvin Medical purported to be an "early participant in
5 medical device and telehealth wearables with a focus on the development
6 of artificial intelligence driven physical therapeutic technologies."

7 5. Eco Science Solutions, Inc. ("ESSI") was a Nevada corporation
8 with its principal place of business in Makawao, Hawaii. ESSI purported
9 to pursue several business models over time. In 2017, it purported to
10 be "a premier health, wellness and alternative medicines business by
11 effectively servicing and connecting wisely conscious consumers with
12 like-minded businesses."

13 6. Confidential Witness 1 ("CW-1"), was a resident of California,
14 and worked as a stock promoter.

15 7. A pump-and-dump scheme was a fraudulent scheme that typically
16 involved the artificial inflation of the stock price of a publicly-
17 traded company (the "pump") so that individuals who control a substantial
18 portion of the company's stock can sell shares of that stock at
19 artificially high prices to other investors (the "dump"). Generally,
20 such schemes effected the artificial inflation in share price by, among
21 other things, issuing news releases and promotional materials regarding
22 the company and its stock - often containing false, misleading, or
23 exaggerated information - and by engaging in manipulative trading of the
24 stock to affect its price and generate the appearance of demand for the
25 shares.

MANNER AND MEANS

1
2 9. It was part of the conspiracy that defendants GIGUIERE and
3 LINDSAY would obtain a material degree of control over Kelvin Medical,
4 including by obtaining significant blocks of Kelvin Medical stock.

5 10. It was further part of the conspiracy that defendants GIGUIERE
6 and LINDSAY would deposit Kelvin Medical stock in one or more accounts
7 at domestic brokerage firms (the "KVMD Domestic Accounts"), and in one
8 or more accounts at CMGT (the "CMGT Accounts," and collectively with the
9 Domestic Accounts, the "KVMD Brokerage Accounts").

10 11. It was further part of the conspiracy that the CMGT Accounts
11 would be held in the name of one or more nominees in order to conceal
12 the fact that defendants GIGUIERE and LINDSAY controlled and had a
13 beneficial interest in the shares in the CMGT Accounts.

14 12. It was further part of the conspiracy that defendant GIGUIERE
15 would make misrepresentations to his brokerage firms in order to have
16 the ability to deposit and trade Kelvin Medical shares at and through
17 those firms.

18 13. It was further part of the conspiracy that defendants GIGUIERE
19 and LINDSAY would conceal their affiliation with Kelvin Medical in order
20 to hide their substantial control over the company.

21 14. It was further part of the conspiracy that defendants GIGUIERE
22 and LINDSAY would engage in manipulative trading in Kelvin Medical stock
23 in order to artificially avoid the deflation of, maintain, and inflate
24 the share price of Kelvin Medical stock.

25 15. It was further part of the conspiracy that defendant GIGUIERE
26 would draft, and cause to be drafted, corporate disclosures for Kelvin
27 Medical.

1 16. It was further part of the conspiracy that defendant GIGUIERE
2 would promote, or cause the promotion of, Kelvin Medical and its stock
3 on TheMoneyStreet.com in order to artificially avoid the deflation of,
4 maintain, and inflate the share price of Kelvin Medical stock.

5 17. It was further part of the conspiracy that defendant LINDSAY
6 would engage call room operators to contact securities brokers and
7 convince the brokers to purchase Kelvin Medical stock in their clients'
8 accounts, in exchange for a fixed fee.

9 18. It was further part of the conspiracy that defendants GIGUIERE
10 and LINDSAY would sell Kelvin Medical stock that was held in the KVMD
11 Brokerage Accounts into the open market at inflated prices, which the
12 conspirators would manipulate by promoting Kelvin Medical and its stock
13 without disclosing their plan to sell such stock during the time that
14 the promotions were disseminated, and during a period of manipulative
15 trading.

16 19. It was further part of the scheme that defendants GIGUIERE and
17 LINDSAY would create false pretenses for the transfer of money from the
18 CMGT accounts to accounts controlled by defendant GIGUIERE.

19 20. It was further part of the conspiracy that defendants GIGUIERE
20 and LINDSAY, along with CW-1, would communicate by phone, email, and
21 encrypted communications about the status and progress of the
22 conspiracy.

23 OVERT ACTS

24 21. In furtherance of the conspiracy and to effect and accomplish
25 the objects thereof, the following overt acts, among others, were
26 committed within the Southern District of California and elsewhere:

1 a. In or about October 2017, defendant GIGUIERE, through an
2 entity he controlled, bought 1,500,000 shares of Kelvin Medical stock
3 pursuant to a stock purchase agreement.

4 b. On or about October 25, 2017, in connection with Kelvin
5 Medical stock, defendant GIGUIERE falsely represented in a "Rule 144
6 Seller's Representation Letter" that he "is not at present and has not
7 been during the preceding three months, an officer, director, or 10%
8 shareholder of the Company or in any other way an 'affiliate' of the
9 Company."

10 c. In or about November 2017, defendant GIGUIERE caused
11 1,500,000 shares to be deposited in the KVMD Domestic Brokerage Account.

12 d. Between October and December 2017, defendant GIGUIERE
13 obtained an additional 1,500,000 shares of Kelvin Medical stock, and
14 caused those shares to be deposited in a CMGT account in the name of a
15 nominee entity controlled by Lindsay.

16 e. On or about November 29, 2017, defendants GIGUIERE and
17 LINDSAY engaged in a coordinated, open market transaction in Kelvin
18 Medical stock. Defendant GIGUIERE caused one or more offer(s) from the
19 KVMD Domestic Accounts of 28,350 shares of Kelvin Medical stock at
20 approximately \$.22 per share in the open market, and defendant LINDSAY
21 caused the purchase of those shares.

22 f. On or about the following dates, defendants GIGUIERE and
23 LINDSAY, along with CW-1 corresponded telephonically or via messaging
24 apps in order to execute their plan to manipulate Kelvin Medical's stock
25 price.

Date	Partial Content of Call/Message
November 27, 2017 Call	<p>GIGUIERE to CW-1: "Because we can manage, the nice thing about it, is we can manage, the price appreciation."</p> <p>GIGUIERE to CW-1: "And look [UI] we've got 2.9 million shares, um, that, you know we'll be able to, you know, sell, as we allow this thing to-to go from a dollar to, let's say, to two dollars..."</p>
November 29, 2017 Text	GIGUIERE to LINDSAY, CW-1: "I have offers of \$5,000 GTC laddered in .10 increments up to 1.00 FYI. ... so you guys can do your thing now as BMA is clear."
November 30, 2017 Text	<p>GIGUIERE to GANNON, CW-1: "I'm leaking the ticker to a few greedy people in a vague fashion. Bids should be ther [sic]."</p> <p>GIGUIERE to LINDSAY, CW-1: "I suggest 1500 to 2000 shares a day in KV at .55 and I will just have a large offer there showing min, for the next 5 to 7 trading days. let's let a week go by right here with a little volume and at this price. then we can move it."</p>
December 5, 2017 Text	<p>GIGUIERE to LINDSAY, CW-1: "I will move BMA to offer 3,000 at .75 ..., meaning I will drop them to 3000 from 50000 ... and then Ollie can come in alongside them at .75."</p> <p>GIGUIERE to LINDSAY, CW-1: "I will have BMA then move to .85 at 1000. ... So they can sell a touch up to 1. ... so will have them at .95 for 1000 and 1 for 1000."</p> <p>GIGUIERE to GANNON, CW-1: "Ok I get it."</p>
December 8, 2017 Call	LINDSAY to CW-1: "I'm a little bit, uh, hesitant about typing in all these details into this app...You can just imagine if it finds its way somewhere its, uh, fairly incriminating."
December 18, 2017 Text	GIGUIERE to LINDSAY, CW-1: "Let's tick it up to 1.05. so we have a touch of green at close."

1 g. On or about December 8, 2018, defendant LINDSAY caused
2 call room operators to call securities brokers and convince the brokers
3 to purchase Kelvin Medical stock in their client's accounts.

4 h. On or about January 18, 2018, defendant GIGUIERE caused
5 Kelvin Medical to submit to the United States Securities and Exchange
6 Commission a report on Form 8-K, announcing, in part, that "along with
7 its Therm-N-Ice product development, it has evolved into an early stage
8 telehealth wearable technology company." The report also stated that
9 "[o]ur company intends to leverage artificial intelligence and machine
10 learning combined with the latest advancements in monitoring and
11 therapeutic delivery technologies."

12 i. From on or about January 29, 2018 until in or around
13 March 2018, defendant GIGUIERE promoted, or caused the promotion of,
14 Kelvin Medical and its stock on the TheMoneyStreet.com.

15 j. From on or about November 29, 2017 through on or about
16 January 16, 2018, defendant GIGUIERE sold, or caused to be sold,
17 1,500,000 shares of Kelvin Medical stock from the KVMD Domestic Accounts
18 for gross proceeds of approximately \$1,674,188.36.

19 k. From on or about December 8, 2017 through on or about
20 March 15, 2018, defendant LINDSAY sold, or caused to be sold,
21 approximately 263,000 shares of Kelvin Medical stock from the CMGT
22 Accounts for gross proceeds of approximately \$375,110.49.

23 l. On or about March 26, 2018, defendant GIGUIERE sent an
24 email to defendant LINDSAY attaching a \$125,000 "Promissory Note"
25 between the nominal owner of one of the CMGT accounts, and Shop
26 to Brands, Inc., which defendant GIGUIERE controlled.
27 All in violation of Title 18, United States Code, Section 371.
28

1 All in violation of Title 15, United States Code, Sections 78j(b), 78ff,
2 and Title 17, Code of Federal Regulations, Section 240.10b-5.

3 Count 3 - Conspiracy

4 (18.S.C. § 371)

5 25. Paragraphs 1 through 7 of the Introductory Allegations above
6 are re-alleged as if fully set forth herein.

7 26. Beginning on a date unknown to the Grand Jury but no later
8 than in or about January 2016, and continuing until in or about January
9 2017, within the Southern District of California and elsewhere,
10 defendant GANNON GIGUIERE, (GIGUIERE), and other individuals and
11 entities known and unknown to the Grand Jury, did knowingly and
12 intentionally conspire to commit an offense against the United States,
13 that is, securities fraud, namely, to knowingly and willfully, directly
14 and indirectly, by the use of the means and instrumentalities of
15 interstate commerce and of the mails, use and employ manipulative and
16 deceptive devices and contrivances in connection with the purchase and
17 sale of securities by (a) employing devices, schemes and artifices to
18 defraud, (b) making and causing to be made untrue statements of material
19 fact, and omitting to state material facts necessary in order to make
20 the statements made, in light of the circumstances under which they were
21 made, not misleading, and (c) engaging in acts, practices, and courses
22 of business which operated and would operate as a fraud and deceit upon
23 any persons, including members of the investing public and sellers and
24 purchasers of Eco Science Solutions, Inc.'s securities, in violation of
25 Title 15, United States Code, Sections 78j(b), 78ff, and Title 17, Code
26 of Federal Regulations, Section 240.10b-5.

MANNER AND MEANS

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2 27. It was part of the conspiracy that defendant GIGUIERE and CW-1
3 would obtain a material degree of control over ESSI, including by
4 obtaining significant blocks of ESSI stock.

5 28. It was further part of the conspiracy that defendant GIGUIERE
6 and CW-1 would deposit ESSI stock in one or more accounts at domestic
7 brokerage firms (the "ESSI Brokerage Accounts").

8 29. It was further part of the conspiracy that defendant GIGUIERE
9 and CW-1 would make misrepresentations to their brokerage firms in order
10 to have the ability to deposit and trade ESSI shares at and through
11 those firms.

12 30. It was further part of the conspiracy that defendant GIGUIERE
13 and CW-1 would conceal their affiliation with ESSI in order to hide
14 their substantial control over the company.

15 31. It was further part of the conspiracy that defendant GIGUIERE
16 would draft, and cause to be drafted, press releases and other corporate
17 disclosures for ESSI.

18 32. It was further part of the conspiracy that defendant GIGUIERE
19 would promote, or cause the promotion of, ESSI and its stock on
20 TheMoneyStreet.com in order to artificially avoid the deflation of,
21 maintain, and inflate the share price of ESSI stock.

22 33. It was further part of the conspiracy that defendant GIGUIERE
23 and CW-1 would sell ESSI stock that was held in the ESSI Brokerage
24 Accounts into the open market at inflated prices, which the conspirators
25 would manipulate by promoting ESSI and its stock without disclosing
26 their plan to sell such stock during the time that the promotions were
27 disseminated, and during a period of manipulative trading.

1 34. It was further part of the conspiracy that Defendant GIGUIERE
2 and CW-1 communicated about the status and progress of, and plans
3 regarding, the conspiracy.

4 OVERT ACTS

5 35. In furtherance of the conspiracy and to effect and accomplish
6 the objects thereof, the following overt acts, among others, were
7 committed within the Southern District of California and elsewhere:

8 a. On or about December 9, 2015, an entity controlled by
9 CW-1 obtained convertible debt that was previously issued by ESSI.

10 b. On or about January 12, 2016, CW-1 caused his entity to
11 convert a portion of the convertible debt into 1.3 million shares of
12 ESSI stock, and to deposit those shares in an ESSI Brokerage Account.

13 c. From on or about April 18, 2016 through on or about
14 October 27, 2016, defendant GIGUIERE obtained approximately 6,207,953
15 shares of ESSI stock in the ESSI Brokerage Accounts. Defendant GIGUIERE
16 obtained these shares pursuant to a technology licensing and marketing
17 support agreement with ESSI, and a stock purchase agreement with ESSI's
18 former Chief Executive Officer.

19 d. On December 29, 2016, Defendant GIGUIERE submitted to a
20 brokerage firm, in connection with ESSI stock, a "Stock Promotion
21 Affidavit" falsely stating that "I am not involved in any promotional
22 activity whatsoever. Third parties, of which I cannot control, will/may
23 opine on what they choose to on any security listed, on any exchange."

24 e. From in or about February 2016 through in or about May
25 2016, defendant GIGUIERE promoted, or caused the promotion of, ESSI and
26 its stock on the TheMoneyStreet.com.

27 f. On or about January 21, 2016, defendant GIGUIERE caused
28 ESSI to issue a press release titled "Eco Science Solutions, Inc.

1 Launches Core Mobile and E-Commerce Platforms to Stake Claim in the
2 Multi-Billion Dollar Cannabis Industry."

3 g. On or about March 30, 2016, defendant GIGUIERE caused
4 ESSI to issue a press release announcing the launch of "Fitrix," which
5 was purportedly "a powerful and flexible companion which helps you keep
6 track of your day to day fitness routines, dietary habits and alternative
7 medicine intake."

8 h. From on or about January 22, 2016 through on or about
9 March 11, 2016, CW-1 sold, or caused to be sold, approximately 991,020
10 shares of ESSI stock from an ESSI Brokerage Account for gross proceeds
11 of approximately \$270,538.

12 i. From on or about July 5, 2016 through on or about
13 January 18, 2017, defendant GIGUIERE sold, or caused to be sold,
14 approximately 5,839,444 shares of ESSI stock from two ESSI Brokerage
15 Accounts for gross proceeds of approximately \$8,564,401.

16 All in violation of Title 18, United States Code, Section 371.

17
18 Count 4 - Securities Fraud

19 (Title 15, U.S.C., Secs. 78j(b), 78ff, and

20 Title 17, C.F.R., Sec. 240.10b-5)

21 36. The allegations set forth in paragraphs 1 through 7 are re-
22 alleged as if fully set forth herein.

23 37. Beginning on a date unknown to the Grand Jury but no later
24 than January 2016, and continuing until in or about January 2017, within
25 the Southern District of California and elsewhere, defendant GANNON
26 GIUGIERE did knowingly and willfully, directly and indirectly, by the
27 use of the means and instrumentalities of interstate commerce and of the
28 mails, use and employ manipulative and deceptive devices and

1 contrivances in connection with the purchase and sale of securities
2 issued by Eco Science Solutions, Inc., in violation of Title 17, Code
3 of Federal Regulations, Section 240.10b-5, by (a) employing devices,
4 schemes and artifices to defraud, (b) making and causing to be made
5 untrue statements of material fact, and omitting to state material facts
6 necessary in order to make the statements made, in light of the
7 circumstances under which they were made, not misleading, and (c)
8 engaging in acts, practices, and courses of business which operated and
9 would operate as a fraud and deceit upon any persons, including members
10 of the investing public and sellers and purchasers of Eco Science
11 Solutions, Inc.'s securities.

12 38. Paragraphs 27 through 35 of Count 3 are realleged and
13 incorporated by reference as more fully describing the manipulative and
14 deceptive devices and contrivances used in connection with the purchase
15 and sale of securities.

16 All in violation of Title 15, United States Code, Sections 78j(b), 78ff,
17 and Title 17, Code of Federal Regulations, Section 240.10b-5.

18 FORFEITURE ALLEGATIONS

19 39. The allegations contained in paragraphs 1 through 7 and
20 Counts 1 through 4 of this Indictment are re-alleged and incorporated
21 by reference for the purpose of alleging forfeiture to the United States
22 pursuant to Title 18, United States Code, Section 981(a)(1)(C), and
23 Title 28, United States Code, Section 2461(c).


24 40. Upon conviction of one or more of the offenses set forth in
25 Counts 1 through 4, defendants GANNON GIGUIERE and OLIVER LINDSAY shall
26 forfeit to the United States any property, real and personal,
27 constituting or derived from proceeds traceable to such offenses.

1 41. Pursuant to Title 28, United States Code, Section 2461(c)
2 which incorporates the provisions of Title 21, United States Code,
3 Section 853(p), the defendants shall forfeit substitute property, up to
4 the value of the amounts described above, if, as a result of any act or
5 omission of the defendants, the property described above, or any portion
6 thereof, cannot be located upon the exercise of due diligence; has been
7 transferred, sold to, or deposited with a third party; has been placed
8 beyond the jurisdiction of this court; has been substantially diminished
9 in value; or has been commingled with other property which cannot be
10 divided without difficulty.

11 All pursuant to Title 18, United States Code, Section 981(a)(1)(C), and
12 Title 28, United States Code, Section 2461(c).


13 DATED: June 29, 2018.

14 A TRUE BILL:

15
16 

Foreperson

17 ADAM L. BRAVERMAN
18 United States Attorney

19 By: 
20 AARON P. ARNZEN
Assistant U.S. Attorney