

**BEFORE THE
NATIONAL FUTURES ASSOCIATION**

In the Matter of:)	
)	
SNC INVESTMENTS, INC.)	
(NFA ID #328909),)	
)	NFA Case No. 08-MRA-005
and)	
)	
PETER SON)	
(NFA ID #329664))	

**NOTICE OF MEMBER RESPONSIBILITY ACTION AND ASSOCIATE
RESPONSIBILITY ACTION UNDER NFA COMPLIANCE RULE 3-15**

National Futures Association ("NFA") hereby gives notice to SNC Investments, Inc. ("SNC"), a futures commission merchant ("FCM"), commodity trading advisor ("CTA"), and commodity pool operator ("CPO") Member of National Futures Association, and a former forex dealer member, located in New York City, and Peter Son ("Son"), the chief executive officer ("CEO"), and a principal and associated person ("AP") of SNC, and an NFA Associate, that pursuant to NFA Compliance Rule 3-15, the President of NFA, with the concurrence of NFA's Executive Committee, has taken a Member Responsibility Action ("MRA") and an Associate Responsibility Action ("ARA") against SNC and Son, respectively, whereby:

1. SNC and Son are suspended from NFA membership, and associate membership, respectively;
2. SNC and Son are prohibited from soliciting or accepting any funds from customers, pool participants or investors;
3. SNC and Son are prohibited from placing trades on behalf of customers;
4. SNC and Son are prohibited from disbursing or transferring any funds of customers, or pool participants or investors from any accounts (bank, trading, or any other types of accounts) without prior approval from NFA; and
5. SNC and Son are required to provide copies of this MRA via overnight courier to a) all customers, b) to all pool participants and investors in any pools that SNC operates or over which it exercises control, and c) to all banks and other financial institutions with which money is on deposit in the name of SNC, SNC Asset Management, Inc., or Son, or over which SNC and/or Son exercises control.

This action is effective immediately and is deemed necessary to protect customers of SNC because SNC and Son have suddenly ceased operations, Son is reported missing, and there are allegations that millions of dollars in customer funds are missing.

In support of these actions, NFA attaches the affidavit of Sharon Pendleton, who is a Director in NFA's Compliance Department, and based thereon alleges as follows:

1. SNC is an FCM, CTA, and CPO Member of NFA, and a former forex dealer member, located in New York City. SNC has been registered as an FCM, CTA, and CPO since 2003.
2. SNC has repeatedly represented to NFA that it ceased being a forex dealer member in December 2007, and since that time has not held customer funds or acted as a counter-party in forex transactions and has only introduced forex accounts to an unrelated forex dealer member on a fully disclosed basis.
3. Peter Son is the CEO, a principal and an AP of SNC, and an NFA Associate. Son is also the branch office manager of SNC's California branch office which is located at 3825 Hopyard Road, Suite 124, Pleasanton, California.
4. On October 29, 2008, the Commodity Futures Trading Commission ("CFTC") contacted NFA. The CFTC advised NFA that it had received a telephone call from attorney David M. Serepca ("Serepca"), of San Carlos, California, who said that he represented an individual by the name of Chris Lee. Serepca told the CFTC that, in April 2008, Chris Lee had written a check for \$500,000 to SNC Asset Management ("SNC Asset") and K. Lee (whose full name is Kenneth Lee) for the purpose of investing in a fund which would trade forex. Serepca said that he and his client had met with Kenneth Lee on October 29, 2008 and were told by Kenneth Lee that Peter Son had disappeared, and that customer money was missing. NFA staff subsequently spoke with attorney Serepca directly, and he confirmed these facts to NFA.
5. SNC's California branch office and SNC Asset have the same office address (3825 Hopyard Road, Suite 124, Pleasanton, California), the same telephone number (925-737-1450), and the same fax number (925-737-1453). SNC and SNC Asset also appear to have the same principals, viz., Kenneth Lee (who is a listed principal of SNC and who was also the joint payee along with SNC Asset on Chris Lee's \$500,000 check) and Peter Son (who is the CEO and a listed principal of SNC and who is also the listed agent of SNC Asset, according to the records of the California Secretary of State). Moreover, before Chris Lee invested with SNC Asset he was given promotional material of

SNC which promoted forex trading.

6. On October 29, 2008, another principal of SNC, Young Choi – who worked at SNC's main office in New York City – advised NFA that SNC was out of business and wished to withdraw its NFA membership. In addition, NFA became aware of a newspaper article that appeared in The Korea Daily on October 29, 2008, which reported that SNC – a Korean investment firm located in California – was "closing its operations due to the global financial meltdown" and that "the partners of the firm have no power to revive the business." The article also stated that the firm had been managing over \$70 million and that "it appears many Korean investors may lose their investments in the firm." The article reported that the main office of SNC had been closed since October 28 and that employees had been notified to no longer come to work. In addition the article reported that the "president of the firm, Peter Son, has not been reachable by many investors and his cell phone has been off."
7. Based on the telephone call from SNC's Young Choi advising NFA that SNC was out of business, as well as the information received from attorney David M. Serepca, and which appeared in the Korea Daily newspaper article, on October 30, 2008, NFA auditors went to SNC's main office at 40 Wall Street in New York City to inquire about Peter Son and his whereabouts and to determine if customer funds were missing. However, when the NFA auditors arrived at SNC's main office they found that it was closed and its doors locked. The auditors left a note on the door requesting that a representative of SNC contact NFA.
8. Subsequently, NFA's auditors were contacted by Young Choi, who agreed to meet with NFA's auditors at SNC's main offices at 40 Wall Street. Thereafter, NFA's auditors did meet with Young Choi, who again indicated that SNC was out of business and that he had terminated the lease for SNC's main office effective October 31, 2008. Young Choi also told NFA's auditors that he first became aware of SNC Asset a few weeks ago, that he was unaware that it was involved in forex trading, and that it was his understanding that SNC Asset only invested in real estate. Young Choi further indicated that he did not know Peter Son's whereabouts.
9. On October 30, 2008, NFA also called SNC's and SNC Asset's California telephone number but there was no answer.
10. By reason of the above facts, NFA is unable to determine if SNC and Son are in compliance with NFA Requirements or if they have misappropriated or converted customer funds.

The MRA will remain in effect until such time as SNC and Son have demonstrated to the satisfaction of NFA that they are in complete compliance with all NFA Requirements.

NFA Members receiving notice of this MRA by service or otherwise who carry accounts in the name SNC Investments, Inc., SNC Asset Management, Inc., Peter Son, or Kenneth Lee are prohibited from disbursing funds to any persons for any reason without prior approval of NFA.

SNC and Son are entitled to a prompt hearing on this matter before NFA's Hearing Committee if it so requests. The request for a hearing shall be made in writing to:

National Futures Association
300 South Riverside Plaza
Suite 1800
Chicago, IL 60606
Attn: Legal Docketing Department

Aggrieved parties may petition the CFTC for a stay of this MRA pending a hearing pursuant to and in conformity with the terms set forth in CFTC Regulation 171.41.

NATIONAL FUTURES ASSOCIATION

Date: October 30, 2008

By:  *per NFA*
Daniel J. Roth, President

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AFFIDAVIT

THE AFFIANT, SHARON PENDLETON, BEING DULY SWORN AND UNDER OATH STATES THAT:

1. My name is Sharon Pendleton, and I am employed by National Futures Association ("NFA") as a Director in the Compliance Department. In my capacity as a Director, I lead a team that has been examining SNC Investments, Inc. ("SNC").
2. SNC is a futures commission merchant ("FCM"), commodity trading advisor ("CTA"), and commodity pool operator ("CPO") Member of NFA, and a former forex dealer member, located in New York City. SNC has been registered as an FCM, CTA, and CPO since 2003.
3. SNC has repeatedly represented to NFA that it ceased being a forex dealer member in December 2007, and since that time has not held customer funds or acted as a counter-party in forex transactions and has only introduced forex accounts to an unrelated forex dealer member on a fully disclosed basis.
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\$500,000 check) and Peter Son (who is the CEO and a listed principal of SNC and who is also the listed agent of SNC Asset, according to the records of the California Secretary of State). Moreover, before Chris Lee invested with SNC Asset he was given promotional material of SNC which promoted forex trading.

7. On October 29, 2008, another principal of SNC, Young Choi – who worked at SNC's main office in New York City – advised NFA that SNC was out of business and wished to withdraw its NFA membership. In addition, NFA became aware of a newspaper article that appeared in The Korea Daily on October 29, 2008, which reported that SNC – a Korean investment firm located in California – was "closing its operations due to the global financial meltdown" and that "the partners of the firm have no power to revive the business." The article also stated that the firm had been managing over \$70 million and that "it appears many Korean investors may lose their investments in the firm." The article reported that the main office of SNC had been closed since October 28 and that employees had been notified to no longer come to work. In addition the article reported that the "president of the firm, Peter Son, has not been reachable by many investors and his cell phone has been off."
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10. On October 30, 2008, NFA also called SNC's and SNC Asset's California telephone number but there was no answer.

11. By reason of the above facts, NFA is unable to determine if SNC and Son are in compliance with NFA Requirements or if they have misappropriated or converted customer funds.

Further Affiant sayeth not.



Sharon Pendleton

Subscribed and sworn to before me
on this 30th day of October 2008.



Notary Public



AFFIDAVIT OF SERVICE

I, Nancy Miskovich-Paschen, on oath state that on October 30, 2008, I served copies of the attached Notice of Member Responsibility Action and Associate Responsibility Action, by sending such copies by facsimile and overnight mail, in envelopes addressed as follows:

David Stawick
Office of the Secretariat
Commodity Futures Trading
Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581
(Facsimile: 202-418-5521)

Richard Foelber
Deputy Chief
Division of Enforcement
Commodity Futures Trading
Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581
(Facsimile: 202-418-5523)

And by overnight mail to:

SNC Investments, Inc.
3825 Hopyard Road
#124
Pleasanton, CA 94588

SNC Investments, Inc.
40 Wall Street
33rd Floor
New York, NY 10005

Peter Son
114 La Quinta Street
Moraga, CA 94556


Nancy Miskovich-Paschen

Subscribed and sworn to before
me on this 30th October 2008.



Notary Public

