
*
IN THE MATTER OF: *
*
TERRASCHEDULER LLC *
*
RICHARD CRAIG HAMAR *
*

CONSENT ORDER
MATTER NO. CO-23-202210-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”), has conducted an investigation pursuant to Section 36b-26 of the Act into the activities of Terrascheduler LLC (“Terrascheduler”) and Richard Craig Hamar (“Hamar”) (“Respondents”) to determine if they have violated, are violating or are about to violate provisions of the Act or Regulations (“Investigation”);

WHEREAS, Terrascheduler, a Connecticut limited liability company formed on September 1, 2020 and dissolved on July 14, 2022, was purportedly formed to create a software development business. Terrascheduler is not and has not been registered in any capacity under the Act;

WHEREAS, Hamar is an individual residing in Norwich, Connecticut and is the Chief Executive Officer of Terrascheduler. Hamar is not and has not been registered in any capacity under the Act;

WHEREAS, the Commissioner, as a result of the Investigation, has obtained evidence that in early January 2021, Respondents approached an individual in California (the “Investor”) about the possibility of investing in Terrascheduler;

WHEREAS, the Commissioner as a result of the Investigation, has obtained evidence that in January and February 2021, Respondents offered and sold a security (“Security”) to the Investor, which Security was not registered in Connecticut under Section 36b-16 of the Act, nor was it the subject of a filed exemption claim or claim of covered security status. Specifically, Respondents offered a percentage interest in Terrascheduler and in exchange, the Investor paid Respondents \$10,000;

WHEREAS, the Investor is seeking to have his \$10,000 investment returned to him;

WHEREAS, the Department has been provided with evidence that Respondents and the Investor have entered into an agreement (“Agreement”), whereby Respondents have agreed to repay the Investor the \$10,000 in six installments by July 8, 2023;

WHEREAS, the Commissioner, as a result of the Investigation, has reason to believe that a basis exists under Section 36b-27 of the Act for the initiation of administrative proceedings seeking the entry of an order to cease and desist and an order imposing fine;

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

WHEREAS, without holding a hearing and without trial or adjudication of any issue of fact or law, and prior to the initiation of any formal proceeding, the Commissioner and Respondents reached an agreement, the terms of which are reflected in this Consent Order, in full and final resolution of the matters described herein;

WHEREAS, Respondents acknowledge that they each have had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Consent Order and that they agree to this Consent Order freely;

WHEREAS, Respondents expressly consent to the Commissioner's jurisdiction under the Act and to the terms of this Consent Order;

WHEREAS, the issuance 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.

AND WHEREAS, Respondents, through their execution of this Consent Order, specifically assure the Commissioner that none of the violations alleged in this Consent Order 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 Sections 36b-27 and Section 4-177(a) of the General Statutes of Connecticut;
2. To present evidence and argument and to otherwise avail themselves of Sections 36b-27 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, without admitting or denying them, the following allegations of the Commissioner:

1. Respondents violated Section 36b-16 of the Act by offering and selling a security that 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; and
2. A basis exists under Section 36b-27 of the Act for the entry of an order to cease and desist and an order imposing fine against Respondents.

IV. CONSENT TO ENTRY OF SANCTIONS

WHEREAS, Respondents, through their execution of this Consent Order, consent to the Commissioner's entry of a Consent Order imposing on them the following sanctions:

1. Respondents either directly or through any person, organization, entity or other device, shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation, rule or order under the Act, including, without limitation, the offer and/or sale of securities in violation of Section 36b-16 of the Act;
2. No later than the date this Consent Order is entered by the Commissioner, Respondent shall remit to the department by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut" the sum of one thousand seven hundred and fifty dollars (\$1,750), which shall constitute an administrative fine; and,
3. In the event that Respondents fail to abide by the terms and conditions of this Consent Order, including, but not limited to, the Agreement between Respondents and the Investor wherein Respondents are obligated to repay the Investor \$10,000 by July 8, 2023, Respondents consent to the immediate imposition of a joint and several fine against Respondents in the amount of \$10,000 and the imposition of an Order of Restitution in the amount of the outstanding balance owed to the Investor pursuant to the Agreement. Respondents knowingly, willfully and voluntarily waive their right to notice and opportunity for an administrative hearing in connection with the fine and restitution order described in this paragraph.

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;
3. Nothing in this Consent Order shall be construed as limiting the Commissioner's ability to take enforcement action against Respondents 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. 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, any allegation referenced in 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. However, nothing in this Consent Order affects Respondents' respective testimonial obligations or 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 8th day of May 2023.

_____/s/_____
Jorge L. Perez
Banking Commissioner

CONSENT TO ENTRY OF ORDER

I, Richard Craig Hamar, 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/_____
Richard Craig Hamar

Date: 5/4/2023

State of: Connecticut

County of: New London ss:

On this the 4th day of May 2023, before me, the undersigned officer, personally appeared Richard Craig Hamar, 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 / Commissioner of the Superior Court
Date Commission Expires: Dec. 31, 2027

