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**UNITED STATES DISTRICT COURT**  
**EASTERN DISTRICT OF NEW YORK**

**SECURITIES AND EXCHANGE  
COMMISSION,**

**Plaintiff,**

**-against-**

**JONAH ENGLER a/k/a JONAH ENGLER-  
SILBERMAN, JOSHUA W. TURNEY, HECTOR  
PEREZ a/k/a BRUCE JOHNSON, and  
BARBARA DESIDERIO,**

**Defendants.**

**COMPLAINT**

**20 Civ. 1625 ( )**

**JURY TRIAL DEMANDED**

Plaintiff Securities and Exchange Commission (“Commission”), for its Complaint against Defendants Jonah Engler a/k/a Jonah Engler-Silberman (“Engler”), Joshua W. Turney (“Turney”), Hector Perez a/k/a Bruce Johnson (“Perez”), and Barbara Desiderio (“Desiderio”), (collectively, “Defendants”), alleges as follows:

**SUMMARY**

1. Defendants, through their Commission-registered brokerage firm, conducted a fraudulent unauthorized trading scheme involving approximately 360 customer accounts during a

period of more than two months, during a time when Engler and Desiderio suspected their firm would soon be forced to shut down. By making unauthorized trades in their customers' brokerage accounts, Defendants generated over \$2.4 million in unlawful markups, markdowns and commissions (collectively, "commissions") for their firm—resulting in significant pay-outs for each of them—while causing over \$4 million in net losses for their defrauded customers.

2. In March 2015, Engler and Desiderio—who respectively controlled and served as a principal of Global Arena Capital Corporation ("Global"), a then-registered broker-dealer—learned that the Financial Industry Regulatory Authority ("FINRA"), a self-regulatory organization, would not approve their application to transfer ownership of Global to Engler's holding company. Engler, based on increasing scrutiny from FINRA into Global's sales practices, suspected he would soon be forced to close the firm. He decided to leave the securities business and close it down himself.

3. Over the time remaining in which Global had left to operate, approximately April 1 through June 4, 2015, Engler directed Turney and Perez, registered representatives at Global, to engage in unauthorized trading to generate commission revenue. Unauthorized trading means ordering trades for non-discretionary customer accounts, *i.e.*, accounts that require trades to be pre-authorized by customers, but without obtaining any customer authorizations. At Engler's direction and with Desiderio's knowledge, Turney and Perez attempted to cover up their unauthorized trading by making fake calls to their customers that included, for example, leaving long voicemails with their customers or placing the call on mute if the customer answered the phone, in an attempt to falsely suggest that the customer had authorized the trading.

4. Defendants also routinely used system codes of other registered representatives at Global to obscure that Turney and Perez were the representatives responsible for these

unauthorized trades—and in at least one instance, paid off a Global registered representative with a share of commissions in exchange for looking the other way while they fraudulently used his code.

5. Turney and Perez, at Engler’s direction and with Desiderio’s knowing assistance, executed approximately 4,500 unauthorized trades in approximately 360 customer accounts. Of the \$2.4 million in unlawful commissions generated from the unauthorized trading, Engler and companies he controlled received approximately \$1.1 million, Turney received over \$280,000, Perez received over \$135,000, and Desiderio received over \$390,000.

### **VIOLATIONS**

6. By virtue of the foregoing conduct and as alleged further herein, Defendants Engler, Turney, and Perez have violated Section 17(a)(1) and (3) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)(1) & (3)] and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78j(b)], and Rule 10b-5(a) and (c) thereunder [17 C.F.R. § 240.10b-5(a) & (c)]. Defendant Desiderio aided and abetted Engler’s, Turney’s and Perez’s violations.

7. Unless Defendants are restrained and enjoined, they will engage in the acts, practices, transactions, and courses of business set forth in this Complaint or in acts, practices, transactions, and courses of business of similar type and object.

### **NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT**

8. The Commission brings this action pursuant to the authority conferred upon it by Securities Act Sections 20(b) and 20(d) [15 U.S.C. §§ 77t(b) and 77t(d)] and Exchange Act Section 21(d) [15 U.S.C. § 78u(d)].

9. The Commission seeks a final judgment: (a) permanently enjoining Defendants from violating the federal securities laws and rules this Complaint alleges they have violated; (b) ordering Defendants to disgorge all ill-gotten gains they received as a result of the violations alleged here and to pay prejudgment interest thereon; (c) ordering Defendants to pay civil money penalties pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)]; and (d) ordering any other and further relief the Court may deem just and proper.

### **JURISDICTION AND VENUE**

10. This Court has jurisdiction over this action pursuant to Securities Act Section 22(a) [15 U.S.C. § 77v(a)] and Exchange Act Section 27 [15 U.S.C. § 78aa].

11. Defendants, directly and indirectly, have made use of the means or instrumentalities of interstate commerce or of the mails in connection with the transactions, acts, practices, and courses of business alleged herein.

12. Venue lies in this District under Securities Act Section 22(a) [15 U.S.C. § 77v(a)] and Exchange Act Section 27 [15 U.S.C. § 78aa]. Defendants may be found in, are inhabitants of, or transact business in the Eastern District of New York, and certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred within this District. For example, Engler resides in Brooklyn, New York, and certain Global customers resided in Brooklyn, New York during the relevant period.

### **DEFENDANTS**

13. **Engler**, age 39, resides in Brooklyn, New York. From October 2013 to June 2015, Engler controlled Global. Engler was officially associated with Global as a registered representative from October 2013 to April 16, 2015, but he continued to control Global from

April 17, 2015 through at least June 4, 2015. Before October 2013, Engler was a registered representative at a different Commission-registered broker-dealer (“Broker-Dealer A”).

14. **Turney**, age 41, resides in San Diego, California. Turney was associated with Global as a registered representative from October 2013 to June 2015. Before October 2013, Turney was associated with Broker-Dealer A.

15. **Perez**, age 32, resides in Jackson, New Jersey. Perez was associated with Global as a registered representative from October 2013 to June 2015. Before October 2013, Perez was associated with Broker-Dealer A.

16. **Desiderio**, age 61, resides in East Windsor, New Jersey. From October 2013 to June 2015, Desiderio was associated with Global as a registered representative and a principal, nominally serving as president and chief executive officer. From October 2013 until she resigned from the firm on June 30, 2015, Desiderio had formal responsibility for supervising the Global branch where the Defendants worked, and, from August 2014 through May 12, 2015, she served as Global’s chief compliance officer. During the relevant period, Desiderio held responsibility for responding to regulatory inquiries and updating FINRA’s Central Registration Depository (“CRD”), the database for required information about registered representatives and firms. Prior to the relevant period, Desiderio had also served as a branch manager at Global from October 24, 2013 to August 10, 2014.

#### **RELATED ENTITIES**

17. **Global** is a New York limited liability company (“LLC”), and its principal place of business was in New York, New York during the relevant time. Global was registered with the Commission as a broker-dealer from 1986 to 2016 and had multiple branches in different locations during that time. On approximately October 24, 2013, Global opened a branch office at

1350 Sixth Avenue in Manhattan (the “Sixth Avenue Office”). On April 20, 2015, that office moved to 880 Third Avenue in Manhattan. Global was the subject of multiple FINRA investigations into its sales practices during the relevant period, and it filed a Form BDW on June 5, 2015, to withdraw its Commission registration. On July 20, 2015, FINRA cancelled Global’s membership for failure to pay the required fees. In January 2016, FINRA expelled Global from membership.

18. **PMC Capital LLC (“PMC”)** is a Delaware LLC headquartered in New York, New York. At all relevant times, Engler held a 99.99% ownership interest in PMC, while Desiderio held the remaining 0.01%. From August 2014 through at least June 2015, PMC owned 24.9% of Global.

## FACTS

### I. BACKGROUND

#### A. Engler Arranges for Defendants to Move to Global as Its Representatives.

19. From at least 2007 through 2009, Engler, Turney, and Perez worked together at two different broker-dealers.

20. From approximately 2009 to October 2013, Engler, Turney, and Perez then worked together as registered representatives at Broker-Dealer A.

21. In 2013, Engler began discussions with Desiderio, who worked at a different broker-dealer, about Engler leaving Broker-Dealer A.

22. On approximately October 17, 2013, Broker-Dealer A terminated the employment of Engler, Turney, Perez, and many other registered representatives who had worked with Engler.

23. On October 23, 2013, Engler reached an agreement with the president of Global’s holding company (“Holding Company”) to open and run an Office of Supervisory Jurisdiction

(“OSJ”) branch office of Global at the Sixth Avenue Office.<sup>1</sup>

24. In a letter agreement dated the same day, Engler and Holding Company’s president agreed that “in consideration of [Engler] introducing Barbara Desiderio as an OSJ principal of Global Arena Capital Corp.,” Engler received a five-year stock purchase warrant to purchase six million shares of Holding Company (approximately 25% of Holding Company’s then-issued and outstanding shares) and had the right to designate one board member of Holding Company. The letter agreement also enabled Desiderio to control “all hiring of new Brokers” for Global and to direct the charging of markup and markdowns (essentially, a form of broker profit) “for a total of 3.975%.”

25. On October 24, 2013, Engler and Desiderio opened the Sixth Avenue Office as an OSJ.

26. By the end of that week, Engler, Turney and Perez, as well as many other registered representatives who had worked under Engler’s direction at Broker-Dealer A, had become registered representatives of Global and had begun working at the Sixth Avenue Office.

**B. Engler Controls Global.**

27. Although Desiderio nominally served as the branch supervisor for the Sixth Avenue Office, Engler actually ran its operations, as described below.

28. Engler regularly held firm-wide meetings where he gave orders to the registered representatives and others.

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<sup>1</sup> FINRA Rule 3110(f) defines an OSJ as any office of a FINRA member firm “at which any one or more of the following functions take place: (A) order execution or market making; (B) structuring of public offerings or private placements; (C) maintaining custody of customers’ funds or securities; (D) final acceptance (approval) of new accounts on behalf of the member; (E) review and endorsement of customer orders . . . ; (F) final approval of retail communications for use by persons associated with the member . . . ; or (G) responsibility for supervising the activities of persons associated with the member at one or more other branch offices of the member.”

29. Engler controlled the hiring and firing of registered representatives and allocated customer accounts among them.

30. Engler set gross commission targets, had discretion to increase or decrease the cut of gross commission that registered representatives received, determined which expenses registered representatives were responsible for, and had final say in the pay each registered representative received.

31. Engler also controlled how Global personnel, including registered representatives, communicated. He discouraged personnel from using Global's email addresses to conduct business or transmit records, including for internal communications and record-keeping—such as records related to customers, trading, commissions, and other core operational information.

32. As a result, Global personnel, including Desiderio, often made or kept records of Global business on their personal email accounts or cell phones (including text messages) or hard-copy printouts of electronic files that were not centrally retained.

33. Engler himself rarely communicated by email or text, insisted on in-person meetings, and often used senior registered representatives to communicate with those more junior.

34. To formalize Engler's control over Desiderio and the Sixth Avenue Office, Engler and Desiderio agreed to an "Amended and Restated Limited Liability Company Agreement" (the "PMC Agreement"), dated December 31, 2013.

35. The PMC Agreement, although designating Desiderio as the managing member of PMC, made clear that Engler held a 99.99% interest in PMC, while Desiderio held only 0.01%.

36. The PMC Agreement stated that PMC was to "acquire and maintain all of the furnishings, fixtures and equipment . . . required to facilitate operations" of the customer



brokerage accounts as a Global OSJ.

37. The PMC Agreement required Desiderio to deposit any funds from Global's business into a PMC account, and any available cash was to be distributed to Engler (99.99%) and Desiderio (0.01%), at Engler's discretion.

38. The PMC Agreement gave Engler, among other things, the right to control the hiring, firing and setting of compensation for Global's employees and registered representatives, and the right to act as the managing member if Desiderio failed to deposit Global commission payments into PMC's bank account. The PMC Agreement also stipulated that if Desiderio failed to "manage PMC in the best economic interests of" Engler, she would be forced to forfeit her interest in PMC.

39. Engler and Desiderio also entered into a PMC Managing Member Agreement, dated December 31, 2013 and signed in early January 2014 (the "PMC Managing Agreement").

40. The PMC Managing Agreement set Desiderio's compensation from PMC at \$225,000 per year (in addition to her salary of \$125,000 per year from Global).

41. The PMC Managing Agreement included a clause in which Desiderio acknowledged that Engler "contributed not less than \$1,000,000 in capital to fund [PMC] and its operations, and that, without such capital contribution, [PMC] would not be able to pay [Desiderio] the compensation. . . ."

42. A later version of the PMC Agreement, dated March 31, 2014, generally maintained the same terms as the prior version and made clear that Engler had the "sole and complete discretion" over distribution of funds.

43. In August 2014, following these agreements, PMC entered into a purchase agreement with Holding Company, by which PMC acquired 24.9% of Global's shares from

Holding Company in exchange for \$2.1 million in commissions that Holding Company owed PMC and Desiderio.

44. Pursuant to the purchase agreement, PMC stood to acquire the remaining 74.1% of Global's shares for no additional consideration once FINRA approved the transfer of control of Global to PMC.

45. Global then adopted a resolution electing Desiderio as a director of Global's and its president, CEO, and treasurer. Desiderio also became Global's chief compliance officer.

46. On August 21, 2014, the Sixth Avenue Office became Global's main office.

47. By the end of 2014, four of Global's other five branch offices had closed.

**C. FINRA Commences an Enforcement Proceeding against Engler, Turney, and Perez for Prior Conduct and Also Directs Investigative Requests to Global.**

48. Meanwhile, in June 2014, FINRA commenced an enforcement proceeding against Engler, Turney, and Perez based on their conduct at Broker-Dealer A. FINRA's Enforcement Division alleged that, from 2009 to 2011, all three had engaged in the fraudulent sale of notes to brokerage customers.

49. Unrelated to that proceeding, FINRA directed multiple investigative requests to Global from mid-2014 until approximately July 2015, when Global was expelled from FINRA membership.

50. In July 2014, FINRA notified Global that it was subject to the "Taping Rule." That rule requires special monitoring of the telemarketing activities of a broker-dealer's registered representatives, including the tape recording of their conversations, when a certain percentage of the broker-dealer's registered representatives previously worked at other broker-dealers with a disciplinary history.

51. On August 6, 2014, Global applied for an exemption from the Taping Rule for all

of its branches.

52. In August 2014, FINRA sought Engler's on-the-record testimony and requested that Global provide information concerning his compensation and communications with Desiderio, among others, and Global's buying and selling of fixed income securities.

53. On November 20, 2014, FINRA rejected Global's request for an exemption from the Taping Rule. FINRA noted that, because a large number of registered representatives at the Sixth Avenue Office had previously been associated with Broker-Dealer A, "it will be particularly important that such a [tape-recording] system is installed at the Sixth Avenue [Office]."

54. Global never installed any such system.

55. On November 25, 2014, FINRA issued an investigative request to Global concerning the Sixth Avenue Office's compliance procedures and supervisory review of trade orders, phone records, and customer complaints, among other things.

56. On March 4, 2015, FINRA issued investigative requests to Global related to Global's compliance review of registered representatives' email correspondence.

57. On approximately March 19, 2015, FINRA also notified Global that it was requesting on-the-record testimony from another registered representative ("Representative A").

58. Several days later, on March 23, 2015, FINRA notified Global that FINRA was opening a "for cause" examination into the sales practices of Turney and two other senior registered representatives.

59. Two days later, on March 25, 2015, FINRA requested on-the-record testimony from Perez.

**D. FINRA Denies Engler's Application to Transfer Global's Ownership to PMC.**

60. Also on March 25, 2015, FINRA notified Engler and Desiderio by letter that it would not approve Engler's application to transfer ownership of Global to PMC.

61. FINRA's March 25 letter provided multiple reasons for the denial. These reasons included that the PMC Agreement and other documentation showed Engler had "substantial control over [Global's] securities business and is actively involved in the management of [Global]" and that Engler, despite FINRA's repeated requests, had failed to obtain the required principal license; that Engler, Turney, and Perez were then respondents in FINRA's pending enforcement proceeding; that Engler had an extensive history of arbitration claims and other customer complaints, including complaints for unauthorized trading and excessive fees and commissions; and that the PMC Agreement appeared to direct transaction-based compensation from Global to PMC, an unregistered holding company, in contravention of Exchange Act Section 15(a)'s prohibition on unregistered broker-dealers.

**E. Engler and Desiderio Falsely Notify FINRA That Engler Has Terminated His Association with Global.**

62. The day after FINRA emailed its notification letter, on March 26, 2015, Engler started a new, non-securities-related business venture, a cell phone refurbishing company ("Phone Company"), using the address of an apartment Engler used in Manhattan.

63. On April 16, 2015, Desiderio updated Engler's CRD record with FINRA to represent that Engler had voluntarily terminated his association with Global, effective that day.

64. Yet Engler continued to control Global after his purported termination and, in coordination with Desiderio, continued to direct its ongoing business even after April 16, 2015 and continuing until June 2015, as described below.

65. During this period, Engler monitored registered representatives' trading activity

and held offsite meetings approximately weekly with certain registered representatives at Global, including Turney and Perez. At these meetings, Engler set commission targets and directed the registered representatives as to which methods to use to achieve the aggressive sales targets he set.

66. During the same period, Engler continued to have final authority in deciding which registered representatives would conduct trades in which customer accounts.

67. During this period, Engler continued to make employment decisions for Global, directing the firing of at least one sales assistant. In addition, Engler continued to control the amount of the payments registered representatives and sales assistants received from the commissions the registered representatives generated.

68. Desiderio also remained in close contact with Engler throughout the same period and regularly consulted him on Global business. Desiderio also joined Engler part-time at Phone Company.

## **II. DEFENDANTS' UNAUTHORIZED TRADING SCHEME**

### **A. Global Held Non-Discretionary Accounts for Customers.**

69. Under NASD Rule 2510 (now FINRA Rule 3260), in effect at all relevant times, broker-dealer firms and their registered representatives are not permitted to exercise discretionary authority—that is, place a trade without the customer's prior authorization for the trade—in a customer's account unless the customer has given prior written authorization for a broker to exercise discretion in the account.<sup>2</sup>

70. Customer accounts for which a broker-dealer and its registered representations do not have written authorization to exercise discretion over customer trades are known as “non-

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<sup>2</sup> Although not relevant here, the rule permits certain exceptions, including that brokers may exercise discretion over the time and price of the trade within certain limitations.

discretionary accounts.”

71. For non-discretionary accounts, a registered representative must obtain approval from a customer for a trade before placing that trade for the customer’s account, generally on the same day the trade is executed.

72. At all relevant times, Global held only non-discretionary customer accounts, such that Global’s registered representatives were required to obtain approval from their customers for each trade before the trade was executed and on the same day it was executed.

**B. Engler Directs Turney and Perez to Engage in Unauthorized Trading**

73. On approximately March 30, 2015, shortly after Engler had learned FINRA would not permit PMC to take full ownership of Global, Engler met with Turney and Perez.

74. At this meeting, Engler set aggressively high commission targets for Turney and Perez, in an attempt to squeeze as much cash out of customer accounts as fast as he could. Engler directed Turney and Perez to greatly increase the amount of commissions generated in customers’ accounts. Among other things, Engler communicated a commission target for Perez that amounted to \$312,500 in total commissions for April, which Engler explained meant that Perez would have to make customer trades in principal amounts totaling \$520,000 per day.

75. By April 14, 2015, Engler had also conveyed to Turney that he should double the amount of total commissions earned from Turney’s customers’ accounts. Turney in turn told his assistant (the “Assistant”) in a text message that they had to do “double the gross” that he previously had been producing.

76. In approximately late March or early April 2015, Engler instructed Turney and Perez that, if they could not get customers to agree to the volume of trades required to meet his aggressive commission targets, to instead use sham “call logs.”

77. With respect to call logs, Engler specifically instructed Turney to conceal the lack

of customer authorization for the trades by placing sham phone calls to customers, in which Turney was either to leave a long voicemail claiming the customer had authorized the trade or otherwise just mute the call if the customer picked up.

78. As Engler and Turney understood, this would allow Global to produce phone records that purported to reflect phone conversations with customers to maintain the pretense, if a customer complained, that the customer had authorized the trades in a phone call. Global personnel referred to making these phone calls as creating a “call log.”

79. Similarly, in April 2015, Engler directed Perez to meet the commission targets that Engler set by emulating Turney, by engaging in the practice of creating sham call logs.

80. Engler, with Desiderio’s assistance, also masked Turney and Perez’s unauthorized trading through a longstanding Sixth Avenue Office practice of misusing unique identifiers for each registered representative, known as the representative code, or “rep code,” in the database of Global’s clearing broker.

81. Global’s clearing broker used these rep code associations to identify which representatives had conducted trades and generated commissions and to identify registered representatives on their customers’ brokerage statements.

82. While certain registered representatives were registered in each state and thus permitted to solicit customers who lived throughout the United States, others, including Turney and Perez, could not conduct securities business in certain states, because states had not or would not have permitted them to register, or because they had had their registrations cancelled because of disciplinary issues.

83. Engler and Desiderio routinely permitted and directed registered representatives to circumvent these state-specific restrictions by having them trade their accounts using the “rep

code” of another registered representative who had no such restriction. Desiderio typically moved the accounts to these different rep codes herself, by accessing the clearing agent’s system, and reassigning the account to the new representative. This process included confirming, through checking CRD or other records, that the other registered representative was licensed to work with customers in the state where the customer lived. Although others at Global had access to make such changes in the clearing agent’s system, they did so only after receiving Desiderio’s permission.

84. Defendants used this practice during the relevant period to conduct a substantial amount of their unauthorized trading in the accounts of two other registered representatives at Global.

**C. Turney and Perez Ramp Up The Unauthorized Trading.**

**1. Turney and Perez Use Representative A’s Rep Code.**

85. On April 17, 2015, Representative A stopped working at Global, and, three days later, he joined Engler at Phone Company.

86. By at least April 17, 2015, Desiderio was aware of Representative A’s departure from Global. She attended a party for Engler at the Sixth Avenue Office on April 17, where Representative A’s departure from Global, and his joining Engler at Phone Company, was widely discussed. Desiderio was also at that same time managing the Sixth Avenue Office’s move to Third Avenue, and on April 20, 2015 informed the landlord that the number of personnel making the move had reduced—accounting for the departure of Representative A and his former sales assistant, who had also accepted Engler’s offer of that date to join him at Phone Company. Global’s internal contact list was also updated to remove Representative A and his assistant.

87. From April 17 through May 5, 2015, Desiderio filed updates to FINRA records



for herself and certain other registered representatives to make required disclosures concerning changes in their work status, including outside work. For example, on April 27, 2015, Desiderio informed FINRA that she would be spending ten hours per week on Phone Company business.

88. Desiderio did not file updates to FINRA records for Global or Representative A to note his departure from Global until May 6, 2015—the day Representative A failed to appear for testimony before FINRA and thus faced an automatic bar from FINRA for serving as a registered representative of a FINRA member firm.

89. As a result, between April 17 and May 6, 2015, Representative A's rep code was still ostensibly active and available for Defendants to use in their scheme.

90. On or shortly after Representative A's departure from Global on April 17, Engler—notwithstanding his own purported departure from Global on April 16—requested that Turney print a list of customer accounts associated with Representative A.

91. At an in-person meeting at around the same time, Engler instructed Turney to sell everything in Representative A's accounts and buy new positions. Engler conveyed to Turney, among other things, that Turney was to make these trades even in the absence of prior authorization from Representative A's customers and that the customer accounts were to remain associated with Representative A's rep code.

92. Engler directed Turney to use Representative A's rep code to make it appear that Representative A—not Turney—was the representative responsible for the unauthorized trades.

93. Engler instructed Turney to keep track of gross commissions he generated after April 20, 2015, and to split those commissions with Engler.

94. Engler also told Turney he should wait until Engler had informed Desiderio before moving forward with those trades.

95. Engler later told Turney that Desiderio would help them accomplish the scheme.

96. Defendants also used Representative A's rep code to facilitate Perez's unauthorized trading.

97. Before Representative A's departure, Perez had been conducting unauthorized trading in 66 customer accounts under a different registered representative's rep code, because the customers holding these 66 accounts were in states where Perez was not authorized to trade. That other representative had begun complaining about the unauthorized trading Perez was conducting with his rep code.

98. Around the time of Representative A's departure, and by April 20, 2015, Desiderio moved or authorized the movement of these 66 customer accounts to Representative A's rep code.

99. Ultimately, in customer accounts that were associated with Representative A's rep code at the time, Turney made approximately 1,400 unauthorized trades resulting in approximately \$696,000 in commissions, and Perez made approximately 90 unauthorized trades resulting in approximately \$80,000 in commissions.

## **2. Engler Monitors Trading and Pressures Perez to Increase Trading.**

100. Even after his purported departure, Engler had access to the amount of gross commissions that Turney and Perez had generated in trading activity and communicated with them about it.

101. Perez initially struggled to execute on Engler's instructions to increase his commissions.

102. On April 21, 2015, Engler met with Turney and Perez at his offsite office and reiterated to them that they needed to increase their production.

103. The next day, Engler followed up with a text message to Perez: "Stop worrying

about ur number. Do 40gs a day. 1.3 a day. Sell everything.” In other words, Engler asked Perez to generate \$40,000 in commissions per day, which would require securities transactions with the principal value of \$1.3 million, and that Perez should do so by selling all the securities in his customers’ accounts. Perez responded: “Done and done. I’m giving you everything I got senior. [E]ither way I’ll ramp it up more.”

104. Two days later, on April 24, Turney texted his Assistant and noted: “Jonah [Engler] jus[t] sent me a text saying gross was wack yesterday,” indicating Engler’s displeasure that Global’s registered representatives had not generated enough commissions.

105. By approximately April 29, Engler had instructed Perez to generate \$500,000 in gross commissions each month and had instructed Turney to assist Perez. That day, Turney texted his Assistant: “Jonah wants me to make [Perez] do 500 a month. I gotta sit with him again.” Turney instructed his Assistant to help Perez’s assistant learn how to “keep track of gross [commissions] on spreadsheet.” Turney made clear that the direction to ensure Perez achieved the commission target came from Engler and told the Assistant: “Has to get done though. Jonah [Engler]’s counting on me.”

106. Perez then greatly increased the number of trades he ordered to be executed in customer accounts, none of which the customers had authorized.

107. On May 1, 2015, Turney texted Perez to praise him for his numbers that week and his decision to stop seeking customer authorization: “Nice job this week bro. Breaking through imaginary limitations.”

108. On June 2, 2015, Turney and his Assistant exchanged text messages about Perez’s unauthorized trading:

Turney: Are we only people working today?  
Assistant: [Perez] is dropping tickets as [well]

...

Turney: Yeah. Has he called anyone though lol [laughing out loud]?

Assistant: Idk [I don't know] probs not

Turney: Lmao. Well at least he's doing biz

**D. Defendants Misuse Another Registered Representative's Rep Code.**

109. Shortly before May 6, 2015, when Representative A's rep code could no longer be used, Engler offered several registered representatives money in exchange for their agreement to permit the movement of customers to those representatives' rep codes, thereby allowing Turney and Perez to continue trading customers who resided in states where Turney and Perez could not trade.

110. Although at least two registered representatives refused Engler's offer because of concerns about Turney's trading, one registered representative ("Representative B") agreed to Engler's offer.

111. Between May 6 and May 12, 2015, Desiderio approved and facilitated the movement of a total over 150 customer accounts that Turney and Perez were trading in Representative A's rep code, to Representative B's rep code. These included 36 customer accounts that Desiderio had previously moved to Representative A's rep code to facilitate Perez's trading in those accounts.

112. Desiderio made or approved these account transfers at Engler's direction. For example, on May 8, 2015, Turney's Assistant asked Desiderio if the Assistant could move the accounts. Desiderio told the Assistant in a text that Desiderio had consulted with Engler and was waiting for a decision. Twelve minutes later, Desiderio confirmed to the Assistant: "Jonah [Engler] said they [he and Turney] spoke and to move them." Only afterwards did the Assistant move the accounts.

113. By this time, Desiderio knew that, because Representative A's rep code was no

longer available, Turney had to find another representative's rep code to use. She also knew that other registered representatives had rejected Engler's request to use their rep codes to facilitate Turney's trading.

114. For example, on May 8, 2015, Assistant A complained to Desiderio by text: "I wish [Representative A's] rep [code] was still active. No one wants josh [Turney]." Desiderio, acknowledging that the concerns of other registered representatives who had refused to allow Turney to use their rep codes were valid, responded: "Do you blame them[?]"

115. Starting about a week after Turney and Perez began trading in his account, Representative B began to receive customer complaints about unauthorized trading in his accounts and also realized that Turney and Perez had neglected to create "call logs" for these unauthorized trades using Representative B's rep code. Representative B informed Desiderio of the complaints and asked Desiderio and a trading clerk to cancel or reduce commissions on some of these trades. Desiderio cancelled or reduced commissions on only a portion of the trades Turney and Perez conducted under Representative B's rep code.

116. In one example of unauthorized trading through Representative B's rep code, Perez had a customer ("Customer A") who had been Perez's customer since Perez had worked at Broker-Dealer A. Customer A lived in a state where Perez was not permitted to work with customers. Customer A was moved to Representative A's rep code on April 17, 2015, and then to Representative B's rep code on May 11, 2015. During the relevant period, Perez ordered 40 purchases and sales for Customer A's account without his authorization. These trades were never cancelled, nor were the commissions reduced.

**E. Desiderio Took Steps to Conceal the Unauthorized Trading.**

117. As a designated supervisor for Global's main office, Desiderio had access to the daily trades and to the clearing agent's system and thus could observe the increased trading

volume and abnormal concentration of trading in certain rep codes.

118. Throughout the relevant period, Global's trade clerks, Trade Clerk A and Trade Clerk B, expressed concerns about unauthorized trading to Desiderio. Both Trade Clerk A and Trade Clerk B contacted Desiderio by phone and/or text message with complaints about the "out of control" trading volume and nature of Turney's trading and told Desiderio that they suspected he was churning the accounts and/or engaging in unauthorized trading.

119. Desiderio told Trade Clerks A and B that she would handle it and that she would speak with Engler about the trades that concerned them.

120. Desiderio also knew of customer complaints about unauthorized trading, as described below.

121. Shortly after Turney and Perez began trading with Representative A's rep code, Global's receptionist received numerous calls from customers seeking to speak with Representative A about concerns about recent activity in their accounts. The receptionist referred some of these calls to Desiderio.

122. Desiderio in turn instructed the receptionist not to comment about Representative A's departure, but rather to forward customer calls to Turney. Desiderio also forwarded emails related to calls from Representative A's customers to Turney's Assistant.

123. On May 12, 2015, Desiderio also received a request from FINRA for information about the high volume of trading in Representative A's customers' accounts from April 20 to May 6, 2015. FINRA pointed to the number of trades that had occurred and asked how Global would determine that the trades had been authorized.

124. Although Desiderio knew by April 17, 2015 that Representative A was no longer associated with Global, Desiderio sought to create a sham record to make it appear that she had

been unaware of Representative A's departure before May 6.

125. On May 12, the day she received the FINRA request, Desiderio emailed Trade Clerk A regarding FINRA's inquiry. Desiderio's email falsely claimed that Representative A's "last day" was May 6 and told Trade Clerk A that there should be "no trades after that date in his rep #."

126. Desiderio also instructed Trade Clerk A to "[p]lease review as it seems trades were done prior to the move to the new broker. Please review and update to the broker that did the transaction[,]—but did not instruct Trade Clerk A to inquire into the trades made before May 6.

127. Ultimately, although Engler and Desiderio directed that a small portion of Turney's and Perez's total unauthorized trades be cancelled, or the commissions reduced, they approved the majority of them. Trade Clerks A and B understood from conversations with Desiderio that if they were uncomfortable with the situation, their only choice was to leave Global.

128. On June 9, 2015, a few days after Global closed, Perez texted Desiderio an accounting of commissions that he had generated from trades he placed in May in other registered representatives' codes, including those of Representatives A and B. She responded: "This is the stupidest text you could have sent."

129. Desiderio never responded to FINRA's request for information and failed to appear for her scheduled FINRA testimony.

### **III. DEFENDANTS PROFITED WHILE CUSTOMERS LOST MILLIONS**

130. From April 1, 2015 to June 4, 2015, Turney and Perez executed approximately 3,250 and 1,290 trades, respectively, all of which were unauthorized, in approximately 360

customer accounts.

131. In some instances, Turney and Perez simply placed orders for purchases and sales (by filling out and submitting order tickets with trade clerks) for customer accounts without any attempt to contact the customer at all.

132. In other instances, Turney and Perez made calls to customers and discussed possible transactions but failed to obtain authorization for trades executed in their accounts.

133. In still other cases, Turney and Perez placed orders without customer authorization, but also made a pretextual call to a customer's phone in order to produce a call log or other misleading record to support a later false claim that Turney or Perez had discussed the details of the trade and received customer authorization.

134. Turney and Perez's trading volume during the relevant period dramatically increased from their trading in the prior quarter.

135. From January through March 2015, customer accounts associated with Turney's rep code reflected a total of approximately twelve trades per day.

136. Turney's trading volume increased to an average of 77 trades per day in accounts that he traded in April, and 70 trades per day in May and the first few days of June.

137. From April 20 through May 6, 2015, when Defendants were using Representative A's rep code, Turney averaged 131 trades per day.

138. From January through March of 2015, customer accounts associated with Perez's rep code reflected a total of approximately ten trades per day.

139. Perez's trading volume increased to an average of fifteen per day in accounts that he traded in April, and then increased to 42 trades per day in May and the first few days of June.

140. Turney's and Perez's average daily principal value of trades and commissions



similarly increased, as reflected in the following chart:

	<b>Jan. – March Turney</b>	<b>April – June Turney</b>	<b>Jan. - March Perez</b>	<b>April – June Perez</b>
<b>Average Daily Number of Trades</b>	12	74	10	29
<b>Average Daily Principal Value</b>	\$735,000	\$1,786,000	\$358,000	\$748,000
<b>Average Daily Commission</b>	\$13,050	\$39,700	\$7,050	\$17,680

141. Turney’s and Perez’s unauthorized trades generated over \$2.4 million in unlawful commissions for Global, while causing net losses of more than \$4 million to customers.

Approximately 36% of the unauthorized trades took place in accounts assigned to Representative A’s rep code, and 5% took place in accounts assigned to Representative B’s rep code.

142. Engler, either personally or through various entities he controlled, received at least \$1.1 million of the \$2.4 million in unlawful commissions.

143. Turney received \$281,914 of the approximately \$1.7 million in unlawful commissions generated from his unauthorized trading.

144. Perez received \$137,275 of the approximately \$725,000 in unlawful commissions generated from his unauthorized trading.

145. Desiderio received \$391,000 derived from the unlawful commissions Global received on Turney’s and Perez’s unauthorized trades.

**FIRST CLAIM FOR RELIEF**  
**Violations of Securities Act Section 17(a)(1) and (3)**  
**(Engler, Turney, and Perez)**

146. As to Engler, the Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 145; as to Turney, the Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 76, 78 through 90, 93, 94,

and 96 through 145; and as to Perez, the Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 72, 75 through 78, 80 through 101, and 103 through 145.

147. Defendants Engler, Turney and Perez, directly or indirectly, singly or in concert, in the offer or sale of securities and by the use of the means or instruments of transportation or communication in interstate commerce or the mails, (a) knowingly or recklessly have employed one or more devices, schemes or artifices to defraud, and/or (b) knowingly, recklessly, or negligently have engaged in one or more transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchaser.

148. By reason of the foregoing, Defendants Engler, Turney and Perez, directly or indirectly, singly or in concert, have violated and, unless enjoined, will again violate Securities Act Section 17(a)(1) and (3) [15 U.S.C. § 77q(a)(1) & (3)].

**SECOND CLAIM FOR RELIEF**  
**Violations of Exchange Act Section 10(b) and Rule 10b-5(a) and (c) Thereunder**  
**(Engler, Turney, and Perez)**

149. As to Engler, the Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 145; as to Turney, the Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 76, 78 through 90, 93, 94, and 96 through 145; and as to Perez, the Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 72, 75 through 78, 80 through 101, and 103 through 145.

150. Defendants Engler, Turney and Perez, directly or indirectly, singly or in concert, in connection with the purchase or sale of securities and by the use of means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange, knowingly

or recklessly have (a) employed one or more devices, schemes, or artifices to defraud, and/or (c) engaged in one or more acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

151. By reason of the foregoing, Defendants Engler, Turney and Perez, directly or indirectly, singly or in concert, have violated and, unless enjoined, will again violate Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5(a) & (c)].

**THIRD CLAIM FOR RELIEF**  
**Aiding and Abetting Violations of Section Securities Act Section 17(a)(1) and (3)**  
**(Desiderio)**

152. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 145.

153. As alleged above, Engler, Turney and Perez violated Securities Act Section 17(a)(1) and (3), 15 U.S.C. § 77q(a)(1) & (3).

154. Desiderio knowingly or recklessly provided substantial assistance to Engler, Turney and Perez with respect to their violations of Securities Act Section 17(a)(1) and (3) [15 U.S.C. § 77q(a)(1) & (3)].

155. By reason of the foregoing, Desiderio is liable pursuant to Securities Act Section 15(b) [15 U.S.C. § 77o(b)] for aiding and abetting the violations by Engler, Turney and Perez of Section 17(a)(1) and (3) [15 U.S.C. § 77q(a)(1) & (3)] and, unless enjoined, Desiderio will again aid and abet these violations.

**FOURTH CLAIM FOR RELIEF**  
**Aiding and Abetting Violations of Exchange Act Section 10(b) and Rule 10b-5(a) and (c)**  
**(Desiderio)**

156. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 145.

157. As alleged above, Engler, Turney and Perez violated Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5(a) & (c) [17 C.F.R. § 240.10b-5(a) & (c)] thereunder.

158. Desiderio knowingly or recklessly provided substantial assistance to Engler, Turney and Perez with respect to their violations of Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5(b) [17 C.F.R. § 240.10b-5b] thereunder.

159. By reason of the foregoing, Desiderio is liable pursuant to Exchange Act Section 20(e) [15 U.S.C. § 78t(e)] for aiding and abetting the violations by Engler, Turney and Perez of Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5(a) & (c) [17 C.F.R. § 240.10b-5(a) & (c)] thereunder and, unless enjoined, Desiderio will again aid and abet these violations.

#### **PRAYER FOR RELIEF**

WHEREFORE, the Commission respectfully requests that the Court enter a Final Judgment:

##### **I.**

Permanently enjoining the Defendants and their agents, servants, employees and attorneys and all persons in active concert or participation with any of them from violating, directly or indirectly, Securities Act Section 17(a) [15 U.S.C. § 77q(a)], Exchange Act Section 10(b) [15 U.S.C. § 78j(b)], and Rule 10b-5 [17 C.F.R. § 240.10b-5].

##### **II.**

Ordering Defendants to disgorge all ill-gotten gains they received, directly or indirectly, with pre-judgment interest thereon, as a result of the alleged violations;

##### **III.**

Ordering Defendants to pay civil monetary penalties under Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)];

**IV.**

Granting any other and further relief this Court may deem just and proper.

Dated: March 31, 2020  
New York, New York

By: /S/ Marc P. Berger  
Marc P. Berger  
Lara S. Mehraban  
Steven G. Rawlings  
Richard G. Primoff  
Margaret Spillane  
Hane L. Kim  
Attorneys for Plaintiff  
SECURITIES AND EXCHANGE COMMISSION  
New York Regional Office  
200 Vesey Street, Suite 400  
New York, New York 10281-1022  
(212) 336-0148 (Primoff)  
Email: primoffr@sec.gov

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
Securities and Exchange Commission
(b) County of Residence of First Listed Plaintiff
(c) Attorneys (Firm Name, Address, and Telephone Number)
Marc P. Berger, Regional Director, S.E.C. 200 Vesey St., Ste. 400, New York, New York 10281 (212) 336-1100

DEFENDANTS
Jonah Engler a/k/a Jonah Engler-Silberman, Joshua W. Turney, Hector Perez a/k/a Bruce Johnson, and Barbara Desiderio,
County of Residence of First Listed Defendant Kings County
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
Attorneys (If Known)
See Attachment A

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)
X 1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)
PTF DEF
Citizen of This State 1 1
Citizen of Another State 2 2
Citizen or Subject of a Foreign Country 3 3
Incorporated or Principal Place of Business In This State 4 4
Incorporated and Principal Place of Business In Another State 5 5
Foreign Nation 6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)
CONTRACT
110 Insurance
120 Marine
130 Miller Act
140 Negotiable Instrument
150 Recovery of Overpayment & Enforcement of Judgment
151 Medicare Act
152 Recovery of Defaulted Student Loans (Excludes Veterans)
153 Recovery of Overpayment of Veteran's Benefits
160 Stockholders' Suits
190 Other Contract
195 Contract Product Liability
196 Franchise
REAL PROPERTY
210 Land Condemnation
220 Foreclosure
230 Rent Lease & Ejectment
240 Torts to Land
245 Tort Product Liability
290 All Other Real Property
TORTS
PERSONAL INJURY
310 Airplane
315 Airplane Product Liability
320 Assault, Libel & Slander
330 Federal Employers' Liability
340 Marine
345 Marine Product Liability
350 Motor Vehicle
355 Motor Vehicle Product Liability
360 Other Personal Injury
362 Personal Injury - Medical Malpractice
PERSONAL INJURY
365 Personal Injury - Product Liability
367 Health Care/Pharmaceutical Personal Injury Product Liability
368 Asbestos Personal Injury Product Liability
PERSONAL PROPERTY
370 Other Fraud
371 Truth in Lending
380 Other Personal Property Damage
385 Property Damage Product Liability
FORFEITURE/PENALTY
625 Drug Related Seizure of Property 21 USC 881
690 Other
LABOR
710 Fair Labor Standards Act
720 Labor/Management Relations
740 Railway Labor Act
751 Family and Medical Leave Act
790 Other Labor Litigation
791 Employee Retirement Income Security Act
IMMIGRATION
462 Naturalization Application
465 Other Immigration Actions
BANKRUPTCY
422 Appeal 28 USC 158
423 Withdrawal 28 USC 157
PROPERTY RIGHTS
820 Copyrights
830 Patent
840 Trademark
SOCIAL SECURITY
861 HIA (1395ff)
862 Black Lung (923)
863 DIWC/DIWW (405(g))
864 SSID Title XVI
865 RSI (405(g))
FEDERAL TAX SUITS
870 Taxes (U.S. Plaintiff or Defendant)
871 IRS—Third Party 26 USC 7609
OTHER STATUTES
375 False Claims Act
376 Qui Tam (31 USC 3729(a))
400 State Reapportionment
410 Antitrust
430 Banks and Banking
450 Commerce
460 Deportation
470 Racketeer Influenced and Corrupt Organizations
480 Consumer Credit
490 Cable/Sat TV
850 Securities/Commodities/Exchange
890 Other Statutory Actions
891 Agricultural Acts
893 Environmental Matters
895 Freedom of Information Act
896 Arbitration
899 Administrative Procedure Act/Review or Appeal of Agency Decision
950 Constitutionality of State Statutes

V. ORIGIN (Place an "X" in One Box Only)
X 1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District (specify)
6 Multidistrict Litigation

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
15 U.S.C. § 77q(a)(1) & (3), 15 U.S.C. § 78j(b) 17 C.F.R. § 240.10b-5(a) & (c)
Brief description of cause:
Securities Fraud

VII. REQUESTED IN COMPLAINT:
CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$
CHECK YES only if demanded in complaint:
JURY DEMAND: X Yes [ ] No

VIII. RELATED CASE(S) IF ANY
(See instructions): JUDGE DOCKET NUMBER

DATE 03/31/2020 SIGNATURE OF ATTORNEY OF RECORD /S/ Marc P. Berger

FOR OFFICE USE ONLY
RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

**CERTIFICATION OF ARBITRATION ELIGIBILITY**

Local Arbitration Rule 83.7 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

Case is Eligible for Arbitration

I, Marc P. Berger, counsel for Plaintiff SEC, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- 
- 
- 

monetary damages sought are in excess of \$150,000, exclusive of interest and costs,  
 the complaint seeks injunctive relief,  
 the matter is otherwise ineligible for the following reason

**DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1**

Identify any parent corporation and any publicly held corporation that owns 10% or more of its stocks:

N/A

**RELATED CASE STATEMENT (Section VIII on the Front of this Form)**

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that " A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

**NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)**

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County?  Yes  No
- 2.) If you answered "no" above:
  - a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County?  Yes  No
  - b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District?  Yes  No
  - c) If this is a Fair Debt Collection Practice Act case, specify the County in which the offending communication was received:

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County?  Yes  No

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

**BAR ADMISSION**

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

Yes  No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court?

Yes (If yes, please explain)  No

I certify the accuracy of all information provided above.

Signature: /S/ Marc P. Berger

Attachment A to Civil Cover Sheet

Counsel for Defendant Jonah Engler

Lawrence Iason, Esq.  
Morvillo Abramowitz Grand Iason & Anello PC  
565 Fifth Avenue  
New York, NY 10017  
212.856.9600

Counsel for Defendant Joshua W. Turney

Louis C. La Pietra, Esq.  
La Pietra & Krieger, PC  
30 Glenn Street, Suite 105  
White Plains, NY 10603  
914.684.6000

Counsel for Defendant Hector Perez

C. Diego Guevara, Esq.  
Walsh Guevara LLP  
1185 Avenue of the Americas, 3rd Floor  
New York, NY 10036  
347.466.2215

Counsel for Defendant Barbara Desiderio

Daniel Newman, Esq.  
Nelson Mullins Riley & Scarborough LLP  
280 Park Avenue  
15th Floor West  
New York, NY 10017  
646.428.2600



AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

Securities and Exchange Commission,

Plaintiff(s)

v.

Jonah Engler a/k/a Jonah Engler-Silberman, Joshua W. Turney, Hector Perez a/k/a Bruce Johnson and Barbara Desiderio,

Defendant(s)

Civil Action No. 20 Civ. 1625 ( )

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Jonah Engler a/k/a Jonah Engler-Silberman 800 Union Street Brooklyn, NY 11215

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Richard G Primoff, Esq. Securities and Exchange Commission New York Regional Office 200 Vesey Street, Suite 400 New York, NY 10281

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER CLERK OF COURT

Date: \_\_\_\_\_

Signature of Clerk or Deputy Clerk

Civil Action No. 20 Civ. 1625 ( )

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

Securities and Exchange Commission,

Plaintiff(s)

v.

Jonah Engler a/k/a Jonah Engler-Silberman, Joshua W. Turney, Hector Perez a/k/a Bruce Johnson and Barbara Desiderio,

Defendant(s)

Civil Action No. 20 Civ. 1625 ( )

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Joshua W. Turney
801 A St. Apt. 1401
San Diego, CA 92101-4553

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Richard G Primoff, Esq.
Securities and Exchange Commission
New York Regional Office
200 Vesey Street, Suite 400
New York, NY 10281

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER
CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. 20 Civ. 1625 ( )

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

Securities and Exchange Commission,

Plaintiff(s)

v.

Jonah Engler a/k/a Jonah Engler-Silberman, Joshua W. Turney, Hector Perez a/k/a Bruce Johnson and Barbara Desiderio,

Defendant(s)

Civil Action No. 20 Civ. 1625 ( )

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Hector Perez a/k/a Bruce Johnson 314 E Pleasant Grove Road Jackson, NJ 08527-4240

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Richard G Primoff, Esq. Securities and Exchange Commission New York Regional Office 200 Vesey Street, Suite 400 New York, NY 10281

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER CLERK OF COURT

Date: \_\_\_\_\_

Signature of Clerk or Deputy Clerk

Civil Action No. 20 Civ. 1625 ( )

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

Securities and Exchange Commission,

Plaintiff(s)

v.

Jonah Engler a/k/a Jonah Engler-Silberman, Joshua W. Turney, Hector Perez a/k/a Bruce Johnson and Barbara Desiderio,

Defendant(s)

Civil Action No. 20 Civ. 1625 ( )

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) Barbaa Desiderio
27 Maple Stream Road
East Windsor, NJ 08520-1812

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Richard G Primoff, Esq. Securities and Exchange Commission New York Regional Office 200 Vesey Street, Suite 400 New York, NY 10281

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

DOUGLAS C. PALMER
CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. 20 Civ. 1625 ( )

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

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\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

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\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc: