

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES ACT OF 1933**  
**Release No. 9471 / November 5, 2013**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15602**

**In the Matter of**

**The Greater Wenatchee Regional  
Events Center Public Facilities  
District, Allison Williams, Global  
Entertainment Corporation, and  
Richard Kozuback**

**Respondents.**

**ORDER INSTITUTING CEASE-AND-  
DESIST PROCEEDINGS PURSUANT TO  
SECTION 8A OF THE SECURITIES ACT  
OF 1933, MAKING FINDINGS, AND  
IMPOSING REMEDIAL SANCTIONS AND  
A CEASE-AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), against The Greater Wenatchee Regional Events Center Public Facilities District (“District), Allison Williams (“Williams”), Global Entertainment Corporation (“Global”), and Richard Kozuback (“Kozuback”) (collectively “Respondents”).

**II.**

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the “Offers”) 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, 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 Respondents' Offers, the Commission finds<sup>1</sup> that:

#### Summary

1. In 2011, the Greater Wenatchee Regional Events Center Public Facilities District ("District") defaulted on \$41.77 million in Bond Anticipation Notes ("BANs") it had issued in 2008 to finance a multi-use arena and ice hockey rink (the "Regional Center") located in the City of Wenatchee, Washington (the "City"). The Official Statement for the BANs was materially false and misleading.

2. Global Entertainment Corporation ("Global"), led by its President, Richard Kozuback, was hired by the District to develop and operate the Regional Center. Prior to the District, Global was perceived to be a competent operator of events centers, but had limited experience forecasting revenues and had hired a financial consultant to assist with the Regional Center financial projections. Over the course of the development and construction of the Regional Center, Global prepared a series of financial projections for operation of the Regional Center to be used both for budgeting purposes and for inclusion in the District's Official Statement. While the Official Statement contained the most recent version of Global's projections, the District, the District's Contracts Manager Allison Williams, Global, and Kozuback all knew that an independent consultant had been asked to review Global's earlier projections and had raised questions about the Regional Center's economic viability. Despite two separate reviews of Global projections by the independent consultant, the Official Statement presented the most recent version of Global's projections along with a false and misleading statement to the effect that no financial advisor, accounting or other firm had examined those projections to verify the reasonableness of Global's assumptions or its conclusions. The District, Williams, Global, and Kozuback all knew of the independent consultant's reviews, and both Williams and Kozuback nevertheless certified that the Official Statement was accurate.

3. The District, Williams, Global, and Kozuback also knew that the projections in the Official Statement had been revised upward from projections generated a few months earlier after a claim by the City's former Mayor and Williams that Global's projections were inconsistent with its prior projections and not sufficiently optimistic. During a conference call with Kozuback and Global's financial consultant (with Williams' participation), the City's former Mayor made an impassioned argument that they knew the local citizens better than Global, and those citizens would ultimately support the Regional Center even though Global was experiencing weak ticket sales and other troubling indicators regarding anticipated revenue. Global revised its projections

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<sup>1</sup> The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

upward and those more optimistic revised projections were included in the Official Statement without disclosing that the City's former Mayor or Williams had questioned assumptions underlying the prior set of projections, or that Global had relied on the former Mayor's verbal assertions of future community support.

4. Prior to the global financial crisis in September 2008, the District and its then underwriter had completed a Preliminary Official Statement for long term bonds which had received an investment grade rating. After the underwriter was unable to complete the financing, the District engaged Piper Jaffray & Co. ("Piper") on October 27, 2008. By the time Piper became the underwriter on the deal, the City and the District were desperate to find financing for the Regional Center within a month because of onerous lease payments being demanded by the construction lender. Piper and Jane Towery, the lead investment banker at Piper on the BANs issuance, suggested several different financing options, although only one, short-term BANs, was considered viable. The District determined to issue three year BANs maturing in 2011, with the principal of the BANs to be repaid solely through the issuance of long-term bonds.

5. The District and Williams knew that the BANs would mature in 2011 and would need to be repaid at that time through the issuance of long term bonds. The District and Williams knew that in the event the Regional Center's revenue was insufficient to support a bond issuance to repay the BANs such that City support became necessary, the City's ability to provide financial assistance to support the long term bonds was limited by the City's debt capacity, which at the time of the BANs issuance was approximately \$19.3 million. Nonetheless, a paragraph in the body of the Preliminary Official Statement for the long term bonds that highlighted how the City's low remaining debt capacity constrained its obligations to the District was deleted from the body of the Official Statement for the BANs, thereby misleading BAN purchasers concerning the likelihood of permanent financing.

6. The Regional Center's financial results for 2008 through 2011 were worse than Global's most pessimistic projections, with the Regional Center operating at a significant net operating loss. Moreover, the Chelan County, Washington, Superior Court ruled in 2011 that obligations under a contingent loan agreement constituted "indebtedness" within the meaning of the State constitution and therefore would be limited to the City's remaining debt capacity of \$19.3 million, as the deleted disclosure language had warned. Consequently, the District was unable to issue long-term bonds, and the District defaulted on the payment of principal on the BANs in December 2011.

7. The Washington State Legislature subsequently passed legislation to help the District cure its default by allowing the City to impose an additional sales tax without voter approval and further allowing the District to submit to voters a proposition to impose an additional sales tax. The voters of the District later approved an additional sales tax. On September 28, 2012, the District sold long term bonds secured solely by sales tax revenues to refinance the BANs.

8. As a result of the conduct described above, the District, Global, and Kozuback violated Sections 17(a)(2) and (3) of the Securities Act and Williams violated Section 17(a)(3) of the Securities Act.

## **Respondents**

9. The Greater Wenatchee Regional Events Center Public Facilities District is a municipal corporation formed in 2006 pursuant to Washington state law by nine Washington cities and counties in order to fund the Regional Center. The District issued \$41.77 million of BANs in 2008 to finance the purchase of the Regional Center. The District defaulted on the BANs in 2011.

10. Allison Williams, age 48, of Wenatchee, Washington, has served as the Executive Services Director of the City of Wenatchee, Washington since 2005. From 1998 to 2005, Williams worked for the City as a community planner in the Department of Community Development. Pursuant to an agreement between the City and the District, and at the direction of the City's former Mayor, Williams served as a senior staff member for the District, with the title "Contracts Manager," from its formation through September 2009. Williams signed the Closing Certificate of the District certifying that "to the best of [her] knowledge and after reasonable investigation," the Official Statement for the BANs was accurate and not misleading.

11. Global Entertainment Corporation is a Nevada corporation headquartered in Arizona. Global served as the developer and initial operator of the Regional Center. At the time the Regional Center was under construction, Global had developed and was managing facilities in Rio Rancho, New Mexico and Prescott Valley, Arizona. Global had also completed development, but did not manage, facilities in Broomfield, Colorado; Youngstown, Ohio; Larimer County, Colorado; and Hidalgo, Texas. Global engaged a financial consultant to assist it on the Regional Center project. From February 2003 through August 2011, Global was a public company that filed various periodic reports with the Commission through its EDGAR system.

12. Richard Kozuback, age 60, of Chelan, Washington, has been the President and CEO of Global since 2001. Kozuback signed the Certificate of Global Entertainment Corporation certifying that certain information relating to the Regional Center, Global, and revenue and tax projections for the Regional Center in the Official Statement for the BANs was accurate.

## **Related Parties**

13. Piper Jaffray & Co. is a Delaware corporation formed on July 28, 1969 that is headquartered in Minneapolis, Minnesota. It has been registered with the Commission as a broker-dealer since 1969. Piper served as the sole underwriter for the BANs.

14. Jane Towery, age 60, of Seattle, Washington, has been a Managing Director at Piper since joining the firm in 2006. She was the lead investment banker on the District's BANs issuance.

## **Background on the District**

15. In the spring and summer of 2005, Kozuback made several presentations about multipurpose event centers and potential funding sources to interested groups in the Wenatchee region. In 2006, the City and eight neighboring municipalities and counties formed the District and the District in turn entered into a development contract with Global.

16. Within the District, the City took on primary responsibility for managing the development and the construction of the Regional Center. Rather than hiring its own employees, the District entered into an agreement with the City that permitted it to use City staff, including, at the direction of the former Mayor, Williams, who served as a senior staff member for the District. As such, Williams served as one of the primary contacts on the Regional Center project for the developer, the attorneys, and underwriters.

17. Williams had no prior experience with public financings, and the City lacked experience with events facilities. The City Council requested that an independent consultant be brought in to review the Regional Center project and the financial projections provided by Global in August 2006 and compare it to other facilities, so as to get an understanding of whether the project could work in the City. Williams served as a primary contact for the independent consultant.

18. On August 23, 2006, the independent consultant submitted its first report. According to the 2006 report, the scope of the independent consultant's work was "to prepare an impartial third party review of the reasonableness of [Global's] financial projections to ensure the financial pro-forma presented to the City is realistic and attainable." In the 2006 report, the independent consultant indicated there could be an operating deficit at the Regional Center. Among other things, the independent consultant concluded Global's projection regarding one key metric, annual net operating income, was possibly overstated by \$200,000 to \$300,000 or by 16% to 25% in the first year.

19. In September 2006, the City Council approved the execution of an interlocal agreement with the newly formed District pursuant to which the City agreed to provide financial support for all or a portion of the bonds to be issued by the District to finance the Regional Center. The financial support was documented by a contingent loan agreement. Construction on the Regional Center began shortly thereafter.

20. As construction work on the Regional Center progressed, unexpected building costs in late 2006 and early 2007 led to both cost overruns and a redesign to a smaller facility than originally planned. Global changed its projections in March 2007 to take into account that under the redesign the facility was to be smaller with fewer seats, but more luxury suites.

21. The City Council requested that the independent consultant perform a review of the new March 2007 projections for the downsized facility, and Williams asked the independent consultant to review the March 2007 projections in comparison with the independent consultant's 2006 report. In its resulting May 17, 2007 report, the independent consultant identified areas where it saw issues with Global's new projections and posed questions about the projections.

Among other items, the independent consultant questioned the unexpected increases in operations and maintenance costs and management fees and the unexplained “substantial” increase in food and beverage revenue projections. The independent consultant concluded that “[w]hile the [Regional] Center may very well still be economically viable even in a somewhat smaller configuration, the aforementioned anomalies in the new financial projections pose too many questions to be certain. . . . However, further review of the explanations for the referenced expense items and some of the revenue reductions may well still support the reduced size facility.” The City provided the independent consultant’s revised report to Global for Global’s response. However, the independent consultant was never asked to and did not do any further review of any work product by Global.

22. The City Council reviewed the independent consultant’s 2007 report and the Global response when it considered entering into a lease agreement required by the construction lender secured by Global. The lease agreement imposed onerous obligations on the District upon completion of the Regional Center. In particular, the District was obligated to purchase the Regional Center once construction was substantially complete, and if it was unable to do so, make substantial lease payments to the lender. The lease agreement obligated the City to back the lease payments in the event the District was unable to make them.

23. On May 24, 2007, the City Council voted to proceed with the Regional Center in a split vote with the City’s former Mayor breaking the tie. Shortly thereafter, on May 29, 2007, the Board of the District also authorized the lease agreement. Construction, which had temporarily halted pending finalization of Global’s construction loan after the prior contractor was unable to arrange financing, resumed in September 2007.

### **The Financing of the Regional Center**

24. Contemporaneous with the design and construction of the Regional Center, Global, as the future operator of the Regional Center, worked to sell luxury suites and various other forms of premium seating, naming rights, and advertising that together constituted contractually obligated income (“COI”), an important component of the Regional Center’s future revenue stream. In addition, Global worked to secure team tenants for the Regional Center.

25. As early as April 2008, Kozuback became concerned because COI sales were not as high as Global had anticipated, and in May 2008, Global began preparing new projections. On June 13, 2008, Global provided these new projections for use in preparing both the official statement for the bonds that the District intended to sell to finance the purchase of the Regional Center and for the budget for the Regional Center. In the June 2008 projections, Global significantly decreased the COI line item primarily due to the lack of sales to date. Global also reduced the projected cumulative net cash flow before taxes line item – the amount projected to be available to the District for debt service – by nearly 70% from the projections presented in 2007.

26. At the time Global presented its June 2008 projections, the District, with the assistance of its bond counsel and its initial underwriter, was working toward issuing bonds to purchase the Regional Center in the fall of 2008. The bond issue needed to be timed so as to have

the funds to purchase the Regional Center available by the time the Regional Center was substantially completed, which was anticipated for September 2008.

27. The District’s underwriter at the time of the June 2008 projections advised the District that based upon Global’s June 2008 numbers, the District bond issuance might be difficult. Shortly after receiving Global’s June 2008 projections, the City’s former Mayor and Williams urged Kozuback and Global’s financial consultant to provide more optimistic numbers. The former Mayor and Williams held a conference call with Kozuback and Global’s financial consultant, during which the former Mayor made an impassioned argument that Global’s projections had not been sufficiently optimistic, that they knew the local citizens better than Global, and those citizens would ultimately support the Regional Center even though Global was experiencing weak ticket sales and other troubling indicators regarding anticipated revenue. After the conversation, Williams emailed Kozuback, “[t]o reiterate our conversation this [morning], if we were to recommend the current pro forma as a budget for consideration to the District, staff would not recommend approval. Based on the spreadsheet ...sent earlier, there are a number of areas that are considerably out of line with your prior projections, upon which we based our endorsement of the project.”

28. Prior to the District, Global was perceived to be a competent operator of events centers, but Global and Kozuback had limited experience forecasting revenues and virtually no experience with municipal offerings. Nonetheless, even though COI continued to be a problem for Global in June and July of 2008, on July 1, 2008 Global provided a set of revised projections in response to the plea for more optimistic numbers. The email from Global that attached the revised projections states, “As you will note the revenues increased significantly throughout the forecast. Yet we still think they are realistic.” Upon receipt of the new Global numbers, Williams emailed the team working on the financing, stating, “[h]ere is the revised pro forma. It has been completely redone, so we’ll be doing a fresh review on our end, but it looks closer to what is needed.” However, the District’s further review of the purportedly “realistic” projections was inadequate.

29. Both the June 2008 and the July 2008 projections presented by Global showed less cash flow than the numbers previously presented by Global and reviewed by the independent consultant in August 2006 and May 2007. According to the District, the projected cash available for debt service (cash flow before taxes and debt) changed from May 2007 as follows:

<b>Date of Global projection</b>	<b>Cash Flow Before Taxes and Debt Service in Dollars</b>
May 2007	1,210,207
June 13, 2008	370,245
July 1, 2008	839,365

30. After receiving the July 2008 projections, the District financing team, including Williams, bond counsel, and the District’s initial underwriter, pushed forward with the bond issuance. Williams actively participated in the process by supplying information for the Preliminary Official Statement for the proposed bond issuance, participating in due diligence conference calls, and reading and commenting upon drafts of the Preliminary Official Statement.

In early September, the District's initial underwriter, having obtained credit ratings and finalized a Preliminary Official Statement deemed final by the District, attempted to sell the District's long term bonds.

31. However, in September of 2008, the global financial crisis made it impossible for the District to issue bonds as planned. In late September 2008, the District's initial underwriter reported to the City and the District that there was no access to the market and it was unable to underwrite the bonds at that time.

32. In early October 2008, Global's lender on the construction of the facility maintained that the Regional Center was substantially completed and therefore the first lease payment under the lease agreement was due on November 3, 2008.

33. Towery and Piper began working on the project on October 22, 2008, just more than three weeks before the District sold its BANs on November 13. Piper and Towery suggested several financing options, although only one, short-term BANs, was considered viable. BANs are short-term obligations issued by municipal entities that are expected to be repaid at a later time through the issuance of long-term bonds. As underwriter for the BANs, Piper agreed to purchase the BANs from the District and then offer the BANs for sale to investors. In November 2008, the District issued \$41.77 million of three year BANs to finance the purchase of the Regional Center. The principal of the BANs was payable on December 1, 2011.

34. By the time Towery and Piper agreed to underwrite the BANs for the District, Piper's predecessor had already completed the Preliminary Official Statement for long term bonds which had received an investment grade rating. The Official Statement for the BANs was based on that Preliminary Official Statement, which included the same financial projections from Global and similar disclosures.

35. The Official Statement for the BANs included a section titled "Projected Regional Center Revenue and District Tax Revenue" which included the following language that was also in the Preliminary Official Statement for the aborted bond issue:

No feasibility report on the [District] and Global's unaudited projected financial performance of the Regional Center has been prepared and the unaudited projected financial performance of the Regional Center has not been examined by any financial adviser or by any accounting or other firm in order to verify either the reasonableness of the assumptions used by the [District] and Global, the appropriateness of the preparation and presentation of the unaudited projected financial performance of the Regional Center or the conclusions contained in such unaudited projected financial performance of the Regional Center.

36. The Official Statement was materially false and misleading because the projected financial performance of the Regional Center had been examined twice by an independent consultant which raised questions about the Regional Center's economic viability in two separate reports.

37. The Official Statement was materially false and misleading because it failed to inform investors that Williams and the City's former Mayor had questioned the assumptions underlying Global's projections and asserted that the Wenatchee community would support the Regional Center, and that the projections contained within the Official Statement had been made more optimistic based upon the assertions made by Williams and the City's former Mayor.

38. The Official Statement for the BANs was materially false and misleading because the body of the Official Statement made no reference to the fact that the City's obligations under any contingent loan agreement would be limited by the City's remaining debt capacity. An initial draft of the Official Statement for the BANs contained a lightly revised paragraph from the Preliminary Official Statement prepared for the aborted bond offering, entitled "Contingent Loan Agreement - Limitation of Pledge." That paragraph disclosed that the City's obligation to make loans under the contingent loan agreement was limited by its remaining debt capacity of \$19.3 million, and explicitly warned that "[s]hould the District encounter financial difficulties causing the District to be unable to pay debt service on the Revenue and Special Tax Notes when due, there is no guarantee that the City will have the capacity to make up the entire shortfall." This paragraph was not included in the body of the final Official Statement for the BANs. Since the BANs were to be paid at the end of December 2011 by bonds, the City's debt limits and potential limits to the City's ability to support a bond issuance designed to repay the notes were material to purchasers of the BANs.

39. The drafters of the Official Statement for the BANs apparently did not notice a second reference to how the obligations of the City under the Contingent Loan Agreement were limited by its debt capacity, hidden on page 5 of Appendix C under the caption "Limits on Amount of General Obligation Indebtedness," an otherwise generic description of the different limits on general obligation indebtedness of the City. This reference was factually inaccurate in that it referred to an obligation under the Contingent Loan Agreement to make loans to pay the principal of the BANs. Moreover, given the context and location of this reference, and the fact that the drafters themselves overlooked it, it did not constitute adequate disclosure to a reasonable investor.

40. At the closing for the BANs, Williams, as the Contracts Manager for the District, executed a Closing Certificate of the District, attesting that the Official Statement, "does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein in light of the circumstances under which they were made, not misleading." Under the terms of the Purchase Agreement with Piper, execution of the Closing Certificate of the District was a prerequisite to Piper's obligation to purchase the BANs.

41. The assertions in the Closing Certificate of the District were materially false. As discussed above, the Official Statement for the BANs contained statements of untrue fact and omitted material facts necessary in order to make the statements made therein in light of the circumstances under which they were made, not misleading.

42. At the closing for the BANs, Kozuback signed the Certificate of Global Entertainment Corporation that stated that the information in the Official Statement under the headings "THE GREATER WENATCHEE REGIONAL EVENTS CENTER--Global Entertainment Corporation" and "REVENUE AND TAX PROJECTIONS":

does not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

43. The assertions in the Certificate of Global Entertainment Corporation were materially false. As discussed above, the Official Statement for the BANs contained statements of untrue fact and omitted material facts necessary in order to make the statements made therein in light of the circumstances under which they were made, not misleading.

44. The Respondents negligently failed to act with reasonable prudence in the issuance of the BANs. The Respondents knew about the independent consultant's reviews of the financial projections and the discussion Williams and the City's former Mayor had with Kozuback that resulted in the more optimistic July 2013 projections. Respondents also knew about the language of the Official Statement relating to the financial projections. The District and Williams knew that in the event the Regional Center's revenue was insufficient to support a bond issuance to take out the BANs and City support became necessary, the City's ability to support the takeout of the BANs was limited by the City's debt capacity. It was thus unreasonable for the District to issue the BANs, for Williams to sign the Closing Certificate of the District, and for Kozuback to sign the Certificate of Global Entertainment Corporation.

### **Legal Discussion**

45. Section 17(a)(2) of the Securities Act makes it unlawful "in the offer or sale of any securities ... to obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading." Section 17(a)(3) of the Securities Act makes it unlawful "to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser." The prohibitions of Sections 17(a)(2) and (a)(3) apply to the offer or sale of municipal securities. In order to establish a cause of action under Sections 17(a)(2) and 17(a)(3), the Commission must establish that: (1) the misrepresentations or omissions were material; and (2) the misrepresentations or omissions were in the offer or sale of securities. Aaron v. SEC, 446 U.S. 680 (1980). No finding of scienter is required to establish a violation of Sections 17(a)(2) and 17(a)(3); negligence is sufficient. Id. at 696-97. Negligence is a failure by an actor to conform conduct to the standard of "a reasonable [person] under like circumstances." See Restatement (Second) of Torts §§ 282 and 283. A misrepresentation or omission is material if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. See Basic Inc. v. Levinson, 485 U.S. 224, 231-32 (1988). Industry standards at the time, as evidenced by, among other sources, the Government Finance Officers Association's 1991 "Disclosure Guidelines for State and Local Government Securities," suggest that Official Statements should include disclosure of financial feasibility reports or any other reports or studies known to the issuer that may have a significant bearing on the conclusion of feasibility of the project.

46. There is a substantial likelihood that a reasonable investor determining whether to purchase the BANs would attach importance to the disclosures in the Official Statement regarding

the examinations of and revisions to the financial projections for the Regional Center as well as information relating to the City's financial support for the BANs.

47. As a result of the conduct described above, the District, Global, and Kozuback violated Sections 17(a)(2) and (3) of the Securities Act and Williams violated Section 17(a)(3) of the Securities Act.

### **Undertakings**

The District has undertaken to:

48. Within thirty (30) days of the entry of this Order, establish policies, procedures, and internal controls relating to disclosures in the offering of municipal securities and continuing disclosures pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934 to ensure compliance with the federal securities laws, including the designation of an individual within the District responsible for ensuring compliance by the District of such policies, procedures, and internal controls.

49. Within sixty (60) days of the entry of this Order, implement active and ongoing training on a periodic basis for all personnel involved in municipal offerings or continuing disclosures, including all District Officers, on those newly established policies, procedures, and internal controls to ensure compliance with the federal securities laws.

50. Within ninety (90) days of the entry of this Order, the District shall file an affidavit with the Commission certifying its compliance with the undertakings according to the timelines set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and the District agrees to provide such evidence. The certification and supporting material shall be submitted to Cary S. Robnett, Assistant Director, Municipal Securities and Public Pensions Unit, Division of Enforcement, Securities and Exchange Commission, San Francisco Regional Office, 44 Montgomery Street, Suite 2800, San Francisco, CA 94104 or to her successor in office.

51. In determining whether to accept the District's Offer, the Commission has considered these undertakings.

### **IV.**

Accordingly, it is hereby ORDERED that:

## The District

A. Pursuant to Section 8A of the Securities Act, the District shall cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act.

B. The District shall comply with the undertakings enumerated in Section III above.

C. The District shall, within thirty (30) days of the entry of this Order, pay a civil money penalty in the amount of \$20,000 to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying the District as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Cary S. Robnett, Assistant Director, Municipal Securities and Public Pensions Unit, Division of Enforcement, Securities and Exchange Commission, 44 Montgomery St., Suite 2800, San Francisco, CA 94104.

## Allison Williams

A. Pursuant to Section 8A of the Securities Act, Williams shall cease and desist from committing or causing any violations and any future violations of Section 17(a)(3) of the Securities Act.

## Global

A. Pursuant to Section 8A of the Securities Act, Global shall cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act.

B. Global shall, within thirty (30) days of the entry of this Order, pay a civil money penalty in the amount of \$10,000 to the United States Treasury. If timely payment is not made,

additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Global as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Cary S. Robnett, Assistant Director, Municipal Securities and Public Pensions Unit, Division of Enforcement, Securities and Exchange Commission, 44 Montgomery St., Suite 2800, San Francisco, CA 94104.

Richard Kozuback

A. Pursuant to Section 8A of the Securities Act, Kozuback shall cease and desist from committing or causing any violations and any future violations of Section 17(a)(3) of the Securities Act.

B. Kozuback shall, within thirty (30) days of the entry of this Order, pay a civil money penalty in the amount of \$10,000 to the United States Treasury. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard

Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Kozuback as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Cary S. Robnett, Assistant Director, Municipal Securities and Public Pensions Unit, Division of Enforcement, Securities and Exchange Commission, 44 Montgomery St., Suite 2800, San Francisco, CA 94104.

By the Commission.

Elizabeth M. Murphy  
Secretary