

FOR IMMEDIATE RELEASE

CONTACT: Anna Fay, Communications Director
Anna.Fay@sos.nh.gov / (603) 731-2286

CONTACT: Brian Linares, Staff Attorney
Brian.Linares@sos.nh.gov / (603) 271-1463

New Hampshire Bureau of Securities Regulation Files Action to Stop Fraudulent and Unlicensed Activity of Former New London-based Investment Advisor

CONCORD, NH (April 29, 2022) The New Hampshire Secretary of State, Bureau of Securities Regulation, has submitted a staff petition and been granted an order for emergency relief against Thomas M. Chadwick for two types of fraud and for providing investment advisory and brokerage services on an unlicensed basis.

Chadwick was a former principal of the New London-based investment advisory firm Chadwick & D'Amato, which closed down at the end of 2021. It has been the subject of a large, ongoing investigation by the Bureau.

During the course of the ongoing investigation, the Bureau learned that, despite not being registered in any capacity with the Bureau since January 1, 2022, Chadwick has been using the usernames and passwords of his former clients to impersonate them and access their personal Fidelity accounts, subsequently affecting their trades and transactions.

Further investigation by the Bureau revealed that a device allegedly belonging to Chadwick had used client login credentials to access twenty-seven of his former clients' retail accounts since January 1, 2022. As a result, Fidelity had to lock down the accounts, reset login credentials, and reassign account numbers. The Bureau remains concerned that Chadwick may be accessing former client accounts at other institutions.

The Bureau has petitioned the Director for Emergency Relief (see attached) and has alleged that Chadwick committed fraud, engaged in dishonest and unethical practices, and breached fiduciary duties by impersonating his former clients.

The Petition alleges: "[Chadwick's] actions constitute deception and a deliberate attempt to circumvent both Fidelity control and governmental oversight."

The Bureau has also alleged that Chadwick violated N.H. Securities Law by providing both investment advisory and brokerage services on an unregistered basis.

Among the items of relief the Bureau has requested are an immediate cease and desist from the fraudulent conduct and from providing unlicensed brokerage and investment advisory services. The Bureau is also seeking restitution of any losses that may have

incurred as a result of these unlawful actions, as well as the imposition of fines and a bar from future licensure by the Bureau.

In addition, the Petition notes that the Bureau will likely take further action in this broader, ongoing investigation.

Any former client of Chadwick is invited to contact the Bureau with questions or to share their experiences or concerns related to the case.

The order issued pursuant to the Bureau's petition provides Chadwick with the right to contest the Bureau's allegations at an administrative hearing.

###