

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

**SECURITIES ACT OF 1933**  
**Release No. 11290 / June 13, 2024**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 100329 / June 13, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-21964**

**In the Matter of**

**JANUSZ (JOHN)**  
**ZUKOWSKI and JERRY**  
**SAMARAS,**

**Respondents.**

**ORDER INSTITUTING  
ADMINISTRATIVE AND CEASE-AND-  
DESIST PROCEEDINGS PURSUANT TO  
SECTION 8A OF THE SECURITIES ACT  
OF 1933 AND 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 Section 8A of the Securities Act of 1933 (“Securities Act”) and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Janusz (John) Zukowski and Jerry Samaras (collectively, the “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, and except as provided herein in Section V, Respondents consent to the entry of this Order Instituting Administrative and Cease-And-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933 and 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 Respondents' Offers, the Commission finds<sup>1</sup> that:

#### Summary

This proceeding concerns material misrepresentations made by Respondents Zukowski and Samaras in connection with the sale of shares of microcap securities to investors. Between June 2016 and July 2021 (the "Relevant Period"), Zukowski used a California-based company ("Company A"), where Samaras worked, to sell shares of microcap securities, including shares of Coffee, Inc. ("Coffee") and Sky Century Investment, Inc. ("Sky Century"), that his company, Arch Investments LLC ("Arch Investments"), acquired at virtually no cost. Both Zukowski and Samaras knowingly and falsely told investors, many of whom were elderly, that they were purchasing Coffee and Sky Century stock at a discount directly from the issuer when, in reality, the investors were buying shares from Zukowski for significantly more than what he paid for them. Samaras engaged in unregistered broker-dealer activity in connection with selling shares of Coffee and Sky Century stock.

As a result of his conduct, Zukowski willfully violated Securities Act Section 17(a) and Exchange Act Section 10(b) and Rule 10b-5 thereunder, receiving \$1,448,349 in ill-gotten gains. As a result of his conduct, Samaras willfully violated Securities Act Section 17(a) and Exchange Act Sections 10(b) and 15(a)(1) and Rule 10b-5 thereunder, receiving \$162,133 in ill-gotten gains.

#### Respondents

1. **Zukowski**, age 44, is a resident of Gainesville, Florida. Zukowski has at all times been the sole owner and operator of Arch Investments, which he used to acquire and sell shares in thinly-traded microcap securities. Zukowski has never been registered with the Commission in any capacity.

2. **Samaras**, age 60, is a resident of Temecula, California. From 2012 to 2020, Samaras worked for Company A where he solicited investors to purchase shares in numerous microcap companies. Samaras has never been registered with the Commission as a broker or dealer, and he has never been associated with a registered broker or dealer.

#### Other Relevant Entities

3. **Arch Investments** was a Delaware limited liability company formed in 2016 with its principal place of business in Gainesville, Florida. During the Relevant Period, Arch

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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.

Investments was wholly owned and controlled by Zukowski. Arch Investments has been inactive since 2021 and has never been registered with the Commission in any capacity.

4. **Company A** is a Delaware corporation formed in 2010 with its principal place of business in San Diego, California. During the Relevant Period, Company A solicited investors in connection with the sale of shares in microcap companies, often on behalf of Arch Investments. Company A has never been registered with the Commission in any capacity.

5. **Coffee**, formerly known as FWF Holdings, Inc., Docasa, Inc., The Coffeesmiths Collective, Inc. and Café Holdings, Inc., currently trades on the over-the-counter platforms operated by the OTC Markets Group, Inc., an interdealer quotation service that provides platforms to buy and sell securities. Coffee was incorporated in Nevada in 2014 and its principal place of business is in Schaumburg, Illinois. Throughout its history, Coffee has undergone several changes to its business plan and now purports to be in the business of developing blockchain technology aimed at disrupting the global green coffee market. From 2015 to 2019, Coffee's common stock was registered with the Commission under Section 12(g) of the Exchange Act. During the Relevant Period, Coffee qualified as a penny stock as defined by Section 3(a)(51) of the Exchange Act and Rule 3a51-1 thereunder.

6. **Sky Century**, formerly known as Band Rep Management, Inc., currently trades on the over-the-counter platforms operated by the OTC Markets Group, Inc. Sky Century was incorporated in Nevada in 2012, and its principal place of business is in Las Vegas, Nevada. Sky Century has undergone changes to its business plan and now purports to be in the business of cannabis related news and products. Sky Century's common stock was previously registered with the Commission under Section 12(g) of the Exchange Act. During the Relevant Period, Sky Century qualified as a penny stock as defined by Section 3(a)(51) of the Exchange Act and Rule 3a51-1 thereunder.

### **Background**

7. Beginning in 2016, Zukowski's company, Arch Investments, acquired large blocks of shares in microcap issuers, such as Coffee and Sky Century, at little to no cost. In or around June 2016, Zukowski enlisted Company A to assist with the sale of Arch Investments' Coffee and Sky Century holdings for profit.

8. From 2012 to 2020, Samaras worked for Company A as a "cold caller" and in that role solicited investors to purchase shares in microcap companies. Samaras solicited investors through phone calls to individuals who were included on prospective investor lists that were provided to him by Company A and then sent follow-up emails to these prospective investors with various investment materials, such as marketing materials and stock purchase agreements. Samaras received transaction-based compensation in the form of commissions of approximately 10% of the investor proceeds from his securities sales.

9. For most of the Relevant Period, Samaras solicited elderly investors to purchase Arch Investments' shares in various microcap companies, including Coffee and Sky Century.

### **Samaras's and Zukowski's Material Misrepresentations**

10. In September 2016, Zukowski purchased 4.6 million shares in Coffee, then known as Docasa, Inc., for the account of Arch Investments. Zukowski purchased these Coffee shares shortly after a reverse merger and paid \$0.0014 per share for a total of \$6,250.

11. Throughout the Relevant Period, Coffee traded infrequently and was the subject of numerous promotional campaigns.

12. During the Relevant Period, Zukowski enlisted Company A to help him sell Arch Investments' Coffee shares. Through his direct participation in investor solicitations, Zukowski knew, or recklessly disregarded the fact, that Company A and its representatives, including Samaras, made material misrepresentations to investors in order to induce them to purchase Coffee shares.

13. From June 2016 to June 2020, and while employed at Company A, Samaras solicited numerous investors from across the country about the opportunity to purchase Coffee stock.

14. Samaras falsely told investors that Coffee stock was being offered to them directly from the issuer at a discount when, in reality, he knew, or recklessly disregarded the fact, that he was selling shares purchased by Zukowski for significantly more than what Zukowski had paid for them. In addition, Samaras misleadingly stated to investors that their funds were being invested with the issuers, when, in reality, they were transferred to Arch Investments with Samaras subsequently receiving a substantial commission.

15. For example, in February 2018, Samaras spoke by phone with a 79 year-old investor ("Investor A") about purchasing shares in Coffee. After the phone call, Samaras sent a follow-up email to Investor A falsely claiming that the "average investor" was being offered Coffee shares at \$.60 per share while Investor A was being offered shares from the issuer at the discounted price of \$.50 per share because he was considered an "angel investor" and given his prior purchases through Company A.

16. Investor A subsequently purchased 15,000 of Arch Investments' Coffee shares for \$7,500 and Samaras received a \$750 commission. Investor A was subsequently unable to sell his Coffee shares or deposit them into a brokerage account.

17. In June 2019, Samaras emailed another investor ("Investor B"), who was 82 years old, offering to sell a new issuance of Coffee shares at a discount. Samaras knew that he was not selling newly issued Coffee shares at a discount and that he was instead selling Arch Investments' shares, which had been acquired for far less than they were sold and which he had been selling to others for similar prices as being offered to Investor B over the previous three years.

18. Investor B subsequently purchased 25,000 of Arch Investments' Coffee shares for \$10,000, and Samaras later received \$1,000 as a commission.

19. On March 22, 2018, Zukowski emailed Investor B offering to sell him 100,000 Coffee shares for \$50,000. Zukowski falsely claimed that he was negotiating directly with the issuer for the purchase of a block of 500,000 Coffee shares on behalf of a group of five investors: himself, Investor B and three other named investors. Zukowski's email also stated that all five parties to this transaction needed to wire \$50,000 into an escrow account, and Zukowski attached an escrow agreement, which he prepared, that identified himself as a "purchaser" of Coffee stock in connection with this purported transaction. Later that same day, Zukowski sent another email to Investor B stating: "I have been able to negotiate a bigger discount per share to us [that] is now 0.30 per share" and "I have also deposited \$50,000 into escrow today to lock in the transaction."

20. Zukowski knew that each of these statements were false because: (a) his company, Arch Investments, was always the seller of Coffee shares and neither he nor Arch Investments ever purchased any additional Coffee shares from the issuer around this time; (b) Investor B was the only person who Zukowski had arranged to purchase 50,000 Coffee shares from Arch Investments around this time; (c) Zukowski never escrowed \$50,000 in connection with a contemporaneous purchase of Coffee shares nor did he have \$50,000 available at the time to do so; and (d) critically, Zukowski had acquired the Coffee stock for a small fraction of the purported discounted price that he was offering to Investor B.

21. Investor B subsequently purchased an additional 166,666 of Arch Investments' Coffee shares for \$50,000.

22. On December 4, 2019, in a successful attempt to solicit Investor B, who was having difficulty depositing Coffee stock, to purchase additional Coffee stock, Zukowski falsely stated in an email to him and copying Samaras that: "I will personally take the time to work with your brokers to get [Coffee] shares deposited so you will have to do absolutely nothing else but s[ell] the stock" and that he was "making the executive decision to give you the stock at 0.30 cents."

23. On December 5, 2019, Zukowski again falsely stated in an email to Investor B, copying Samaras, that: "I also assure you, that I will make sure all of your shares are deposited immediately and are available for resale right away" and that "I am extremely close to the company and there are some things that I can not discuss since this is a publicly traded company, but the upcoming financials that are coming out, lets just say they are looking extremely good."

24. Zukowski knew these statements were false because he never worked with Investor B's brokers for purposes of getting Investor B's Coffee holdings deposited into his brokerage account and knew, or recklessly disregarded the fact, that he would not be able to influence a broker-dealer's decision about whether to accept Investor B's Coffee shares for deposit. Zukowski also had no prior relationship with anyone affiliated with Coffee and thus had no insight into their upcoming financial disclosures.

25. Investor B subsequently purchased an additional 176,667 of Arch Investments' Coffee shares for \$50,000.

26. Similarly, Respondents sold shares of Sky Century stock to investors, falsely stating that they were buying Sky Century shares at a discount from the issuer. In fact, these investors

bought Sky Century stock for significantly more than the amount that Zukowski's Arch Investments eventually paid for them. For example, with Zukowski's knowledge, Samaras sold approximately 255,000 shares of Sky Century stock at \$.50 per share to four senior investors in late 2016, claiming that they were purchasing these shares at a discount from the issuer. These investors, in turn, sent \$127,500 to Arch Investments' bank account in December 2016, for which Samaras received a commission of \$12,750. Arch Investments purchased these shares of Sky Century stock for \$0.0975 per share from a third party who was not the issuer *after* receiving funds from the investors. Therefore, not only did the four senior investors pay significantly more than what Zukowski paid for these shares, but neither the issuer nor Zukowski's Arch Investments owned the shares being sold to these investors at the time of the sale.

27. As a result of their conduct, Zukowski and Samaras received at least \$1,448,349 and \$162,133, respectively, in ill-gotten gains from investors that they solicited.

### **Violations**

28. As a result of the conduct described above, Respondents willfully violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in the offer or sale of securities and in connection with the purchase or sale of securities.

29. As a result of the conduct described above, Respondent Samaras willfully violated Section 15(a)(1) of the Exchange Act, which prohibits any broker or dealer from effecting any transaction in, or inducing or attempting to induce the purchase or sale of, any security unless the broker or dealer is registered in accordance with Section 15(b) of the Exchange Act.

### **Disgorgement and Civil Penalties**

The disgorgement and prejudgment interest ordered in paragraphs IV.F and IV.G is consistent with equitable principles and does not exceed Respondents' net profits from its violations, and will be distributed to harmed investors, if feasible. The Commission will hold funds paid pursuant to paragraphs IV.F and IV.G in an account at the United States Treasury pending a decision whether the Commission in its discretion will seek to distribute funds. If a distribution is determined feasible and the Commission makes a distribution, any amounts remaining that are infeasible to return to investors, and any amounts returned to the Commission in the future that are infeasible to return to investors, may be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

## **IV.**

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

Accordingly, pursuant to Section 8A of the Securities Act and Sections 15(b) and 21C of the Exchange Act, it is hereby ORDERED that:

A. Respondents cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Respondent Samaras cease and desist from committing or causing any violations and any future violations of Section 15(a)(1) of the Exchange Act.

C. Respondent Samaras 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 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.

D. Any reapplication for association by Respondent Samaras 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.

E. Respondent Zukowski 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.

F. Respondent Zukowski shall, within 14 days of the entry of this Order, pay disgorgement of \$1,448,349, prejudgment interest of \$393,445, and a civil monetary penalty in the amount of \$600,000 to the Securities and Exchange Commission. The Commission will hold funds paid pursuant to this paragraph in an account at the United States Treasury pending a decision whether the Commission, in its discretion, will seek to distribute funds or, transfer them to the general fund of the United States Treasury, subject to Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600, and if timely payment of the civil money payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

G. Respondent Samaras shall, within 14 days of the entry of this Order, pay disgorgement of \$162,133, prejudgment interest of \$43,548, and a civil monetary penalty in the amount of \$100,000 to the Securities and Exchange Commission. The Commission will hold funds paid pursuant to this paragraph in an account at the United States Treasury pending a decision

whether the Commission, in its discretion, will seek to distribute funds or, transfer them to the general fund of the United States Treasury, subject to Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600, and if timely payment of the civil money 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) Respondents may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondents 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) Respondents 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 Zukowski or Samaras 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 Sandeep Satwalekar, Division of Enforcement, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004-2616.

H. Regardless of whether the Commission in its discretion orders the creation of a Fair Fund for the penalties ordered in this proceeding and any related actions, amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, each Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of each Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, each Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought



against each Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

**V.**

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondents, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondents under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondents of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Vanessa A. Countryman  
Secretary