
*
IN THE MATTER OF: *
*
PUSSER’S HOLDINGS INVESTMENT LLC *
*
HARBOR CAP PARTNERS LLC *
*
STUART JAMIESON *
*
(Collectively, “Respondents”) *
*

CONSENT ORDER
MATTER NO. CO-22-201914440-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, the Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking, conducted an investigation pursuant to Section 36b-26(a) of the Act into the activities of Respondents to determine if they violated, were violating or were about to violate provisions of the Act or Regulations (“Investigation”);

WHEREAS, as a result of the Investigation, on January 5, 2022, the Commissioner, acting pursuant to Section 36b-27 of the Act, issued an Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Fine and Notice of Right to Hearing against Respondents (Docket No. CRF-21-201914440-S) (collectively, “Notice”), which Notice is incorporated by reference herein;

WHEREAS, on, January 18, 2022 Respondents requested a hearing on the matters alleged in the Notice;

WHEREAS, on January 21, 2022, the Commissioner issued a Notification of Hearing and Designation of Hearing Officer, wherein the Commissioner appointed Department of Banking Attorney

Eric Beckenstein as the Hearing Officer and scheduled a hearing on the matters alleged in the Notice for March 15, 2022 (“Hearing”);

WHEREAS, on March 10, 2022, the Hearing Officer continued the Hearing, based on a joint request by the parties, to May 12, 2022;

WHEREAS, Section 36b-27(f) of the Act provides, in relevant part, that “[a]ny time after the issuance of an order or notice provided for in subsection (a), (b) . . . or subdivision (1) of subsection (d) of this section, the commissioner may accept an agreement by any respondent named in such order or notice to enter into a written consent order in lieu of an adjudicative hearing”;

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 Section 36b-27 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 of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

WHEREAS, Respondents and the Commissioner now desire to resolve the matters alleged in the Notice without the need for further administrative proceedings;

WHEREAS, the Commissioner finds that 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;

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

WHEREAS, as of the date of the entry of this Consent Order, the Division has been provided with documentation that reflects that the investors in the PHI Debt and Rights Offering have been repaid and made whole, while the investors of the PHI Class A Units offering have outstanding investment losses in the amount of \$1.6 million. Specifically, the securities underlying the PHI Debt and Rights Offering were purchased by a third party, who thereafter repaid the investors in the PHI Debt and Rights Offering. There was no such buyer for the securities underlying the PHI Class A Units;

WHEREAS, Respondent Jamieson has provided to the Division evidence that he has sent the investors of the PHI Class A Units a letter (the "Letter") acknowledging his responsibility for filing a notice of claim of exemption from registration under Section 36b-21 of the Act and that he failed to make such filing. The Letter requested that the investors of the PHI Class A Units acknowledge that they have not been prejudiced by the lack of filing and all the investors have acknowledged the same in writing; Moreover, consistent with the Letter, none of these investors contacted the Department with complaints or concerns about the unregistered PHI Class A Units;

WHEREAS, Respondent Jamieson has provided the Division with a sworn financial affidavit and supporting documentation demonstrating that Respondents are financially unable to pay the fine of \$10,000 and that such fine will be stayed for a period of three years (as set forth in Section IV below);

WHEREAS, although the Commissioner is authorized to order restitution pursuant to Section 36b-27(b) of the Act, the Commissioner is not ordering restitution in this case because: 1) the investors of the PHI Debt and Rights Offering have been repaid; and 2) the investors of the PHI Class A Units have provided the above-mentioned Letter;

WHEREAS, Respondents acknowledge that they have had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and execute this Consent Order freely;

AND WHEREAS, Respondents, through their execution of this Consent Order, specifically assure the Commissioner that none of the violations alleged in the Notice or this Consent Order shall occur in the future.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Respondents, through their execution of this Consent Order, voluntarily waive the following rights:

1. To be afforded an opportunity for a hearing within the meaning of Section 36b-27 of the Act and Section 4-177(a) of the General Statutes of Connecticut;
2. To present evidence and argument and to otherwise avail themselves of Section 36b-27 of the Act and Section 4-177c(a) of the General Statutes of Connecticut;
3. To present their position in a hearing in which they are 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, Respondents, through their execution of this Consent Order, acknowledge the Commissioner's allegation, without admitting or denying them.

WHEREAS, the Commissioner would have the authority to enter findings of fact and conclusions of law after granting Respondents an opportunity for a hearing;

AND WHEREAS, Respondents acknowledge the possible consequences of an administrative hearing and voluntarily agree to consent to the entry of the sanctions described below.

IV. CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Respondents, through their execution of this Consent Order, consent to the Commissioner's entry of a Consent Order imposing on them the following sanctions:

1. Respondents shall cease and desist from directly or indirectly violating the provisions of the Act or any regulation, rule or order adopted or issued under the Act, including without limitation, engaging in any activity in or from Connecticut that violates Section 36b-16 of the Act;
2. Commencing on the date this Consent Order is executed by the Commissioner and continuing for five (5) years thereafter, prior to any issuance, offer or sale of securities in or from Connecticut by Respondents and/or their affiliates and successors in interest, Respondents shall: (a) retain legal counsel experienced in Connecticut securities law and not unacceptable to the Division Director to advise each of them on compliance with the securities laws of Connecticut and other jurisdictions (“Retained Counsel”); and (b) refrain from issuing, offering or selling securities in or from Connecticut until Respondents ensure that Retained Counsel (i) has reviewed any proposed offering and has explicitly confirmed to Respondents that any proposed offering comports with applicable Connecticut law and regulations; and 2) prior to any offering of securities made in Connecticut, Retained Counsel has prepared and submitted any required registration or other required documents and fees to the Division, including but not limited to, any offerings wherein there is a basis for any claim of exemption or covered security status under Section 36b-21 of the Act.
3. Based on the contents of the financial affidavit submitted by Jamieson to the Division, the imposition of any fine that otherwise would have been imposed against Respondents pursuant to Section 36b-27 of the Act shall be temporarily stayed for three years from the date this Consent Order is entered by the Commissioner, provided that such stay shall no longer be in force and effect, and Respondents will be obligated to immediately pay a fine of ten thousand dollars (\$10,000) by the Commissioner, if the Commissioner ascertains at any time that (i) any Respondent is able to pay an administrative fine; or (ii) Respondents failed to disclose any material asset, materially misstated the value of any asset or made any other material misstatement or omission in the financial affidavit. This paragraph is without prejudice to the right of the Commissioner, in his discretion, to take such further action on the matter in the future following expiration of the temporary stay as may be warranted by the then existing circumstances. Respondents, through their execution of this Consent Order, knowingly, wilfully and voluntarily waive their right to notice and an administrative hearing in conjunction with the implementation of this paragraph; provided, however, that, prior to invoking any enforcement measures contemplated by this paragraph, the Commissioner shall provide the relevant Respondent with an informal opportunity to demonstrate its/his compliance with this Consent Order. After the expiration of three years from the date this Consent Order is entered, if the Division determines that Respondents are still unable to pay administrative fine, such fine will be waived.

V. CONSENT ORDER

NOW THEREFORE, the Commissioner enters the following:

1. The Sanctions 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 Respondents 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 any Respondent and set forth herein 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 Respondents 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. Respondents shall not take any action or make or permit to be made any public statement, including in regulatory filings, any proceeding in any forum 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. Except as specifically provided herein, Respondents 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. Nothing in this provision affects Respondents' (i) testimonial obligations; or (ii) right to take any legal or factual position that may contradict an allegation in this Consent Order in litigation or other legal proceedings in which the Commissioner is not a party;

7. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 20th day of July 2022

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Stuart Jamieson, 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/_____
Stuart Jamieson

State of: Connecticut

County of: Fairfield

On this the 20th day of July 2022, before me, the undersigned officer, personally appeared Stuart Jamieson, 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 / Commissioner of the Superior Court
Date Commission Expires: 3/31/25

CONSENT TO ENTRY OF ORDER

I, Stuart Jamieson, state on behalf of Pusser’s Holdings Investment LLC (“Pusser’s”), that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Pusser’s; that Pusser’s agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Pusser’s consents to the entry of this Consent Order.

Pusser’s Holdings Investment LLC

By: _____/s/_____
Stuart Jamieson
Chief Executive Officer

State of: Connecticut

County of: Fairfield

On this the 20th day of July 2022, before me, the undersigned officer, personally appeared Stuart Jamieson, who acknowledged himself to be the Chief Executive Officer of Pusser’s, and that he, as such Chief Executive Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Pusser’s by himself as Chief Executive Officer.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 3/31/25

CONSENT TO ENTRY OF ORDER

I, Stuart Jamieson, state on behalf of Harbor Cap Partners LLC (“Harbor Cap”), that I have read the foregoing Consent Order; that I know and fully understand its contents; that I am authorized to execute this Consent Order on behalf of Harbor Cap; that Harbor Cap agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Harbor Cap consents to the entry of this Consent Order.

Harbor Cap Partners LLC

By: _____/s/_____
Stuart Jamieson
Managing Member

State of: Connecticut

County of: Fairfield

On this the 20th day of July 2022, before me, the undersigned officer, personally appeared Stuart Jamieson, who acknowledged himself to be the Managing Member of Harbor Cap, and that he, as such Managing Member, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of Harbor Cap by himself as Managing Member.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 3/31/25