

1 STATE OF ALASKA
2 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
3 DIVISION OF BANKING AND SECURITIES

4 IN THE MATTER OF:) ORDER NO. 16-129-S
5 FERDINAND CLEVELAND) ORDER VOIDING PROXIES
6) AND
7) CONSENT TO ORDER
8 Respondent.)
9 _____)

10 The Director of the Department of Commerce, Community, and Economic
11 Development, Division of Banking and Securities (“Administrator”), has conducted an
12 investigation into certain activities of Ferdinand Cleveland (“Respondent”), and has
13 determined that Respondent violated certain provisions of the Alaska Securities Act, Alaska
14 Statute (AS) 45.55 *et seq.*

15 **I. FINDINGS OF FACT**

- 16 1. Respondent is a shareholder of Qanirtuuq, Inc. (“QI”).
- 17 2. QI is organized pursuant to the Alaska Native Claims Settlement Act
18 (“ANCSA”), 43 U.S.C. 1601 *et seq.*
- 19 3. QI has certified to the Administrator that it has more than 500 shareholders
20 and total assets exceeding \$1,000,000.
- 21 4. On or about May 16, 2016, Respondent posted notice of his candidacy for the QI
22 Board of directors as well as a proxy solicitation on his Facebook page.
- 23 5. Respondent did not file his disclosures or proxy materials with the Administrator.
- 24 6. On or about May 17, 2016, Respondent withdrew his candidacy for the QI board
of directors and removed all materials relating to his board candidacy from his Facebook

1 page.

2 **II. CONCLUSIONS OF LAW**

- 3 1. Respondent are subject to the filing requirements of AS 45.55.139.
- 4 2. Respondent violated 3 AAC 08.312 by posting material relating to proxy
- 5 solicitation on his Facebook page without also filing those materials with the Administrator.
- 6 3. Respondent violated 3 AAC 08.355 by failing to file disclosures with the
- 7 Administrator.

8 **III. ORDER**

9 Pursuant to AS 45.55.920, and on the basis of the Findings of Fact and Conclusions of

10 Law, the Administrator ORDERS:

- 11 1. Respondent to comply with all provisions of the Alaska Securities Act, including
- 12 associated regulations.
- 13 2. The proxies solicited by Respondent for QI's June 4, 2016 meeting are void, but
- 14 may be counted for quorum purposes.

15 This Order is a publicly disclosable document.

16 **IT IS SO ORDERED.**

17 Chris Hladick, Commissioner
18 Department of Commerce, Community and
19 Economic Development

20 DATED: July 15, 2016 _____

21 **Nunc Pro Tunc**
22 **June 2, 2016**

23 /s/ Kevin Anselm
24 _____
BY: Kevin Anselm, Director
Division of Banking and Securities

1 **Consent to Entry of Order**

2 I, Ferdinand Cleveland, state that I have read the foregoing Order, that I am aware of
3 the right to a hearing and appeal in this matter and have waived the same.

4 I admit to the jurisdiction of the Department of Commerce, Community and
5 Economic Development, Division of Banking and Securities (“Department”) and further
6 consent to entry of this Order by the Department as settlement of the issues contained in this
7 Order. I admit to violation of the Alaska Securities Act.

8 I understand that the Department reserves the right to take further actions to enforce
9 this Order or to take appropriate action upon discovery of other violations of the Alaska
10 Securities Act, and that I will fully comply with the terms and conditions of this Order, the
11 Alaska Securities Act and associated regulations.

12 I enter into this Order voluntarily and understand that this Order is a public document.

13 2/11/16 /s/ Ferdinand Cleveland
14 Date Ferdinand Cleveland

15
16 SUBSCRIBED AND SWORN TO before me this 11th day of July, 2016 at
Quinhagak, AK

17
18 /s/ Fannie Pleasant, Postmaster
Notary Public in and for Alaska
19 Fannie Pleasant
20 Notary Printed Name
21 My commission expires: N/A

22 Contact Person:
23 Leif Haugen
Securities Examiner
24 (907) 269-8144

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