

ORDER

The foregoing Motion for Judgment in Accordance with Stipulation having been heard, it is hereby ORDERED: Granted / Denied.

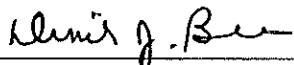
BY THE COURT

Clerk/Judge

CERTIFICATION

I hereby certify that a copy of the foregoing Motion for Judgment in Accordance with Stipulation was mailed, first class postage prepaid, this 4th day of December, 2009 to:

Richard Slavin, Esq.
Cohen and Wolf, P.C.
320 Post Road West
Westport, Connecticut 06880



Dinah J. Bee
Assistant Attorney General

Docket No. HHD-CV09-5032632-S

HOWARD F. PITKIN, BANKING COMMISSIONER	:	SUPERIOR COURT
	:	
v.	:	JUDICIAL DISTRICT OF HARTFORD AT HARTFORD
	:	
	:	
CHAD A. VERDI	:	NOVEMBER 19, 2009

STIPULATION FOR JUDGMENT

The Parties hereby stipulate and agree as follows:

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

2. The Commissioner, through the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”), conducted an investigation pursuant to Section 36b-26(a) of the Act into the activities of Chad A. Verdi (“Verdi”) to determine whether he had violated, was violating or was about to violate any provisions of the Act or Regulations (“Investigation”).

3. As a result of the Investigation, the Commissioner believed that from at least July 2004 to at least September 2004, Verdi, acting as an agent of Markland Technologies, Inc. (“Markland”), attempted to effect the sale of securities in the form of convertible debentures issued by Markland and on or about September 2004, Verdi,

acting as an agent of Markland, effected the sale of Four Million Dollars (\$4,000,000) of Markland debentures to a Connecticut investor, when he was not registered as an agent of Markland in violation of Section 36b-6(a) of the Act.

4. As a result of the investigation, the Commissioner believed that during an investigatory deposition conducted by the Division, Verdi made statements about his role in soliciting investors and participating in negotiations with the Connecticut investor that were, at the time and in light of the circumstances under which they were made, false or misleading in a material respect, in violation of Section 36b-23 of the Act.

5. On September 1, 2009, the Commissioner filed this action seeking an injunction and other relief against Verdi for the violations alleged therein.

6. Verdi, through his execution of this Stipulation for Judgment, acknowledges that the Commissioner has made the following allegations, without admitting or denying them:

- a) From at least July 2004 to at least September 2004, Verdi violated Section 36b-6(a) of the Act by attempting to effect or effecting the sale of securities as an agent of Markland without registration as an agent of Markland under the Act; and
- b) During an investigatory deposition, Verdi made statements which were, at the time and in light of the circumstances under which they were made, false or misleading in a material respect, in violation of Section 36b-23 of the Act;

7. Verdi, through his execution of this Stipulation for Judgment, acknowledges and admits the following:

- a) From at least July 2004 to at least September 2004, Verdi attempted to effect transactions in the securities of Markland; and
- b) During the course of testifying under oath at the Department, Verdi may have given incomplete answers to certain questions posed by the Department staff.

8. Verdi asserts that he did not sell any securities or effect any transactions in Markland securities.

9. Verdi hereby stipulates and agrees to a judgment imposing on him the following sanctions:

- a) A permanent injunction from violating, directly or indirectly, under any name or names or through any corporate or other device, the Act and the Regulations thereunder;
- b) No later than ten (10) business days after the date the Court grants judgment in accordance with this Stipulation for Judgment, Verdi shall remit to the Department of Banking, by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut," the sum of Forty Thousand Dollars (\$40,000) as an administrative fine;
- c) For a period of ten (10) years commencing on the date the Court grants judgment in accordance with this Stipulation for Judgment, Verdi shall be **barred** from acting in Connecticut as a broker-dealer, agent, investment

adviser or investment adviser agent, as such terms are defined in the Act.

- d) Eighteen (18) months following the date the Court grants judgment in accordance with this Stipulation for Judgment, Verdi shall file with the Commissioner a sworn affidavit verifying that he is in compliance with the terms of this Stipulation for Judgment;

10. Any provision of this Stipulation for Judgment that is binding upon Verdi is binding upon him and upon his successors, assigns, officers, agents, servants, employees and those persons in active concert or participation with him, who receive actual notice of this Stipulation for Judgment by personal service or otherwise, whether acting directly or through any corporation, partnership or other entity or device.

11. Verdi knowingly and voluntarily waives any right he may have to judicial review by any court by way of suit, appeal or extraordinary relief resulting from the entry of judgment based upon this Stipulation for Judgment.

12. Verdi executes this Stipulation for Judgment voluntarily and in so doing represents that no threats, offers, promises or inducements of any kind have been made by the Commissioner or any employee, agent or representative of the Commissioner to induce Verdi to agree to this Stipulation for Judgment.

13. In agreeing to this Stipulation for Judgment, Verdi acknowledges that he has been represented by counsel in this matter, that he has reviewed this Stipulation for Judgment with his counsel and that he understands all the terms and conditions contained herein.

14. With respect to this matter, Verdi admits that the Court has personal jurisdiction over him.

15. Verdi agrees that the Court shall retain jurisdiction over this matter for the purposes of enforcing the terms of any judgment based upon this Stipulation for Judgment.


THE PLAINTIFF

THE DEFENDANT

HOWARD F. PITKIN,
BANKING COMMISSIONER

CHAD A. VERDI

RICHARD BLUMENTHAL
ATTORNEY GENERAL

BY: 

BY: 

Dinah J. Bee
Assistant Attorney General
Juris No. 421664
55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120
Tel: 860 808-5270
Fax: 860 808-5385
dinah.bee@po.state.ct.us

Richard Slavin, Esq
Cohen and Wolf, P.C.
Juris No. 10032
320 Post Road West
Westport, CT 06880
Tel: 203 341-5310
Fax: 203 341-5311
rslavin@cohenandwolf.com