

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 82963 / March 29, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18415

In the Matter of

KENT MAERKI,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934, MAKING FINDINGS AND
IMPOSING REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Kent Maerki (“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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and over the subject matter of these proceedings and the findings contained in Section III.2. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondents’ Offer, the Commission finds that:

1. Respondent, age 75, is a resident of Scottsdale, Arizona. Respondent is a founder and former owner of Janus Spectrum LLC (“Janus Spectrum”). Until January 2014, Maerki held a 45% ownership interest in Janus Spectrum.
2. On February 9, 2018, a final judgment was entered against Respondent, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of

1933 and Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled *Securities and Exchange Commission v. Janus Spectrum, LLC, et al.*, Civil Action Number 2:15-cv-00609-SMM, in the United States District Court for the District of Arizona.

3. The Commission's complaint alleged that from May 2012 through October 2014 Respondent engaged in securities fraud, acted as an unregistered broker or dealer, and offered and sold securities in unregistered transactions, in connection with a \$12.5 million securities offering fraud orchestrated by Respondent and David Alcorn ("Alcorn"), through Janus Spectrum. The complaint alleged that Janus Spectrum held itself out as a company that prepares applications for Federal Communications Commission ("FCC") cellular spectrum licenses on behalf of third party clients, which included various fundraising entities owned and managed by codefendants Daryl Bank, Bobby Jones, Terry Johnson and Raymon Chadwick, who offered and sold securities purporting to raise funds to apply for FCC licenses through Janus Spectrum. The complaint alleged that Respondent and Alcorn organized and controlled those securities offerings. The complaint further alleged that, in connection with these offerings, Respondent and his codefendants misled investors by falsely representing that their investments would yield "double-digit" returns through the sale and lease of the FCC licenses to major wireless carriers, when Respondent and his codefendants knew, or were reckless or negligent in not knowing, that the FCC licenses, if obtained, were in a narrow band of spectrum that could not be sold or leased to any major wireless carriers, thereby greatly diminishing their value. The complaint further alleged that Respondent and his codefendants concealed the actual costs associated with obtaining the FCC licenses, and misappropriated investor funds to their own, undisclosed uses.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent be, and hereby is 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.

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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) 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 (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary