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**COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES**

PA DEPARTMENT OF  
BANKING AND SECURITIES

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<b>COMMONWEALTH OF PENNSYLVANIA</b>	:
<b>DEPARTMENT OF BANKING AND</b>	:
<b>SECURITIES, BUREAU OF SECURITIES</b>	:
<b>COMPLIANCE AND EXAMINATIONS</b>	:
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	:
	:
<b>v.</b>	:
	:
<b>FERNE KORNFELD</b>	:

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**Docket No. : 200055 (SEC-OSC)**

**CONSENT AGREEMENT AND ORDER**

The Commonwealth of Pennsylvania, acting through the Department of Banking and Securities ("Department"), Bureau of Securities Compliance and Examinations ("Bureau"), has conducted an investigation of the business practices of Ferne Kornfeld ("Kornfeld"). Based on the results of its investigation, the Bureau has concluded that Kornfeld has operated in violation of the Pennsylvania Securities Act of 1972, 70 P.S. § 1-101 et. seq. ("1972 Act"). Kornfeld, in lieu of litigation, and without admitting or denying the allegations herein, and intending to be legally bound, hereby agrees to the terms of this Consent Agreement and Order ("Order").

**BACKGROUND**

- 1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act.
- 2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.
- 3. Kornfeld was, at all times material herein, an individual with addresses at  
Redacted
- 4. From in or about April 2017 through September 2017, Kornfeld offered and sold

securities (“Global Notes”) issued by 1 Global Capital, LLC, aka 1<sup>st</sup> Global Capital, LLC, aka 1<sup>st</sup> Global Capital Financial Services (“Global”).

5. Kornfeld received compensation from Global for sales of securities issued by Global.

6. The Global Notes were: (a) not registered under Section 201 of the 1972 Act, 70 P.S. § 1-201; (b) not exempt from registration under Section 202 of the 1972 Act, 70 P.S. § 1-202; (c) not federally covered securities under Section 211 of the 1972 Act, 70 P.S. § 1-211; and (d) that the offers relating to the Global Notes are not exempt under Section 203 of the 1972 Act, 70 P.S. § 1-203.

7. Kornfeld was neither registered pursuant to Section 301 of the 1972 Act, 70 P.S. § 1-301, nor exempt from registration.

#### **VIOLATION**

8. By engaging in the acts and conduct set forth in paragraphs 4 through 6 above, Kornfeld offered and sold the Global Notes to Pennsylvania residents in violation of Section 201 of the 1972 Act, 70 P.S. § 1-201.

9. By engaging in the acts and conduct set forth in paragraphs 4, 5 and 7 above, Kornfeld effected transactions in securities in Pennsylvania while neither registered nor exempt from registration in willful violation of Section 301 of the 1972 Act, 70 P.S. § 1-301.

#### **RELIEF**

10. Within 30 days of the Effective Date of this Order, Kornfeld shall pay the Department an administrative assessment in the amount of \$1,500.00. Payment shall be made by certified check or money order payable to the “Department of Banking and Securities” and shall be mailed or delivered, in person, to the Bureau of Securities Compliance and Examinations located at 17 N. Second Street, Suite 1300, Harrisburg, PA 17101.

11. Kornfeld is ORDERED to comply with the 1972 Act, and Regulations adopted by the Department, and in particular Section 301(c), 70 P.S. §1-301(c).

12. Should Kornfeld fail to pay the assessment as set forth in Paragraph 10, above, the sanctions set forth elsewhere in the Order shall continue in full force and effect until full payment is made. However, this provision shall not be construed as affording Kornfeld the option of either paying the assessment or being indefinitely subjected to sanctions.

13. Should Kornfeld fail to comply with any and all provisions of this Order, the Department may impose additional sanctions and costs and seek other appropriate relief subject to Kornfeld's right to a hearing pursuant to the 1972 Act.

#### **FURTHER PROVISIONS**

14. Consent. Kornfeld hereby knowingly, willingly, voluntarily and irrevocably consents to the entry of this Order pursuant to the Bureau's authority under the 1972 Act and agrees that it understands all of the terms and conditions contained herein. Kornfeld, by voluntarily entering into this Order, waives any right to a hearing or appeal concerning the terms, conditions and/or penalties set forth in this Order.

15. Entire Agreement. This Order contains the entire agreement between the Department and Kornfeld. There are no other terms, obligations, covenants, representations, statements, conditions, or otherwise, of any kind whatsoever concerning this Order. This Order may be amended in writing by mutual agreement by the Department and Kornfeld.

16. Binding Nature. The Department, Kornfeld, and all officers, owners, directors, employees, licirs and assigns of Kornfeld intend to be and are legally bound by the terms of this Order.

17. Counsel. This Order is entered into by the parties upon full opportunity for legal advice from legal counsel.

18. Effectiveness. Kornfeld hereby stipulates and agrees that the Order shall become

effective on the date the Bureau executes the Order ("Effective Date").

19. Other Enforcement Action.

(a) The Department reserves all of its rights, duties, and authority to enforce all statutes, rule and regulations under its jurisdiction against Kornfeld in the future regarding all matters not resolved by this Order.

(b) Kornfeld acknowledges and agrees that this Order is only binding upon the Department and not any other local, state or federal agency, department or office regarding matters within this Order.

20. Authorization. The parties below are authorized to execute this Order and legally bind their respective parties.

21. Counterparts. This Order may be executed in separate counterparts, by facsimile and by PDF.

22. Titles. The titles used to identify the paragraphs of this document are for the convenience of reference only and do not control the interpretation of this document.

23. Finding. The Department finds that it is necessary and appropriate in the public interest and for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the 1972 Act to issue this Order.

**WHEREFORE**, in consideration of the foregoing, including the recital paragraphs, the Commonwealth of Pennsylvania, Department of Banking and Securities, Bureau of Securities Compliance and Examinations and Ferne Kornfeld intending to be legally bound, do hereby execute this Consent Agreement and Order.

**FOR THE COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES  
BUREAU OF SECURITIES COMPLIANCE AND  
EXAMINATIONS**

Redacted

Wendy Spicher  
Acting Deputy Secretary for Securities

Date: January 13, 2021



**FOR FERNE KORNFELD**

Redacted

[Signature]  
(Signature)

Ferne Kornfeld  
(Print Name)

N/A  
(Title)

Date: 1/7/2021