

STATE OF CONNECTICUT
DEPARTMENT OF BANKING
260 CONSTITUTION PLAZA • HARTFORD, CT 06103-1800



Jorge L. Perez
Commissioner

IN THE MATTER OF:
CHRISTOPHER SAKELARAKIS

ORDER TO CEASE AND DESIST
ORDER TO MAKE RESTITUTION
NOTICE OF INTENT TO FINE
AND
NOTICE OF RIGHT TO HEARING
DOCKET NO. CRF-18-8412-S

I. PRELIMINARY STATEMENT

1. 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.

2. Pursuant to Section 36b-26(a) of the Act, the Commissioner, through the Securities and Business Investments Division ("Division") of the Department of Banking, has conducted an investigation into the activities of Christopher Sakelarakis ("Respondent") to determine if Respondent has violated, is violating or is about to violate provisions of the Act or Regulations ("Investigation").

3. As a result of the Investigation, the Commissioner has reason to believe that Respondent has violated certain provisions of the Act.

4. As a result of the Investigation, the Commissioner has the authority to issue a cease and desist order against Respondent pursuant to Section 36b-27(a) of the 2018 Supplement to the General Statutes ("2018 Supplement").

5. As a result of the Investigation, the Commissioner has the authority to order that Respondent make restitution pursuant to Section 36b-27(b) of the 2018 Supplement.

6. As a result of the Investigation, the Commissioner has the authority to impose a fine upon Respondent pursuant to Section 36b-27(d) of the 2018 Supplement.

II. RESPONDENT

7. Respondent is an individual whose address last known to the Commissioner is 500 West Avenue, Apt. 326, Norwalk, Connecticut 06850. Respondent has not been registered in any capacity under the Act.

III. PROCEDURAL HISTORY

8. In connection with the Investigation, on January 19, 2018, the Division issued a subpoena to Respondent pursuant to Section 36b-26(b) of the Act requesting that he appear before the Division on February 6, 2018 for on the record testimony and for the production of records. Respondent failed to appear on February 6, 2018. After the Division contacted Respondent and agreed to reschedule the testimony for February 9, 2018, Respondent sought a continuance until February 28, 2018. Respondent failed to appear at the Division for his on the record testimony and production of documents on February 28, 2018.

IV. STATEMENT OF FACTS

9. Investor A is a Connecticut resident who became acquainted with Respondent in approximately October 2017.

10. On October 23, 2017, Investor A gave Respondent \$60,000, and Respondent and Investor A entered into a "General Service Agreement" ("GSA"). The GSA provided that Respondent would invest Investor A's monies in "stocks, options and other financial instruments on [Investor A's] behalf." The GSA provided that Respondent's "[investment] discretion shall be absolute and shall not require the

consent of [Investor A],” and that Investor A would pay Respondent a “10% commission of the net profits at the time of distributions and at end of [sic] agreement.”

11. Despite Respondent’s representation to Investor A, Respondent did not use Investor A’s \$60,000 to invest and/or trade in the stock market, but rather used at least a portion of the investment proceeds to pay for personal expenses.

12. The investment agreement as evidenced by the GSA is a security within the meaning of Section 36b-3(19) of the Act. Such security was not registered under Section 36b-16 of the Act nor was it the subject of a filed exemption claim or claim of covered security status.

IV. STATUTORY BASIS FOR ORDER TO CEASE AND DESIST, ORDER TO MAKE RESTITUTION AND ORDER IMPOSING FINE

a. Violation of Section 36b-16 of the Act – Offer and Sale of Unregistered Securities

13. Paragraphs 1 through 12, inclusive, are incorporated and made a part hereof as if more fully set forth herein.

14. Respondent offered and sold unregistered securities in or from Connecticut to at least one investor, as more fully described in paragraph 10, which securities were not registered in Connecticut under the Act, as more fully described in paragraph 12. The offer and sale of such securities absent registration constitutes a violation of Section 36b-16 of the Act, which forms a basis for an order to cease and desist to be issued against Respondent under Section 36b-27(a) of the 2018 Supplement, an order that Respondent make restitution under Section 36b-27(b) of the 2018 Supplement, and for the imposition of a fine upon Respondent under Section 36b-27(d) of the 2018 Supplement.

b. Violation of Section 36b-4(a) of the Act – Fraud in Connection with the Offer, Sale or Purchase of any Security

15. Paragraphs 1 through 14, inclusive, are incorporated and made a part hereof as if more fully set forth herein.

16. The conduct of Respondent, as more fully described in paragraphs 9 through 12, inclusive, constitutes, in connection with the offer, sale or purchase of any security, directly or indirectly employing a device, scheme or artifice to defraud, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or engaging in an act, practice or course of business which operates as a fraud or deceit upon any person. Such conduct constitutes a violation of Section 36b-4(a) of the Act, which forms a basis for an order to cease and desist to be issued against Respondent under Section 36b-27(a) of the 2018 Supplement, an order that Respondent make restitution under Section 36b-27(b) of the 2018 Supplement, and for the imposition of a fine upon Respondent under Section 36b-27(d) of the 2018 Supplement.

**V. ORDER TO CEASE AND DESIST, ORDER TO MAKE RESTITUTION,
NOTICE OF INTENT TO FINE AND NOTICE OF RIGHT TO HEARING**

WHEREAS, as a result of the Investigation, the Commissioner finds that, with respect to the activity described herein, Respondent has committed at least one violation of Section 36b-16 of the Act, and at least one violation of Section 36b-4(a) of the Act;

WHEREAS, the Commissioner further finds that the issuance of an Order to Cease and Desist, Order to Make Restitution and the imposition of a fine upon Respondent is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policies and provisions of the Act;

WHEREAS, notice is hereby given to Respondent that the Commissioner intends to impose a maximum fine not to exceed one hundred thousand dollars (\$100,000) per violation upon Respondent;

WHEREAS, the Commissioner **ORDERS** that **CHRISTOPHER SAKELARAKIS CEASE AND DESIST** from directly or indirectly violating the provisions of the Act, including without limitation, (1) offering and selling unregistered securities, and (2) in connection with the offer, sale or purchase of any security, directly or indirectly employing a device, scheme or artifice to defraud, making an untrue statement of a material fact or omitting to state a material fact necessary in order to make the

statements made, in the light of the circumstances under which they are made, not misleading, or engaging in an act, practice or course of business which operates or would operate as a fraud or deceit upon any person;

WHEREAS, the Commissioner **ORDERS** that **CHRISTOPHER SAKELARAKIS MAKE RESTITUTION** of any sums obtained as a result of Respondent's violations of Sections 36b-16 and 36b-4(a) of the Act, plus interest at the legal rate set forth in Section 37-1 of the General Statutes of Connecticut. Specifically, the Commissioner **ORDERS** that:

1. Within thirty (30) days from the date this Order to Make Restitution becomes permanent, Sakelarakis shall provide the Division with a written disclosure which contains (a) the name and address of each investor who entered into a "General Service Agreement" (or similar instrument) with Sakelarakis between approximately October 2017 and the date of this Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Fine and Notice of Right to Hearing; (b) the amount collected from each investor, (c) the date of each investment, and (d) the amount of any refunds of principal or purported interest payments made to each investor;
2. Within forty-five (45) days from the date this Order to Make Restitution becomes permanent, Sakelarakis shall reimburse each investor the amount of funds collected from the investor in connection with a "General Service Agreement" (or similar instrument), less funds returned in the form of purported refunds of principal and purported interest payments. Such restitution shall be made by certified check, and shall be sent by certified mail, return receipt requested, to each affected investor; and
3. Within ninety days (90) days from the date this Order to Make Restitution becomes permanent, Sakelarakis shall provide the Division with proof in the form of copies of the certified checks and the return receipts required by paragraph 2 of Section V of this Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Fine and Notice of Right to Hearing that Sakelarakis has reimbursed each investor the amount of funds collected from the investor plus interest, less funds returned in the form of purported refunds of principal and purported interest payments, with respect to each investor who entered into a "General Service Agreement" (or similar instrument) with Sakelarakis.

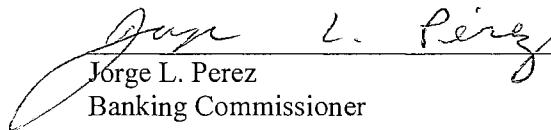
THE COMMISSIONER FURTHER ORDERS THAT, pursuant to Section 36b-27 of the 2018 Supplement, Respondent will be afforded an opportunity for a hearing on the allegations set forth above if a written request for a hearing is received by the Department of Banking, Securities and Business Investments Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800 within fourteen (14) days following Respondent's receipt of this Order. To request a hearing, complete and return the enclosed Appearance and Request for Hearing Form to the above address. If Respondent will not be represented by an attorney at the hearing, please complete the Appearance and Request for Hearing Form

as “pro se”. If a hearing is requested, the hearing will be held on September 13, 2018 at 10 a.m., at the Department of Banking, 260 Constitution Plaza, Hartford, Connecticut.

The hearing will be held in accordance with the provisions of Chapter 54 of the General Statutes of Connecticut. At such hearing, Respondent will have the right to appear and present evidence, rebuttal evidence and argument on all issues of fact and law to be considered by the Commissioner.

If Respondent does not request a hearing within the time period prescribed or fails to appear at any such hearing, the allegations herein against Respondent will be deemed admitted. Accordingly, the Order to Cease and Desist and Order to Make Restitution shall remain in effect and become permanent against Respondent and the Commissioner may order that the maximum fine be imposed upon Respondent.

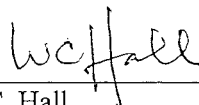
Dated at Hartford, Connecticut,
this 31st day of July 2018.



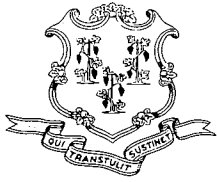
Jorge L. Perez
Banking Commissioner

CERTIFICATION

I hereby certify that on this 1st day of August 2018, I caused to be mailed by certified mail, return receipt requested, the foregoing Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Fine and Notice of Right to Hearing to Christopher Sakelarakis, 500 West Avenue, Apt. 326, Norwalk, Connecticut 06850, certified mail no. 7016 2710 0000 5896 8875.



W.C. Hall
Paralegal



STATE OF CONNECTICUT
DEPARTMENT OF BANKING
260 CONSTITUTION PLAZA • HARTFORD, CT 06103-1800



Jorge L. Perez
Commissioner

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CHRISTOPHER SAKELARAKIS

ORDER TO CEASE AND DESIST
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DOCKET NO. CRF-18-8412-S

APPEARANCE AND REQUEST FOR HEARING

Please enter the appearance of:

(Attorney/Pro Se Respondent)

[Blank lines for appearance information]

(Mailing Address)

E-mail Address: _____

Telephone Number: _____ Facsimile Number: _____

The above-named individual is qualified as provided in Section 36a-1-32 of the Regulations of Connecticut State Agencies and authorized to represent and accept service in the above-entitled case for:

The Respondent

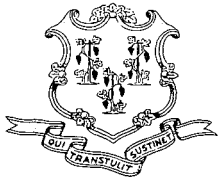
All Respondents

The following Respondent(s) only

Signed: _____
(Attorney/Pro Se Respondent)

Date: _____

By returning this form, you can expect to receive a telephone call with the hearing officer and the prosecuting attorney approximately two weeks prior to the scheduled hearing date to discuss issues related to the number of anticipated witnesses, possibility of settlement and anticipated length of the hearing, and other related issues.



STATE OF CONNECTICUT
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Jorge L. Perez
Commissioner

INSTRUCTIONS

You, Christopher Sakelarakis, are the Respondent in the enclosed Order to Cease and Desist, Order to Make Restitution, Notice of Intent to Fine and Notice of Right to Hearing (collectively "Order"). Under Connecticut law, you have been afforded an opportunity for hearing after reasonable notice. Please read the following instructions carefully.

1. If you wish to request a hearing on the Order, you or your attorney must complete and return the enclosed Appearance and Request for Hearing Form **no later than fourteen (14) days after the date you received the Order**. If you fail to return the Appearance and Request for Hearing Form requesting a hearing, the Order to Cease and Desist and Order to Make Restitution will **automatically become permanent** and the Commissioner may impose the **maximum fine** upon you of one hundred thousand dollars (\$100,000) per violation.
2. You have the right to be represented by an attorney at such hearing. The Appearance and Request for Hearing Form should be mailed to the Department of Banking, Securities and Business Investments Division, 260 Constitution Plaza, Hartford, Connecticut 06103-1800. If you request a hearing within the time specified, the hearing will be held on September 13, 2018 10 a.m., at the Department of Banking, 260 Constitution Plaza, Hartford, Connecticut.
3. You have the right to resolve or settle this case. Please contact the prosecuting attorney if you wish to have such conversations. If you have any additional questions or issues related to this case, or to the date, time or place of the hearings, please contact the prosecuting attorney. The prosecuting attorney assigned to this case is Attorney Elena Zweifler; her telephone number is (860) 240-8145.
4. If you return the Appearance and Request for Hearing Form, the Commissioner may issue a notification of hearing and designation of hearing officer that acknowledges receipt of a request for a hearing, designates a hearing officer and sets the date of the hearing in accordance with Section 4-177 of the General Statutes of Connecticut and Section 36a-1-21 of the Regulations. You can expect to receive a telephone call with the hearing officer and the prosecuting attorney approximately two weeks prior to the scheduled hearing date to discuss issues related to the number of anticipated witnesses, possibility of settlement and anticipated length of the hearing, and other related issues.

TEL: (860) 240-8299

FAX: (860) 240-8178

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website: <http://www.ct.gov/dob>