
*
IN THE MATTER OF: *
*
TAM CAPITAL MANAGEMENT INC. *
*
(IARD number 155271) *
*

STIPULATION AND AGREEMENT
No. ST-19-8527-S

WHEREAS, the Banking Commissioner (the “Commissioner”) is responsible for administering Chapter 672a of the Connecticut General Statutes, the Connecticut Uniform Securities Act (the “Act”) and Sections 36b-31-2 *et seq.* of the Regulations of Connecticut State Agencies (the “Regulations”) promulgated under the Act;

WHEREAS, TAM Capital Management Inc. (the “Adviser”) is an investment adviser formed under New York law on September 15, 2010. On December 9, 2011, the Adviser became registered as an investment adviser with the Securities and Exchange Commission under the federal Investment Advisers Act of 1940;

WHEREAS, on September 15, 2014, the Adviser reported on an amended Uniform Application For Investment Adviser Registration (Form ADV) filing that it had changed its principal place of business from 1914 Bay Avenue, #5, Brooklyn, New York 11230 to its current location at 63 Crane Road North, Stamford, Connecticut 06902;

WHEREAS, Section 36b-6(c)(1) of the Act provides, in part, that: “No person shall transact business in this state as an investment adviser unless registered as such by the commissioner as provided in sections 36b-2 to 36b-34, inclusive, or exempted pursuant to subsection (e) of this section.” Section 36b-6(e) provides an exemption from state registration for “[a]ny investment adviser that (1) is registered or required to be registered under Section 203 of the Investment Advisers Act of 1940. . . Any investment adviser claiming an exemption pursuant to subdivision (1) of this subsection . . . shall first file with the commissioner a notice of exemption together with a consent to service of process as required by subsection (g) of section 36b-33 and shall pay to the commissioner or to any person designated by the commissioner in writing to collect such fee on behalf of the commissioner a nonrefundable fee . . . Such notice of exemption shall be valid until December thirty-first of the calendar year in which it was first filed and may be renewed annually thereafter upon submission of such information as the commissioner may require together with a nonrefundable fee . . .” Public Act 17-2 amended subsection (e) effective December 1, 2017 to increase the initial notice filing fee from \$250 to \$275 and the renewal fee from \$150 to \$175;

WHEREAS, the Adviser did not make the notice filing required by Section 36b-6(e) of the Act until March 18, 2019;

WHEREAS, on March 25, 2019, anticipating that its assets under management would no longer qualify it for federal investment adviser registration, the Adviser 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 April 23, 2019, the Adviser filed a Notice of Withdrawal from Registration as an Investment Adviser terminating its federal registration and its Connecticut notice filing;

WHEREAS, the Commissioner, through the Securities and Business Investments Division (the "Division") of the Department of Banking conducted a review of the Adviser's state application for investment adviser registration pursuant to Sections 36b-8 and 36b-26 of the Act;

WHEREAS, as a result of such review, the Commissioner alleges that, from September 15, 2014 until March 25, 2019 when a notice was filed, the Adviser failed to make the investment advisory notice filing required by Section 36b-6(e) of the Act and failed to pay the fees required by that section;

WHEREAS, upon being apprised of the Division's concerns, the Adviser was forthcoming in supplying requested information;

WHEREAS, Chapter 54 of the Connecticut General Statutes permits the resolution of a contested case by stipulation or agreed settlement;

WHEREAS, the Adviser desires to settle the matters described herein relating to its notice filing delinquency and, without either admitting or denying the truth of the Commissioner's allegations set forth hereinabove, voluntarily enters into this Stipulation and Agreement, acknowledging that this Stipulation and Agreement is in lieu of any court action or administrative proceeding adjudicating any issue of fact or law on the matters described herein;

WHEREAS, the Adviser, through its execution of this Stipulation and Agreement, voluntarily waives any rights it may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Stipulation and Agreement;

WHEREAS, the Adviser fully understands that this Stipulation and Agreement will in no way preclude additional proceedings by the Commissioner against the Adviser for acts or omissions not specifically addressed in this Stipulation and Agreement or for acts and/or omissions that do not arise from the facts or transactions herein addressed;

NOW THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. No later than the date this Stipulation and Agreement is executed by the Commissioner, the Adviser shall remit to the department by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut," the sum of one thousand eight hundred seventy five dollars (\$1,875), one thousand dollars (\$1,000) of which shall constitute an administrative penalty and eight hundred seventy five dollars (\$875) of which shall represent reimbursement for past due investment advisory notice filing fees;
2. The Adviser, its officers, directors, affiliates, representatives and successors in interest shall refrain from engaging in conduct constituting or which would constitute a violation of the Act or the Regulations thereunder;
3. Execution of this Stipulation and Agreement by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against the Adviser or its successors in interest based upon a violation of this Stipulation and Agreement or the basis for its entry if the Commissioner determines that compliance is not being observed with the terms hereof or if any representation made by or on behalf of the Adviser in conjunction with the Adviser's application for investment adviser registration is subsequently determined to be untrue;
4. Contemporaneously with the execution of this Stipulation and Agreement by the Commissioner, the name "TAM Capital Management Inc." shall be entered on the register of investment advisers pursuant to Section 36b-8 of the Act; and
5. This Stipulation and Agreement shall become binding when executed by the Adviser and the Commissioner.

IN WITNESS WHEREOF, the undersigned have executed this Stipulation and Agreement on the dates indicated.

Dated at Hartford, Connecticut
this 6th day of Aug. 2019.

_____/s/_____
Jorge L. Perez
Banking Commissioner

I, Tsemach Aaron Mishal, state on behalf of TAM Capital Management Inc., that I have read the foregoing Stipulation and Agreement; that I know and fully understand its contents; that I am authorized to execute this Stipulation and Agreement on behalf of TAM Capital Management Inc. and that TAM Capital Management Inc. agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

TAM Capital Management Inc.

By: _____/s/_____
Tsemach Aaron Mishal
President and Portfolio Manager

State of: Connecticut)

County of: Fairfield) ss: Stamford

On this 2nd day of August 2019, personally appeared Tsemach Aaron Mishal, signer of the foregoing Stipulation and Agreement, who, being duly sworn, did acknowledge to me that he was authorized to execute the same on behalf of TAM Capital Management Inc., a corporation, and acknowledged the same to be his free act and deed, before me.

_____/s/_____

Notary Public

My Commission Expires: August 31, 2023