
IN THE MATTER OF:
J.A.G. CAPITAL, LLC
JOSEPH RICHARD BOZZI
CRD NO. 6140946

(Collectively, “Respondents”)

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CONSENT ORDER
MATTER NO. CRF-23-8398-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, J.A.G. Capital, LLC (“JAG”) is a Connecticut limited liability company that was formed on March 18, 2016. JAG’s principal place of business and addresses last known to the Commissioner are: 33 South Cherry Street, Wallingford, Connecticut 06492; and 43 Bayberry Drive, Wallingford, Connecticut 06492. JAG is not and has not been registered in any capacity under the Act;

WHEREAS, Joseph Richard Bozzi (“Bozzi”) is an individual whose address last known to the Commissioner is 101 Henry Street East Haven, Connecticut T 06512. Bozzi is the founding member and manager of JAG. While Bozzi applied for registration as a broker-dealer agent and as an investment adviser agent under the Act on March 4, 2013, the applications for registration did not become effective

since Bozzi's association with his then employing firm was terminated. Bozzi is not and has not been registered in any capacity 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 February 18, 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 (Docket No. CRF-22-8398-S) (collectively, "Notice") against Respondents, which Notice is incorporated by reference herein;

WHEREAS, on March 7, 2022, Respondents requested a hearing on the matters alleged in the Notice;

WHEREAS, on April 18, 2022, the Commissioner issued a Notification of Hearing and Designation of Hearing Officer wherein the Commissioner appointed Staff Attorney Eric Beckenstein as Hearing Officer, and scheduled a hearing on the matters alleged in the Notice for October 12, 2022, at 10 a.m. ("Hearing");

WHEREAS, on October 11, 2022, Hearing Officer Beckenstein at the mutual request of the parties continued the Hearing to November 29, 2022, at 10 a.m.;

WHEREAS, on November 21, 2022, Hearing Officer Beckenstein at the mutual request of the parties continued the Hearing to January 17, 2023, at 10 a.m.;

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

WHEREAS, while Respondents have repaid a portion of the \$12,800 in investment proceeds remitted to Respondents for the purported purpose of investing such funds in an account managed by Bozzi, Respondents still owe three investors an aggregate remaining balance of \$7,500.

Specifically, Respondents owe Investor 1 one hundred dollars (\$100), Investor 2 two thousand dollars (\$2,000) and Investor 3 five thousand four hundred dollars (\$5,400);

WHEREAS, Respondents have provided documentation to the Division demonstrating that they are financially unable to pay the administrative fine that might otherwise have been imposed against them pursuant to Section 36b-27 of the Act as a result of this 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 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 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, Respondents expressly consent to the Commissioner’s jurisdiction under the Act and to the terms of this Consent Order;

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;

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 represent and agree that none of the violations alleged in the Notice 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 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 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 following allegations of the Commissioner:

1. Respondents violated Section 36b-16 of the Act by offering and selling securities in and/or from Connecticut which were not registered under the Act, nor were they the subject of a filed exemption claim or claim of covered security status;
2. Respondents violated Section 36b-4(a) of the Act by, 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;

3. Respondents violated Section 36b-4(b) of the Act by, in connection with the offer, sale or purchase of any security, directly or indirectly engaging in dishonest or unethical practices;
4. Respondents violated Section 36b-6(c)(1) of the Act by transacting business as an investment adviser in Connecticut absent registration under the Act;
5. Respondents violated Section 36b-5(a) of the Act by, in connection with directly or indirectly receiving compensation or other remuneration for advising another person as to the value of securities or their purchase or sale, whether through the issuance of analyses or reports or otherwise, 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 such other person;
6. Respondents violated Section 36b-5(f) of the Act by, in connection with directly or indirectly receiving compensation or other remuneration for advising another person as to the value of securities or their purchase or sale, whether through the issuance of analyses or reports or otherwise, or soliciting advisory business on behalf of a person, engaging in a dishonest or unethical practice in connection with the rendering of such advice or in connection with such solicitation; and
7. Respondents violated Section 36b-23 of the Act by making a statement to the Division during the Investigation that was, at the time and in the light of the circumstances under which it was made, false or misleading in a material respect;

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 an order imposing on them the following sanctions:

1. JAG, its members, officers, representatives, agents, employees, affiliates, assigns and successors in interest shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation, rule or order adopted or issued under the Act, either directly or through any person, organization or other device, including without

limitation, violations of Sections 36b-16, 36b-4(a), 36b-4(b), 36b-6(c)(1), 36b-5(a), 36b-5(f), and 36b-23 of the Act;

2. Bozzi shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation, rule or order adopted or issued under the Act, either directly or through any person, organization or other device, including without limitation, violations of Sections 36b-16, 36b-4(a), 36b-4(b), 36b-6(c)(1), 36b-5(a), 36b-5(f), and 36b-23 of the Act;
3. For a period of ten (10) years commencing on the date this Consent Order is entered by the Commissioner, Bozzi shall be **BARRED** from: (a) 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; (b) maintaining a direct or indirect ownership interest in a broker-dealer or an investment adviser registered or required to be registered in Connecticut; and (c) acting in any other capacity that requires a license or registration under laws administered by the Commissioner;
4. JAG and Bozzi consent to jointly and severally make restitution of all monies still owed to investors that Respondents received from the investors for the purported purpose of investing such funds in an account managed by Bozzi. The restitution payments shall be made as follows:

Respondents shall remit payment by cashier's check, certified check or money order paid to each affected investor and mailed to State of Connecticut Department of Banking, Attention Paul Bobruff, Principal Attorney, 260 Constitution Plaza, Hartford, Connecticut 06103-1800, in accordance with the following schedule:

	Investor 1	Investor 2	Investor 3
Upon Respondents' Signing of Consent Order	\$100	\$240	\$600
By February 1, 2023		\$220	\$600
By March 1, 2023		\$220	\$600
By April 1, 2023		\$220	\$600
By May 1, 2023		\$220	\$600
By June 1, 2023		\$220	\$600
By July 1, 2023		\$220	\$600
By August 1, 2023		\$220	\$600
By September 1, 2023		\$220	\$600
TOTAL	\$100	\$2,000	\$5,400

5. Based on the contents of the financial affidavit submitted by Respondents 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 twenty

thousand dollars (\$20,000) 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 the Commissioner's 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 the administrative fine, such fine will be waived; and

6. Notwithstanding paragraph 5. above, in the event that either JAG or Bozzi fail to abide by the terms and conditions of this Consent Order, including, but not limited to, JAG's and Bozzi's obligations to make each of the monthly restitution payments on or before the dates scheduled above, JAG and Bozzi consent to the imposition of a joint and several fine against each Respondent in the amount of forty thousand (\$40,000), and the Order to Cease and Desist and Order to Make Restitution shall remain in effect and become permanent. Respondents knowingly, wilfully and voluntarily waive their right to notice and opportunity for an administrative hearing in connection with such fine, Order to Cease and Desist and Order to Make Restitution. Prior to invoking the provisions of this paragraph, the Commissioner, through the Division Director, shall provide the Respondents with written notice giving Respondents an informal opportunity to demonstrate their compliance with this Consent Order within ten business days following Respondents' receipt of such written notice. Respondents may, but are not required, to provide evidence to the Division Director concerning their compliance with this Consent Order. If, once Respondents have responded in writing to such written notice, the Division Director believes that the Respondents have provided satisfactory evidence of a reasonable attempt to comply with the terms and conditions of this Consent Order, the Division Director may elect not to invoke the provisions of this paragraph. In any event, the Division Director will advise Respondents as to whether such determination was favorable or unfavorable. Nothing in this paragraph shall preclude the Division Director from pursuing enforcement measures against Respondents in the future should circumstances change;

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 or on behalf of Respondents in connection with the Investigation is subsequently discovered 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: (i) 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; or (ii) evidence indicating that Respondents withheld material information from, or made any material misstatement or omission to, the Commissioner in connection with this matter;
4. Respondents shall not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, that the Commissioner had a basis to pursue the allegations set forth in Section III of this Consent Order, or create the impression that this Consent Order is without factual basis;
5. 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 Consent Order affects Respondents' (i) testimonial obligations; or (ii) right to take any legal or factual position in litigation, arbitration, or other legal proceedings in which the Commissioner is not a party; and
6. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,
this 27th day of February 2023.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Joseph Richard Bozzi, state on behalf of J.A.G. Capital, LLC (“JAG”), 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 JAG; that JAG agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that JAG consents to the entry of this Consent Order.

J.A.G. Capital, LLC

By: _____/s/_____
Joseph Richard Bozzi
Member

State of: Connecticut

County of: New Haven

On this the 7th day of February, 2023, before me, the undersigned officer, personally appeared Joseph Richard Bozzi, who acknowledged himself to be the Member of J.A.G. Capital, LLC, a limited liability company, and that he, as such Member, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Member.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public
Date Commission Expires: 06/30/2025

CONSENT TO ENTRY OF ORDER

I, Joseph Richard Bozzi, 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/_____
Joseph Richard Bozzi

State of: Connecticut

County of: New Haven

On this the 7th day of February, 2023, before me, the undersigned officer, personally appeared Joseph Richard Bozzi, 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
Date Commission Expires: 06/30/2025