
IN THE MATTER OF:

**DANIEL REENS
CRD NO. 6576660**

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CONSENT ORDER

NO. CO-19-8537-S

I. PRELIMINARY STATEMENT

WHEREAS, the Banking Commissioner (“Commissioner”) is charged with the administration of Chapter 672a of the General Statutes of Connecticut, the Connecticut Uniform Securities Act (“Act”), and Sections 36b-31-2 to 36b-31-33, inclusive, of the Regulations of Connecticut State Agencies (“Regulations”) promulgated under the Act;

WHEREAS, Daniel Reens (“Reens”) is an individual residing in Newtown, Connecticut. Reens has been registered under the Act as an investment adviser agent of Horter Investment Management, LLC (CRD No. 119880) (“Horter”) since November 2, 2015. Horter is an investment adviser registered with the Securities and Exchange Commission (SEC No. 801-67471) since January 12, 2007, and an investment adviser notice filer under Section 36b-6(e) of the Act since August 25, 2009;

WHEREAS, from approximately January 2016 through August 2019, in addition to acting in his capacity as an investment adviser agent of Horter, Reens was associated with Safe Harbour LLC (“Safe Harbour”), an investment adviser recently registered under the Act (see below) and located at 1000 Bridgeport Avenue, Suite 2D, Shelton, Connecticut 06484, as well as Safe Harbor Retirement LLC (“Safe Harbor Retirement”), a Connecticut limited liability company located at the same address as Safe Harbour. Safe Harbor Retirement has never been registered in any capacity under the Act;

WHEREAS, on March 1, 2019, Safe Harbour filed with the Commissioner an application for registration as an investment adviser pursuant to Sections 36b-7 and 36b-32 of the Act;

WHEREAS, on March 27, 2019, Reens filed with the Commissioner an application to be registered as an investment adviser agent of Safe Harbour;

WHEREAS, on August 19, 2019, Safe Harbour filed a Form U-5 to terminate the investment adviser agent registration application of Reens. Pursuant to Section 36b-15(e) (1) of the Act, such withdrawal would become effective ninety days thereafter unless the Commissioner were to prescribe a shorter time frame or initiate denial proceedings;

WHEREAS, on September 27, 2019, the Commissioner and Safe Harbour entered into a Consent Order, whereby, among other things, Safe Harbour became registered as an investment adviser under the Act, subject to several restrictions and conditions;

WHEREAS, on October 14, 2019, Horter filed a Form U-5 to terminate the investment adviser agent registration application of Reens. Pursuant to Section 36b-15(e) (1) of the Act, such withdrawal would become effective ninety days thereafter unless the Commissioner were to prescribe a shorter time frame or initiate denial proceedings;

WHEREAS, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking, has conducted an investigation pursuant to Sections 36b-8 and 36b-26 of the Act into the activities of Reens, to determine whether he has violated, is violating or is about to violate provisions of the Act or Regulations (“Investigation”);

WHEREAS, as a result of the Investigation, the Division ascertained that from approximately January 2016 to approximately January 2019 and on an ongoing basis, Reens paid a portion of the investment advisory fees he received from Horter to Safe Harbor Retirement, which was, at the time, not registered in any capacity under the Act, and that Reens failed to disclose this arrangement to affected Horter clients;

WHEREAS, as a result of the Investigation, the Division ascertained that while Reens was registered as an investment adviser agent of Horter, Reens failed to amend Question 13 “Other Business” on his Form U-4 in a timely manner, to reflect that he was doing business as Bulwark Financial, LLC, a Connecticut limited liability company Reens formed on March 23, 2016, in violation of Section 36b-31-14e(a) of the Regulations;

WHEREAS, as a result of such Investigation, the Division believes that a basis exists under Section 36b-27 of the Act for, *inter alia*, the entry of an order to cease and desist and the imposition of a fine against Reens;

WHEREAS, as a result of such Investigation, the Division believes that a basis exists under Sections 36b-15(a)(2)(B) and 36b-15(a)(2)(H) of the Act and Section 36b-31-15d(a)(3) of the Regulations for denying, restricting or imposing conditions on the securities or investment advisory activities that Reens may perform in and from Connecticut;

WHEREAS, Section 36b-31(a) of the Act, provides, in relevant part, that “[t]he commissioner may from time to time make . . . such . . . orders as are necessary to carry out the provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, Section 36b-31(b) of the Act, provides, in relevant part, that “[n]o . . . order may be made . . . unless the commissioner finds that the action is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of sections 36b-2 to 36b-34, inclusive”;

WHEREAS, an administrative proceeding initiated under Sections 36b-27 and Section 36b-15 of the Act would constitute a “contested case” within the meaning of Section 4-166(4) of the General Statutes of Connecticut;

WHEREAS, Section 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, Reens expressly consents to the Commissioner's jurisdiction under the Act and to the terms of this Consent Order;

AND WHEREAS, the issuance of this Consent Order is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Reens, through his execution of this Consent Order, voluntarily waives the following rights:

1. To be afforded notice and an opportunity for a hearing within the meaning of Sections 36b-27 and 36b-15(f) of the Act and Section 4-177(a) of the General Statutes of Connecticut;
2. To present evidence and argument and to otherwise avail himself of Sections 36b-27 and 36b-15(f) of the Act and Section 4-177c(a) of the General Statutes of Connecticut;
3. To present his position in a hearing in which he is represented by counsel;
4. To have a written record of the hearing made and a written decision issued by a hearing officer; and
5. To seek judicial review of, or otherwise challenge or contest the matters described herein, including the validity of this Consent Order.

III. ACKNOWLEDGEMENT OF THE COMMISSIONER'S ALLEGATIONS

WHEREAS, Reens, through his execution of this Consent Order, acknowledges the following allegations of the Commissioner:

1. From approximately January 2016 to approximately January 2019, Reens violated Section 36b-5(f) of the Act;
2. From approximately March 2016 to approximately April 2018, Reens violated Section 36b-31-14e(a) of the Regulations;
3. A basis exists under Section 36b-27 of the Act for the entry of an order to cease and desist and the imposition of a fine against Reens; and
4. A basis exists under Sections 36b-15(a)(2)(B) and 36b-15(a)(2)(H) of the Act and Section 36-31-15d(a)(3) of the Regulations for denying, suspending or revoking the investment adviser agent registration of Reens.

IV. CONSENT TO ENTRY OF SANCTIONS AND REMEDIAL MEASURES

WHEREAS, Reens, through his execution of this Consent Order and without admitting or denying the foregoing allegations, consents to the Commissioner's entry of a Consent Order imposing on him the following sanctions and remedial measures:

1. No later than the date this Consent Order is entered by the Commissioner, Reens shall remit to the department by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut" the sum of four thousand dollars (\$4,000) as an administrative fine; and
2. Reens shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act, either directly or through any person, organization or other device, including, without limitation, violating Section 36b-5(f) of the Act and engaging in dishonest or dishonest business practices within the meaning of Section 36b-15(a)(2)(H) of the Act and Section 36-31-15d(a)(3) of the Regulations.

V. CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions and Remedial Measures set forth above be and are hereby entered;
2. Entry of this Consent Order by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Reens based upon a violation of this Consent Order or the matters underlying its entry if the Commissioner determines that compliance with the terms herein is not being observed or if any representation made by Reens in connection with his application is subsequently determined to be untrue;
3. Nothing in this Consent Order shall be construed as limiting the Commissioner's ability to take enforcement action against Reens based upon evidence of which the Division was unaware on the date hereof relating to a violation of the Act or any regulation, rule or order adopted or issued under the Act;
4. Reens shall not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation referenced in this Consent Order or create the impression that this Consent Order is without factual basis;
5. Reens shall not take any position in any proceeding brought by or on behalf of the Commissioner, or to which the Commissioner is a party, that is inconsistent with any part of this Consent Order. However, nothing in this Consent Order affects Reens' testimonial obligations or right to take any legal or factual position in litigation, arbitration, or other legal proceedings in which the Commissioner is not a party;
6. Nothing in this Consent Order shall be construed to restrict or prohibit any criminal law enforcement agency from reviewing, investigating or prosecuting any matter within its jurisdiction;

7. Contemporaneously with the entry of this Consent Order, Reens' application to be registered as an investment adviser agent of Safe Harbour shall be deemed withdrawn;
8. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 22nd day of October 2019.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Daniel Reens, state that I have read the foregoing Consent Order, that I know and fully understand its contents; that I agree freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that I consent to the entry of this Consent Order.

_____/s/_____
Daniel Reens

State of: Connecticut

County of: Fairfield

On this 17th day of October 2019, before me, the undersigned officer, personally appeared Daniel Reens, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand.

_____/s/_____

Notary Public
Date Commission Expires: September 30, 2021