
*
IN THE MATTER OF: *
*
THOMAS JAMES RENISON *
CRD NO. 6039707 *

CONSENT ORDER
DOCKET NO. CRF-19-8426-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 (“Department”), conducted an investigation pursuant to Section 36b-26(a) of the Act into the activities of Thomas James Renison (“Respondent”) to determine if he had violated, was violating or was about to violate provisions of the Act (“Investigation”);

WHEREAS, as a result of the Investigation, on January 9, 2020, the Commissioner, acting pursuant to Section 36b-27 of the Act issued an Order to Cease and Desist, Notice of Intent to Fine and Notice of Right to Hearing (Docket No. CRF-19-8426-S) (collectively, “Notice”) against Respondent, which Notice is incorporated by reference herein;

WHEREAS, on January 31, 2020, Respondent requested a hearing on the matters alleged in the Notice;

WHEREAS, on February 20, 2020, the Commissioner issued a Notification of Hearing and Designation of Hearing Officer wherein the Commissioner appointed Staff Attorney Matthew Saunig as Hearing Officer, and scheduled a hearing on the matters alleged in the Notice for March 25, 2020, at 10 a.m. (“Hearing”);

WHEREAS, Hearing Officer Saunig granted several continuances of the Hearing, with the Hearing being currently scheduled for March 24, 2021, at 10 a.m.;

WHEREAS, Respondent was purportedly a member of ARO Equity, LLC (“ARO”) in lieu of and as nominee for his father Thomas David Renison (“TDR”) and had a 5% ownership stake in ARO;

WHEREAS, Respondent allowed TDR to make deposits and withdrawals from bank accounts held in the name of Respondent, and for which Respondent was the sole authorized signatory, which materially aided ARO’s and TDR’s violations of the antifraud provisions of Section 36b-4(a) of the Act;

WHEREAS, Respondent was registered as a broker-dealer agent under the Act during various times from October 28, 2013 through March 6, 2018;

WHEREAS, Respondent failed to disclose his involvement with ARO as an outside business activity on his Form U4 that was filed with the Commissioner. Respondent’s statement contained in his Form U4 was, at the time and in the light of the circumstances under which it was made, false or misleading in a material respect and contained omissions of material fact;

WHEREAS, on February 11, 2019, Respondent was barred from association with any FINRA member in any capacity (Docket/Case Number 2018057688801);

WHEREAS, Respondent has provided documentation to the Division demonstrating that he is financially unable to pay the administrative fine that might otherwise have been imposed against him pursuant to Section 36b-27 of the Act as a result of an administrative proceeding or as a term of this Consent Order;

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 Sections 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 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) . . . 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 4-177(c) of the General Statutes of Connecticut and Section 36a-1-55(a) of the Regulations provide that a contested case may be resolved by consent order, unless precluded by law;

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

WHEREAS, Respondent expressly consents to the Commissioner’s jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, Respondent, through his execution of this Consent Order, specifically assures the Commissioner that the violations alleged in the Notice shall not occur in the future;

AND WHEREAS, the Commissioner finds that the entry 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.

II. CONSENT TO WAIVER OF PROCEDURAL RIGHTS

WHEREAS, Respondent, through his execution of this Consent Order, voluntarily waives the following rights:

1. To be afforded notice and 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 himself of Section 36b-27 of the Act and Section 4-177c(a) of the General Statutes of Connecticut;
3. To present his position in a hearing in which he is 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, Respondent, through his execution of this Consent Order, acknowledges the allegations of the Commissioner in the Notice, and admits that, if the allegations were proven, the Commissioner could find facts to support the issuance of an order to cease and desist and/or an order imposing a maximum administrative fine of One Hundred Thousand Dollars (\$100,000) per violation of the Act or any regulation, rule or order adopted or issued under the Act;

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

AND WHEREAS, Respondent acknowledges the possible consequences of an administrative hearing and voluntarily agrees to consent to the entry of the sanctions described below.

IV. CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Respondent, through his execution of this Consent Order, consents to the Commissioner's entry of a Consent Order imposing the following sanctions:

1. Respondent shall cease and desist from directly or indirectly violating, or materially aiding in the violation of, the Act and Regulations, including without limitation, (i) in connection with the offer, sale or purchase of any security, directly or indirectly employing any 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; and (ii) filing a document with the Commissioner that contains a statement that is, at the time and in light of the

circumstances under which it is made, false or misleading in any material respect or that omits to state material facts in violation of Section 36b-23 of the Act;

2. Based on the contents of the financial affidavit submitted by the Respondent to the Division, the imposition of any fine that otherwise would have been imposed against Respondent 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 Respondent will be obligated to immediately pay a fine of \$100,000 by the Commissioner, if the Commissioner ascertains at any time that (i) the Respondent is able to pay an administrative fine; or (ii) Respondent 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. The Respondent, through his execution of this Consent Order, knowingly, wilfully and voluntarily waives his 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 Respondent with an informal opportunity to demonstrate 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 the Respondent is still unable to pay an administrative fine, such fine will be waived; and
3. From the date this Consent Order is entered by the Commissioner, Respondent shall be permanently **BARRED** from: (i) transacting business in or from Connecticut as an agent, broker-dealer, broker-dealer agent, investment adviser or investment adviser agent as such terms are defined in the Act, and notwithstanding any definitional exclusion that might otherwise be available under the Act; (ii) maintaining a direct or indirect ownership interest in a broker-dealer or investment adviser registered or required to be registered in Connecticut; and (iii) acting in any other capacity which requires a license or registration under laws administered by the Commissioner.

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 Respondent 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;
3. Nothing in this Consent Order shall be construed as limiting the Commissioner's ability to take enforcement action against Respondent based upon evidence of which the Division was unaware on the date hereof relating to a violation of the Act or any regulation or order under the Act;
4. Respondent 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. Respondent 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 Respondent's (i) testimonial obligations or (ii) right to take a legal or factual position in litigation, arbitration, or other legal proceeding in which the Commissioner is not a party; and
6. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 25th day of March 2021.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Thomas James Renison, 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/_____
Thomas James Renison

Date: 3/25/2021