
*
IN THE MATTER OF: *
*
HERBERT H. HAFEN *
a/k/a ELIAS HERBERT HAFEN *
a/k/a ELIAS NIGGEBRUGGE *
a/k/a E HERBERT NIGGEBRUGGE *
CRD NO. 867068 *

ORDER IMPOSING FINE
DOCKET NO. CDF-20-8474-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 of the Department of Banking (“Department”), conducted an investigation into the activities of Herbert H. Hafen (“Respondent”), pursuant to Section 36b-26(a) of the Act, to determine if Respondent had violated, was violating or was about to violate provisions of the Act or Regulations (“Investigation”);

WHEREAS, on February 11, 2020, based on the Investigation, the Commissioner, acting pursuant to subsections (a) and (d) of Section 36b-27 of the Act, issued an Order to Cease and Desist, Notice of Intent to Fine and Notice of Right to Hearing against Respondent (collectively, “Notice”), which Notice is incorporated by reference herein;

WHEREAS, on February 13, 2020, the Notice was sent by certified mail, return receipt requested, to Respondent;

WHEREAS, On February 29, 2020, Respondent received the Notice;

WHEREAS, Respondent has failed to request a hearing on the allegations set forth in the Notice within 14 days of the date of its receipt;

WHEREAS, on July 8, 2020, a Certification was issued rendering the Order to Cease and Desist permanent as of March 15, 2020, which Certification is incorporated by reference herein;

WHEREAS, Section 36a-1-31(a) of the Regulations of Connecticut State Agencies provides, in pertinent part, that:

When a party fails to request a hearing within the time specified in the notice, the allegations against the party may be deemed admitted. Without further proceedings or notice to the party, the commissioner shall issue a final decision in accordance with section 4-180 of the Connecticut General Statutes and section 36a-1-52 of the Regulations of Connecticut State Agencies, provided the commissioner may, if deemed necessary, receive evidence from the department, as part of the record, concerning the appropriateness of the amount of any . . . fine . . . sought in the notice.

WHEREAS, Section 36b-31(a) of the Act provides, in pertinent 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”;

AND WHEREAS, Section 36b-31(b) of the Act provides, in pertinent 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.”

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Commissioner finds that the facts as set forth in paragraphs 7 through 14, inclusive, of the Notice, shall constitute findings of fact within the meaning of Section 4-180(c) of the General Statutes of Connecticut and Section 36a-1-52 of the Regulations, and that the Statutory Basis for Order to Cease and Desist and Order Imposing Fine set forth in paragraphs 15 and 16 of the Notice shall constitute

conclusions of law within the meaning of Section 4-180(c) of the General Statutes of Connecticut and Section 36a-1-52 of the Regulations.

2. The Commissioner finds that Respondent committed at least one violation of Section 36b-5(f) of the Act.

3. The Commissioner finds that the facts require the imposition of a fine upon Respondent.

4. The Commissioner finds that the Notice complied with the requirements of Section 36b-27 of the Act and Section 4-177 of the General Statutes of Connecticut.

5. The Commissioner finds that the imposition of a fine upon Respondent is necessary and appropriate in the public interest and 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, of the Act.

III. ORDER

Having read the record, I hereby **ORDER**, pursuant to Section 36b-27(d) of the Act that:

1. A fine of One Hundred Thousand Dollars (\$100,000) shall be imposed upon Herbert H. Hafen, such fine to be remitted to the Department by cashier's check, certified check or money order, made payable to "Treasurer, State of Connecticut", no later than forty-five (45) days from the date this Order Imposing Fine is mailed; and
2. This Order Imposing Fine shall become final when mailed.

Dated at Hartford, Connecticut,
this 17th day of August 2020.

_____/s/_____
Jorge L. Perez
Banking Commissioner

This Order was sent by certified mail,
return receipt requested, to Respondent
on 8/21, 2020.

Herbert H. Hafen
1513 Dallas Avenue
Nashville, Tennessee 37212

Certified mail no. 70191640000015848853