

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 97827 / June 30, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21508

In the Matter of

DAMON R. DURANTE

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS,
PURSUANT TO SECTIONS 15(b) AND 21C
OF THE SECURITIES EXCHANGE ACT
OF 1934, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS AND
A CEASE-AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Damon R. Durante (“Durante” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds¹ that

¹ The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Summary

1. These proceedings arise out of Durante's unregistered broker activities during at least April 2019 to July 2020 ("relevant period") in which he offered and sold stock in Dallas-based Global Resource Energy, Inc. ("GBEN") to investors. Durante, working under the direction of others, solicited investors to purchase restricted GBEN shares. For each completed sales transaction, Durante received up to 50% of the sales proceeds. During the same time period, Durante also solicited investors to purchase free-trading GBEN shares on the open market. He received up to 35% of the sales proceeds for these completed transactions.

2. During the relevant period, Durante, along with a network of salespersons, sold more than 2.8 million GBEN shares. Durante offered and sold the GBEN shares nationwide and received transaction-based compensation in the form of a percentage of the amount sold. In doing so, Durante operated as an unregistered broker in violation of Section 15(a) of the Exchange Act.

Respondent

3. Damon R. Durante, 46 years old, is a resident of Irvine, California. During the relevant period, Durante acted as a salesperson soliciting investors to purchase both restricted and free trading GBEN shares. Durante participated in the offer and sale of GBEN stock, which is a penny stock. He received transaction-based compensation for these stock sales. During the relevant period, Durante was not registered with a registered broker or dealer, or with the Commission in any capacity.

4. On August 17, 2022, Durante pled guilty to Conspiracy to Commit Securities Fraud under Title 18, United States Code, Section 371 for acting as an unlicensed stockbroker and soliciting investors to purchase shares in GBEN, for which he received undisclosed commissions. Durante was sentenced to six months imprisonment. Durante was ordered to pay restitution of \$355,625.20 on a joint and several basis with his co-defendants. *United States v. Collins, et al.*, 1:20cr00842-BYP (N.D. Ohio).

5. In connection with that plea, Durante admitted that:
- a. he, and his co-defendants (i) solicited the investing public to purchase restricted and free-trading shares of GBEN, (ii) paid and received undisclosed commissions and kickbacks to co-conspirators who helped facilitate the sale of shares of GBEN, and (iii) caused the issuance and transfer of shares of GBEN through fraudulent consulting agreements.
 - b. he and his co-defendants caused victim-investors to spend over \$250,000 on shares of GBEN stock while concealing and not providing information that was material to the victim's decision to invest.

Other Relevant Entity

6. Global Resource Energy, Inc. (GBEN) is a Nevada corporation with its principal place of business in Fort Worth, Texas. On August 31, 2018, Global Resource suspended its 15(d) reporting status when it filed a Form 15. On November 18, 2014, Global Resource filed its last periodic report on Form 10-Q for the period ended July 31, 2014. GBEN's common stock was quoted on OTC Link (previously "Pink Sheets") operated by OTC Markets Group, Inc. ("OTC Link") under the symbol "GBEN," until August 17, 2020, when the Commission suspended trading in GBEN pursuant to Section 12(k) of the Exchange Act.²

Background

7. In or around March 2019, GBEN transferred three million restricted shares pursuant to a fraudulent consulting agreement. Durante was not aware this agreement was fraudulent. GBEN's undisclosed control person directed Durante to work with a network of salespersons to solicit investors to purchase these restricted shares. To distance himself from the sales, GBEN's control person transferred the restricted GBEN shares, subject to the fraudulent consulting agreement, to an entity that Durante controlled. This transfer was orchestrated by GBEN's undisclosed control person. GBEN's undisclosed control person promised to pay Durante up to 50% of the proceeds from the sale of the restricted stock.

8. From at least April 2, 2019 through July 26, 2020, Durante and the network of salespersons solicited investors primarily by phone to buy the restricted GBEN shares. This group sold at least 2,921,261 restricted GBEN shares, which generated approximately \$784,125 in proceeds. Durante received \$196,031.45 in transaction-based compensation for these sales.

9. GBEN's undisclosed control person further directed Durante and a network of salespersons to solicit investors to buy free-trading GBEN shares available in the open market. GBEN's undisclosed control person promised to pay Durante up to 35% of the proceeds from these open market trades.

10. From at least July 2019 to July 2020, Durante and the network of salespersons sold at least 1.3 million free-trading shares, which generated approximately \$938,000 in proceeds. Durante received \$136,277.64 in transaction-based compensation for these sales.

11. Durante used interstate commerce or the mails to effect transactions in GBEN's securities or to induce or attempt to induce others to purchase GBEN's securities. During the relevant time period, Durante was not registered with the Commission as a broker or associated with a registered broker or dealer.

Violations

10. As a result of the conduct described above, Durante willfully violated Section 15(a) of the Exchange Act, which prohibits any broker or dealer from making use of the mails or any means or instrumentality of interstate commerce, to effect any transaction in, or induce or attempt

² <https://www.sec.gov/litigation/suspensions/2020/34-89587-o.pdf>

to induce the purchase or sales of, any security unless the broker or dealer is registered in accordance with Section 15(b) of the Exchange Act or is a natural person who is associated with a registered broker or dealer.

IV.

In view of the foregoing, the Commission deems it appropriate, and in the public interest to impose the sanctions agreed to in Respondent Durante's Offer.

Accordingly, pursuant to Sections 15(b) and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondent Durante cease and desist from committing or causing any violations and any future violations of Section 15(a) of the Exchange Act.

B. Respondent Durante be, and hereby is:

1. barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and
2. barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

C. Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

D. Respondent shall pay disgorgement in the amount of \$332,309.79 and prejudgment interest in the amount of \$37,726.60, which shall be deemed satisfied by Respondent's order of restitution entered in *United States v. Collins, et al.* as referenced in paragraph III.4 above. Based upon Respondent's prison sentence ordered in *United States v. Collins, et al.*, the Commission is not imposing a penalty against Respondent.

E. The Division of Enforcement ("Division") may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondent provided accurate and complete financial information at the time such representations were made; and (2) seek an order directing payment of disgorgement and pre-judgment interest. No other issue shall be considered in connection with this petition other than whether the financial information provided by Respondent was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondent may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of disgorgement and interest should not be ordered; (3) contest the amount of disgorgement and interest to be ordered; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

By the Commission.

Vanessa A. Countryman
Secretary