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

In the matter of:  
GLOBAL ARENA CAPITAL CORP.; BARBARA DESIDERIO; JONAH ENGLER; HECTOR PEREZ; JONATHAN SHEKLOW; PETER SNETZKO; and JOSHUA TURNEY  
Respondents.  

ORDER NO. 14-1442-2-S
ORDER TO CEASE AND DESIST, IMPOSING RESTITUTION AND A PERMANENT BAR AS TO PETER SNETZKO and CONSENT TO ORDER

The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (“Administrator”), has conducted an investigation into certain business activities of Global Arena Capital Corp. (“Global”), Barbara Desiderio, Jonah Engler, Hector Perez (aka Bruce Johnson), Jonathan Sheklow, Peter Snetzko, and Joshua Turney (collectively, the “Respondents”), and has determined that Respondents violated certain provisions of the Alaska Securities Act, Alaska Statute (“AS”) 45.55.

Respondent Snetzko agrees that the Administrator has jurisdiction over him and this matter pursuant to the Alaska Securities Act.

Respondent Snetzko wishes to resolve and settle this matter with the Administrator. As evidenced by the authorized signatures on this Order, Respondent Snetzko consents to the entry of this Order to cease and desist and pay restitution based on the Conclusions of Law and Order. Although Respondent Snetzko previously exercised his right to a hearing, Respondent Snetzko now waives his right to a hearing before the Office of Administrative Hearings.
I. FINDINGS OF FACT

1. At all times relevant to this order, Global (Central Registration Depository ("CRD") No. 16871) was a broker-dealer with an address of 880 Third Avenue, Suite 1214, New York, New York, 10022.

2. At all times relevant to this order, Global was registered in Alaska as a broker-dealer since March 5, 2009; however, it submitted a request through CRD on June 5, 2015 for its registration to be terminated in Alaska.

3. At all times relevant to this order, Ms. Desiderio (CRD No. 2080713) was a resident of East Windsor, New Jersey. She was the president of Global from October 23, 2013 to June 5, 2015, and was registered in Alaska as a broker-dealer agent for Global from October 31, 2013 to June 5, 2015.

4. At all times relevant to this order, Mr. Engler (CRD No. 4216259) was a resident of New York, New York. He was a principal of Global from October 29, 2013 to April 16, 2015. Mr. Engler was not registered in Alaska as a broker-dealer agent for Global.

5. At all times relevant to this order, Mr. Perez (CRD No. 5431109) was a resident of Kearney, New Jersey. He was a principal of Global from October 29, 2013 to June 5, 2015, and was registered in Alaska as a broker-dealer agent for Global from November 8, 2013 to June 5, 2015.

6. At all times relevant to this order, Mr. Sheklow (CRD No. 4906207) was a resident of Shelton, Connecticut. He was a principal of Global from October 29, 2013 to June 5, 2015, and was registered in Alaska as a broker-dealer agent for Global from November 8, 2013 to November 12, 2013.

7. At all times relevant to this order, Mr. Turney (CRD No. 4510219) was a resident of White Plains, New York. He was a principal of Global from October 29, 2013 to...
June 5, 2015, and was registered in Alaska as a broker-dealer agent for Global from November 8, 2013 to June 5, 2015.

8. At all times relevant to this order, Mr. Snetzko (CRD No. 5632129) was a resident of Brooklyn, New York. He was an employee of Global from October 29, 2013 to June 3, 2015, and was registered in Alaska as a broker-dealer agent for Global from November 8, 2013 to June 5, 2015.

9. Ms. Desiderio, Mr. Engler, Mr. Perez, Mr. Sheklow, Mr. Turney, and Mr. Snetzko researched and selected investments, and directed junior agents to offer and sell those investments to potential clients throughout the United States.

10. During the first week of March 2014, seventy-eight (78) year old Alaska resident B.B., who was then and continues to be in very poor health, received an unsolicited phone call from a junior agent (“Agent One”) at Global regarding a potential investment. B.B. had never heard of Global before and did not know how Global obtained his phone number. After speaking with B.B., Agent One generated a qualified lead card and passed it along to another junior agent (“Agent Two”) to do a follow-up call to B.B.

11. A short time later during the first week of March 2014, B.B received a call from Agent Two who referred to the qualified lead card and attempted to get B.B. to invest with Global. During the conversation, the agent pitched the idea of B.B. purchasing the Nii Capital Corp 10% Bonds as a safe investment. At the time, the bonds were rated Caa2 by Moody’s Investors Service, Inc. (“Moody’s) and CCC- by Standard & Poor’s Financial Services LLC (“Standard & Poors”), one step above default. From the conversation, B.B. understood these bonds to be a safe investment and agreed to open an account with Global. Shortly thereafter, Agent Two generated a new account form (acct. no. xxx-xx570) for B.B.
12. On March 10, 2014, Agent Two FedExed the account form to B.B. for him to sign. Included with the new account form was confirmation of an offer to B.B. for him to invest twelve thousand dollars ($12,000) in 20 Nii Capital Corp 10% Bonds maturing on August 15, 2016 with an estimated yearly interest payout of approximately two thousand dollars ($2,000). The next day, B.B. signed the account form and sent it back along with a check for twelve thousand dollars ($12,000) to purchase the bonds in a prepaid FedEx envelope provided by Global. A few days later, Global received B.B.’s new account form and Mr. Snetzko signed the form under the “Approved By Financial Advisor” line.

13. The account documentation B.B. received directed him to make his check out to RBC Correspondent Services. RBC Correspondent Services is a division of RBC Capital Markets, LLC, and RBC Capital Markets, LLC is a wholly owned subsidiary of the Royal Bank of Canada. Because B.B. understood the investments to be safe and because the documentation directed him to send the money to an entity affiliated with the Royal Bank of Canada, he understood that he was depositing his money with the Royal Bank of Canada. B.B. did not understand at the time that the money he was sending to Global through RBC Correspondent Services was being used to purchase bonds.

14. The offer sent by Agent Two on March 10, 2014 stated that the cost to purchase 20,000 Nii Capital Corp 10% Bonds would be twelve thousand dollars ($12,000.) By the time Global received B.B.’s check and was ready to effect the trade on March 18, 2015, the value of the bonds had decreased such that the cost to purchase twenty thousand (20,000) bonds was only ten thousand thirty-seven dollars and three cents ($10,037.03). The remainder of B.B.’s check, after Global’s commission of three hundred eighty-three dollars and fifty-three cents ($382.53), was placed into a money market account.
15. On March 14, 2014, before Global even received the money that B.B. sent for the first bond purchase, Agent Two FedExed another offer to B.B. for him to invest an additional fifteen thousand dollars ($15,000) in Nii Capital Corp 10% Bonds maturing on August 15, 2016 with an estimated yearly interest payment of approximately two thousand five hundred dollars ($2,500). At the time, Nii Capital Corp 10% Bonds were still rated Caa2 by Moody’s and CCC- by Standard & Poor’s. B.B. sent a check for fifteen thousand dollars ($15,000) to RBC Correspondent Services via prepaid FedEx envelope. B.B. again believed that his investment was safe and that the investment was somehow affiliated with the Royal Bank of Canada.

16. By the time Global received B.B.’s additional fifteen thousand dollars ($15,000) and was ready to effect the trade on March 26, 2014, the value of the bonds had further decreased. Global purchased thirty-two thousand (32,000) of the Nii Capital Corp 10% Bonds at a price significantly lower than what had originally been quoted to B.B. on March 10, 2014.

17. In April 2014, B.B. received his first statement for the time period of March 1 to March 31, 2014 that showed a loss of three thousand nine hundred thirty-five dollars and ninety-four cents ($3,935.94) from his twenty-seven thousand dollar ($27,000) initial investments. The statement listed Mr. Snetzko as B.B.’s financial advisor.

18. In July 2014, B.B. received a second account statement for the time period of April 1 to June 30, 2014 that showed an additional four thousand nine hundred forty dollars ($4,940.00) loss. The statement listed Mr. Snetzko as B.B.’s financial advisor.

19. On August 14, 2014, the day before B.B. was scheduled to receive his first interest payment, the fifty-two thousand (52,000) Nii Capital Corp 10% Bonds were sold from B.B.’s account. B.B.’s account statement reflects a realized loss of sixteen thousand sixty-six dollars and sixty cents ($16,066.60) from his twenty-four thousand three hundred eighty-seven
dollars and five cents ($24,387.05) purchase price, which is a loss of almost sixty-six percent (66%) over a five (5) month period. The proceeds from the sale were swept into B.B.’s money market account and were not reinvested.

20. On or about November 20, 2014, B.B. requested that his account be closed and that he receive a check for the money left in his account, which his statement showed as ten thousand three hundred twenty-four dollars and ninety-two cents ($10,324.92). On December 2, 2014, B.B. received a check for ten thousand three hundred twenty-four dollars and ninety-two cents ($10,324.92) from RBC.

II. CONCLUSIONS OF LAW

1. The bonds that Respondents offered and sold to B.B. were “securities” as that term is defined in AS 45.55.990(32).

2. Respondent Snetzko violated AS 45.55.025(3) by approving and signing off on the sale of Nii Capital Corp 10% Bonds to B.B..

III. ORDER

Without admitting or denying the findings of fact as outlined above, Respondent Snetzko agrees to the following:

1. Respondent Snetzko is ordered to cease and desist from further conduct violating the Alaska Securities Act pursuant to AS 45.55.920(a)(1)(A).

2. Respondent Snetzko is also ordered to pay sixteen thousand six hundred seventy-five dollars and eight cents ($16,675.08) as restitution to B.B. Payment shall be made to B.B. in the care of the State of Alaska, Division of Banking and Securities according to the following schedule:

   a. Respondent Snetzko agrees to make a first payment of eight thousand three hundred thirty-seven dollars and fifty-four cents ($8,337.54) by October 31,
b. Respondent Snetzko agrees to make a second payment of eight thousand three hundred thirty seven dollars and fifty four cents ($8,337.54) by November 30, 2015.

3. The Department may execute judgment for failure to comply with this Order.

4. Respondent Snetzko further agrees to a revocation by the Administrator of any existing securities registrations and/or licenses, if any, and to the following bar:

   a. to never apply for registration as a broker-dealer agent, agent of issuer, state investment adviser, or investment adviser representative in Alaska.

   b. to never apply for licensure as a mortgage loan originator, mortgage broker, money transmitter or delegate or deferred deposit (Pay Day) lender or representative in Alaska.

   c. to never apply for licensure as an insurance producer in Alaska.

5. This Order only pertains to Respondent Snetzko. As such, this Order only resolves all pending matters currently known to the Administrator related to Respondent Snetzko. The Temporary Cease and Desist Order, dated June 24, 2015 issued against Respondent Snetzko, including the findings of fact and conclusions of law, is no longer in effect for Respondent Snetzko and is replaced by this order for Respondent Snetzko only. This Order does not resolve any pending matters currently known to the Administrator related to Global, Ms. Desiderio, Mr. Engler, Mr. Perez, Mr. Sheklow, and Mr. Turney.

IT IS SO ORDERED.

CHRIS HLADICK, Commissioner
Department of Commerce, Community and Economic Development
Dated: October 23, 2015

/s/ Kevin Anselm

By: Kevin Anselm, Director
Division of Banking and Securities

Consent to Entry of Order
Peter Snetzko

I, Peter Snetzko, state that I have read the foregoing Order and that I know and fully understand the Order’s contents; that I admit the jurisdiction of the Administrator; that I have been advised of the right to a hearing; that I voluntarily and without any force or duress, consent to the entry of this Order, expressly waiving any right to a hearing in this matter; that I understand that the Administrator reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Alaska Securities Act; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

10/15/15

/s/ Peter J. Snetzko

Date

Peter Snetzko

Subscribed and sworn to before me this 15 day of October, 2015 at New York, NY.

Anastasia V. Zatula
Notary Public in and for

Anastasia Zatula
Notary Printed Name
My commission expires: Feb. 03, 2018