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IN THE MATTER OF: *
*
HUDSON HARPER CAPITAL *
MANAGEMENT LP *
CRD NO. 312709 *
*
HUDSON HARPER CAPITAL LP *
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STIPULATION AND AGREEMENT
MATTER NO. ST-M2024-24-S

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, Hudson Harper Capital Management LP (“HHCM”) is a Delaware limited partnership that was formed on December 18, 2020, and whose current principal place of business is located at 12 Powder Horn Hill Road, Wilton, Connecticut 06987;

WHEREAS, Hudson Harper Capital LP (“HHCLP Fund”) is a Delaware limited partnership that was formed on August 19, 2020, whose current principal place of business is located at 12 Powder Horn Hill Road, Wilton, Connecticut 06987;

WHEREAS, HHCM is the investment adviser/manager of HHCLP Fund, a private hedge fund and HHCM’s sole advisory client;

WHEREAS, HHCM filed as an Exempt Reporting Adviser (“ERA”) with the U.S. Securities and Exchange Commission (“SEC”) on July 22, 2021;

WHEREAS, HHCM terminated its ERA notice filing with the SEC on March 28, 2024;

WHEREAS, HHCM subsequently filed an investment adviser application with the Securities and Business Investments Division (“Division”) of the Department of Banking (“Department”) on April 1, 2024;

WHEREAS, the Commissioner, through the Division, conducted an investigation of HHCM and HHCLP Fund (collectively, the “Respondents”) pursuant to Section 36b-26 of the Act to determine whether Respondents have violated, are violating or are about to violate any provision of the Act or any regulation or order under the Act (“Investigation”);

WHEREAS, in 2011 Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”). Among other things, Dodd-Frank exempted from federal investment adviser registration those investment advisers who: (1) acted as an investment adviser solely to one or more venture capital funds; or (2) who acted as an investment adviser solely to private funds and who had assets under management in the United States of less than \$150 million (collectively, “ERAs”);

WHEREAS, to clarify state requirements governing ERAs, on July 11, 2011, the Commissioner issued an Order Governing Certain Investment Advisers Exempt from Federal Registration Following Passage of Dodd-Frank (“2011 Order”). The 2011 Order exempted ERAs from state registration as long as they “make the reports required by SEC Rule 204-4 available to the Commissioner in electronic format once the IARD [Investment Adviser Registration Depository] system has been updated to accept such reports and relay them to affected states”;

WHEREAS, in March 2017, the Commissioner issued a reminder to all investment advisers relying on the ERA exemption that they must complete key portions of Part IA of Form ADV in order to be considered compliant with the 2011 Order (“March 2017 Reminder”). By that time, the federal reporting requirements for ERAs had been formalized, and the IARD system had been updated to accept filings made on behalf of ERAs subject to the 2011 Order. The March 2017 Reminder also advised investment advisers relying on the Connecticut ERA exemption to review their form filings and correct any deficiencies no later than June 30, 2017, and that if the Commissioner became aware of an ERA’s

failure to make required IARD filings after that date, the Commissioner could pursue such enforcement measures as might be appropriate, including but not limited to administrative fines under Section 36b-27 of the Act;

WHEREAS, the March 2017 Reminder specifically stated that “[i]nvestment advisers relying on the state ERA exemption must complete the Form ADV items prescribed by the Securities and Exchange Commission, such items then including Form ADV Items 1, 2, 3, 6, 7, 10 and 11 of Part IA, as well as corresponding schedules. Per federal requirements, new ERAs were required to file within 60 days of becoming an ERA. As a reminder, the filing requirements were set forth in 17 CFR 275.204-4;

WHEREAS, as a result of the Investigation, the Division has reason to believe that between July 2021 and March 2024, HHCM was an ERA with the SEC and during this time HHCM failed to file with the Commissioner the prescribed Form ADV Items required to be compliant with the 2011 Order;

WHEREAS, the Commissioner believes that the failure by HHCM to comply with 2011 Order would support the imposition of administrative sanctions against the HHCM pursuant to Section 36b-27 of the Act;

WHEREAS, as a result of the Investigation, the Division ascertained that on July 28, 2021, HHCLP Fund filed a Form D (Notice of Exempt Offering of Securities) with the SEC pursuant to Rule 506(b) of Regulation D;

WHEREAS, HHCLP Fund failed to make a timely Rule 506 notice filing with the Commissioner pursuant to Sections 36b-16 and 36b-21(e) of the Act;

WHEREAS, HHCLP Fund made a curative Rule 506 notice filing with the Commissioner on January 23, 2025;

WHEREAS, in connection with the Investigation, Division staff ascertained that there were at least ten investors in HHCLP Fund;

WHEREAS, at the time of the offers and sales of the HHCLP Fund from Connecticut, such securities were not registered in Connecticut under Section 36b-16 of the Act, nor were they the subject of an exemptive claim or claim of covered security status under Section 36b-21 of the Act;

WHEREAS, Section 36b-16 of the Act provides that “[n]o person shall offer or sell any security in this state unless (1) it is registered under sections 36b-2 to 36b-34, inclusive, (2) the security or transaction is exempted under section 36b-21, or (3) the security is a covered security provided such person complies with any applicable requirements in subsections (c), (d) and (e) of section 36b-21”;

WHEREAS, Section 36b-21(e) of the Act provides, in pertinent part, that “[a]ny person who offers or sells a security that is a covered security under Section 18(b)(4)(E) of the Securities Act of 1933 shall file a notice with the commissioner within fifteen days after the first sale of such a security in this state”;

WHEREAS, the Commissioner believes that the failure by HHCLP Fund to timely comply with Section 36b-16 of the Act in conjunction with the HHCLP Fund offers and sales and the failure by the HHCLP Fund to timely file the notice required by Section 36b-21(e) of the Act in connection with such HHCLP Fund offers and sales would support the imposition of administrative sanctions against HHCLP Fund pursuant to Section 36b-27 of the Act;

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 provide that a contested case may be resolved by stipulation or agreed settlement, unless precluded by law;

WHEREAS, Respondents cooperated with the Division and submitted documents and information in a timely and forthright manner;

WHEREAS, HHCM maintains that it failed to file the notice required by the 2011 Order between July 2021 and March 2024, while it was an ERA with the SEC, because HHCM believed that its SEC filing was sufficient to comply with its Connecticut requirements;

WHEREAS, HHCLP Fund, maintains that its failure to file the notice required by Section 36b-21(e) of the Act was attributable to its misconstruing an alternative exemption set forth in Section 36b-21(b)(15) of the Act and that its failure to notice file was inadvertent and not intentional;

WHEREAS, Respondents desire to settle the matters described herein and voluntarily enter into this Stipulation and Agreement;

WHEREAS, the Commissioner and the Respondents acknowledge that this Stipulation and Agreement is in lieu of any court action or administrative proceeding against Respondents, their partners, officers, employees, agents, or representatives adjudicating any issue of fact or law on the matters described herein and is being made to settle only the matters described herein;

WHEREAS, without admitting or denying the allegations contained herein, Respondents expressly consent to the Commissioner's jurisdiction under the Act and to the terms of this Stipulation and Agreement;

WHEREAS, Respondents through their execution of this Stipulation and Agreement, voluntarily waive any rights they may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Stipulation and Agreement;

WHEREAS, Respondents acknowledge that they have had the opportunity to consult with and be represented by independent counsel in negotiating and reviewing this Stipulation and Agreement and enter into this Stipulation and Agreement freely;

AND WHEREAS, Respondents specifically assure the Commissioner that the violations alleged in this Stipulation and Agreement shall not occur in the future.

NOW THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. Hudson Harper Capital Management LP, its partners, officers, representatives, agents, employees, affiliates, assigns and successors in interest shall refrain from engaging, either directly or through any person, organization or other, in conduct constituting or which would constitute a violation of the Act, or any regulation, rule or order adopted or issued under the Act;
2. Hudson Harper Capital LP, its partners, officers, representatives, agents, employees, affiliates, assigns and successors in interest shall refrain from engaging, either directly or through any person, organization or other, in conduct constituting or which would constitute a violation of the Act, or any regulation, rule or order adopted or issued under the Act;
3. No later than the date this Stipulation and Agreement is executed by the Commissioner, Hudson Harper Capital Management LP shall remit to the Department, by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", or by electronic funds transfer, the sum of two thousand dollars (\$2,000) as an administrative fine;

4. No later than the date this Stipulation and Agreement is executed by the Commissioner, Hudson Harper Capital LP shall remit to the Department, by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", or by electronic funds transfer, the sum of five hundred dollars (\$500) as an administrative fine;
5. Execution of this Stipulation and Agreement by the Commissioner is without prejudice to the right of the Commissioner to take enforcement action against Respondents or their successors in interest based upon a violation of this Stipulation and Agreement or the basis for its entry if the Commissioner determines that compliance is not being observed with the terms hereof; and
6. This Stipulation and Agreement shall become binding when executed by Respondents and the Commissioner.

IN WITNESS WHEREOF, the undersigned have executed this Stipulation and Agreement on the dates indicated.

Dated at Hartford, Connecticut,
this 6th day of May 2025.

/s/

Jorge L. Perez
Banking Commissioner

I, Jeremy Doo, state on behalf of the Hudson Harper Capital LP, that I have read the foregoing Stipulation and Agreement; that I know and fully understand its contents; that I am authorized to execute this Stipulation and Agreement on behalf of the Hudson Harper Capital LP; and that the Hudson Harper Capital LP agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein.

Hudson Harper Capital LP

By: _____/s/_____
Jeremy K. Doo principal owner

State of: Connecticut

County of: Fairfield

On this the 8th day of April, before me, the undersigned officer, personally appeared Jeremy Doo, who acknowledged himself to be the Principal Owner of Hudson Harper Capital LP, a limited partnership, and that he, as such Jeremy Doos, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited partnership by himself as Principal Owner.

In witness whereof I hereunto set my hand.

_____/s/_____
Notary Public / Commissioner of the Superior Court
Date Commission Expires: 9/30/2026