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IN THE MATTER OF:

MEYERS ASSOCIATES, L.P.  
CRD No. 34171

BRUCE MEYERS  
CRD No. 1045447

(Collectively "Respondents")

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\* CONSENT ORDER  
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\* DOCKET NO. CFNR-14-8132-S  
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**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 promulgated under the Act ("Regulations");

**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 whether they, or either of them, had violated, were violating or were about to violate provisions of the Act or Regulations. Such investigation included an examination of Meyers Associates, L.P.'s ("Meyers Associates") books and records;

**WHEREAS**, as a result of the investigation and examination, the Commissioner issued an Order to Cease and Desist, Notice of Intent to Revoke Registration as a Broker-dealer, Notice of Intent to Revoke Registration as a Broker-dealer Agent, Notice of Intent to Fine and Notice of Right to Hearing (the "Notice") on February 10, 2014;

**WHEREAS**, Respondents requested a hearing on the matters alleged in the Notice (“Hearing”);

**WHEREAS**, on April 1, 2014, the Commissioner issued a Notification of Hearing and Designation of Hearing Officer appointing Attorney Stacey Serrano as Hearing Officer;

**WHEREAS**, based on information the Division received after Notice was issued, the Division conducted a further investigation and examination of Respondents;

**WHEREAS**, on February 13, 2015, the Commissioner, acting pursuant to Sections 36b-15 and 36b-27 of Act, issued an Amended and Restated Order to Cease and Desist, Amended and Restated Notice of Intent to Revoke Registration as Broker-dealer, Amended and Restated Notice of Intent to Revoke Registration as a Broker-dealer Agent, Amended and Restated Notice of Intent to Fine and Notice of Right to Hearing (collectively “Amended Notice”) against Respondents, amending and superseding the Notice, which Amended Notice is incorporated by reference herein;

**WHEREAS**, Respondents and the Division requested continuances of the Hearing;

**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-15 and 36b-27 of the Act would constitute a “contested case” within the meaning of Section 4-166(2) 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 of Connecticut State Agencies provide that a contested case may be resolved by consent order, unless precluded by law;

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

**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;

**WHEREAS**, Respondents agree that the Amended Notice may be used in construing the terms of this Consent Order, and agree to the language in this Consent Order;

**AND WHEREAS**, Respondents specifically assure the Commissioner that none of the violations alleged in the Amended Notice or 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-15(f) and 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 Sections 36b-15(f) and 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 each 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**, Respondents, through their execution of this Consent Order, acknowledge the allegations of the Commissioner in the Amended Notice, without admitting or denying them, yet admit sufficient evidence exists for the Commissioner to issue: (a) a permanent order to cease and desist, (b) an order revoking Meyers Associates' registration as a broker-dealer in

Connecticut, (c) an order revoking Bruce Meyers' ("Meyers") registration as a broker-dealer agent in Connecticut, and (d) 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 thereunder;

**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 a Consent Order imposing the following sanctions:

1. Meyers Associates, its representatives, agents, employees, affiliates, assigns, or successors in interest shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act, either directly or through any person, organization or other device; including without limitation, (1) failing to enforce and maintain adequate supervisory procedures that are reasonably designed to achieve compliance with applicable securities laws and regulations, (2) offering or selling unregistered securities in Connecticut, (3) failing to provide copies of and make its required books and records available to the Commissioner when so requested, (4) failing to maintain required books and records, (5) employing unregistered agents, (5) making or causing to be made false or misleading statements or omissions to the Commissioner; and (6) engaging in dishonest and unethical business practices in the securities business;
2. Meyers shall cease and desist from engaging in conduct constituting or which would constitute a violation of the Act or any regulation or order under the Act, either directly or through any person, organization or other device; including without limitation, (1) materially aiding in and/or causing a violation of Section 36b-31-6f of the Regulations; and (2) materially aiding in and/or causing a violation of Section 36b-14(d) of the Act and Section 36b-31-14f of the Regulations;
3. Respondents shall remit to the Department of Banking by cashier's check, certified check or money order made payable to "Treasurer, State of Connecticut", or by wire transfer, the sum of fifty thousand dollars (\$50,000) as an administrative fine;
4. The broker-dealer registration of Meyers Associates under the Act shall be suspended for a period of sixty (60) days commencing on the date this Consent Order is entered by the

Commissioner. During the suspension, should the accounts of any Connecticut customers be transferred to another broker-dealer, Meyers Associates shall not assess, or cause to be assessed, any costs or charges to the Connecticut customer whose accounts are so transferred. Nothing in this paragraph shall preclude Meyers Associates, during the term of the suspension, from effecting unsolicited sell orders for, or liquidating the positions of, those Connecticut customers who had existing brokerage accounts with Meyers Associates as of the date this Consent Order is entered by the Commissioner;

5. If, following the conclusion of the suspension described in paragraph 4 above, the fine imposed by this Consent Order is not paid in full, Meyers Associates' registration as a broker-dealer under the Act shall remain suspended until such time as the administrative fine is paid in its entirety;
6. No later than the date this Consent Order is entered by the Commissioner, Meyers shall withdraw his registration as a broker-dealer agent of Meyers Associates under the Act and shall not reapply for registration as an agent of a broker-dealer under the Act for three years commencing on the date this Consent Order is entered by the Commissioner;
7. Following Meyers' withdrawal of his registration as a broker-dealer agent of Meyers Associates as described in paragraph 6. above, Meyers Associates shall ensure that, for so long as Meyers remains affiliated with Meyers Associates in an unregistered capacity in Connecticut, Meyers shall refrain from (A) directly supervising or training any broker-dealer agents with respect to securities business transacted in or from Connecticut; and (B) acting as a finder for compensation, receiving or splitting commissions or similar remuneration, including overrides and/or receiving referral fees in conjunction with the offer, sale or purchase of securities effected in or from Connecticut;
8. Meyers Associates shall:
  - (a) Retain an outside independent consultant to advise Meyers Associates' officers and staff, as requested, on topics including compliance with all applicable state, federal, or self regulatory organization rules and requirements; effectively responding to regulatory information requests resulting from, without limitation, an investigation, examination or investor complaint evaluation; and effectively implementing any action required by any state securities regulator as a precondition to registering a broker-dealer agent in that respective state. Meyers Associates shall identify the outside independent consultant in writing to the Division Director within thirty (30) days after this Consent Order is entered by the Commissioner. Meyers Associates shall not retain as an outside independent consultant a person who is unacceptable to the Division Director. The outside independent consultant shall be sufficiently experienced in securities regulatory, supervisory and compliance issues to perform the services described herein. Meyers Associates shall not retain as an outside independent consultant a person who is or was engaged by Meyers Associates in an advocacy capacity, either directly or through the person's employing firm;

- (b) Meyers Associates shall ensure that within ninety (90) days following the entry of this Consent Order by the Commissioner, the outside independent consultant conducts an audit of Meyers Associates' operations, supervisory and compliance policies and procedures and, specifically, the adequacy of current compliance employee staffing and experience levels to ensure that such compliance policies, procedures, and staffing levels are adequate to prevent and detect violations of applicable state, federal, or self regulatory organization securities-related rules and requirements. Following such audit, the outside independent consultant shall prepare a written report outlining the consultant's findings, describing any deficiencies and making recommendations to correct any deficiencies noted.
  - (c) No later than forty-five days after the consultant's report is issued, but in no event later than October 1, 2015, Meyers Associates shall file with the Commissioner a complete copy of the consultant's report, including a written summary prepared by Meyers Associates addressing those consultant recommendations that have been or that will be implemented; the proposed timetable for implementation and, if any of the recommendations have not been or will not be implemented, the reasons therefor. The consultant's report shall be returned to Meyers Associates following completion of the Division's review; and
  - (d) Should Meyers Associates or its successors in interest sever their relationship with the independent consultant identified to the Division Director, or should the independent consultant sever its relationship with Meyers Associates or its successors in interest, Meyers Associates and/or its successors in interest shall apprise the Division Director in writing of the reasons for such severance within thirty (30) days following such severance, and shall at that time identify the successor independent consultant engaged to perform the services described in paragraph 8 of Section IV of this Consent Order. Any such successor independent consultant shall also be sufficiently experienced in state and federal securities law compliance and not unacceptable to the Division Director;
9. Meyers Associates shall pay the cost of one or more examinations to be conducted by the Division within eighteen (18) months following the entry of this Consent Order by the Commissioner. Such expenses shall be in accordance with state travel regulations, and shall not exceed five thousand two hundred fifty dollars (\$5,250) in the aggregate;
10. For a period of three (3) years commencing on the date this Consent Order is entered by the Commissioner, Meyers Associates and/or its successors in interest shall notify the Division Director within seven (7) business days of any reportable disciplinary items, including, without limitation, pending regulatory investigations and inquiries initiated against Meyers Associates or any of its officers, directors, control persons, agents, employees or representatives. Meyers Associates shall provide such notification by filing the appropriate amendments to the firm's Form BD or the Form U-4 and/or Form U-5 of the affected individual(s) as required by rules of the Securities and Exchange Commission, the Financial Industry Regulatory Authority ("FINRA"), and/or the provisions of the Act and the Regulations. Concurrently with such notification, Meyers Associates shall file with the

Division Director a copy of any sales-related securities complaints or other reportable items submitted by any Connecticut domiciled account or party and involving Meyers Associates, its successors in interest or any of its officers, directors, control persons, agents, employees or representatives. Meyers Associates shall also file with the Division Director, concurrently with their issuance, copies of any securities-related written reprimands, censures, warnings, or letters of heightened supervision issued by the firm to its officers, directors, control persons, agents, employees or representatives;

11. Meyers Associates shall create and maintain a directory which catalogs where all records maintained by Meyers Associates and its employees are maintained and identifies the form in which such records are stored by Meyers Associates. Meyers Associates shall complete the directory within sixty (60) days following the Commissioner's entry of this Consent Order. Meyers Associates shall keep the directory accurate and up-to-date and shall maintain a copy of the directory, open to inspection by the Commissioner, at Meyers Associates' principal office; and
12. For a period of three (3) years commencing on the date this Consent Order is entered by the Commissioner, the securities business of Meyers Associates in Connecticut shall be exclusively limited to the purchase, sale, and redemption of securities issued by investment companies regulated under the Investment Company Act of 1940; securities issued or guaranteed by the United States government, any state, any political subdivision of a state, or any agency or corporate or other instrumentality of the foregoing; exchange-listed options; and securities listed on the New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Select Market, the NASDAQ Global Market, and the NASDAQ Capital Market. Meyers Associates shall not offer or sell in or from Connecticut securities listed or traded on the OTC Bulletin Board, OTCQB marketplace or the OTC Pink marketplace; provided, however, that this restriction shall not preclude Meyers Associates from effecting liquidating sales transactions of securities in such markets for existing Connecticut accounts.

## **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 with the terms herein [sic]; and
3. This Consent Order shall become final when entered.

So ordered at Hartford, Connecticut,  
this 24 day of March 2015.

\_\_\_\_\_/s/\_\_\_\_\_  
Jorge L. Perez  
Banking Commissioner Designate

**CONSENT TO ENTRY OF ORDER**

I, Bruce Meyers, 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/\_\_\_\_\_  
Bruce Meyers

State of: New York

County of: New York

On this the 23 day of March 2015, before me, Bruce Meyers [sic], the undersigned officer, personally appeared Bruce Meyers, 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/\_\_\_\_\_  
Christine M. Carswell  
Notary Public  
Date Commission Expires: December 31, 2017

**CONSENT TO ENTRY OF ORDER**

I, Bruce Meyers, state on behalf of Meyers Associates, L.P., 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 Meyers Associates, L.P.; that Meyers Associates, L.P. agrees freely and without threat or coercion of any kind to comply with the terms and conditions stated herein; and that Meyers Associates, L.P. consents to the entry of this Consent Order.



Meyers Associates, L.P.

By: \_\_\_\_\_/s/\_\_\_\_\_  
Bruce Meyers, President  
Meyers-Janssen Securities Corp.  
(Its General Partner)

State of: New York

County of: New York

On this the 23 day of March 2015, before me, Bruce Meyers [sic], the undersigned officer, personally appeared Bruce Meyers, who acknowledged himself to be the President of Meyers-Janssen Corp., the General Partner of Meyers Associates, L.P., a limited partnership, and that he, as such President of the General Partner, 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 President of the General Partner.

In witness whereof I hereunto set my hand.

\_\_\_\_\_/s/\_\_\_\_\_  
Christine M. Carswell  
Notary Public  
Date Commission Expires: December 31, 2017