

FOR IMMEDIATE RELEASE

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NH SECURITIES BUREAU TAKES FRAUD ACTION AGAINST FORMER FINANCIAL ADVISER

**ORDERED TO CEASE AND DESIST, PAY RESTITUTION & FINE,
BAR FROM INDUSTRY**

CONCORD, NH (September 4, 2014) – Today, the New Hampshire Bureau of Securities Regulation (the “Bureau”) announced the filing of an action against Stratham resident Richard M. Higgins for securities fraud and acting as an unlicensed investment adviser and broker-dealer.

The Bureau has alleged that, from February 2007 through May 2014, Higgins unlawfully raised approximately \$1,000,000 from nine different investors, seven of which are New Hampshire residents from Concord, Canterbury and Boscawen, New Hampshire. The Bureau alleges that Higgins raised these investor funds under the pretense that the investors would be partners in Higgins Equity Partners, LLP when, in reality, the funds were simply deposited into Higgins’ personal account. The Bureau further alleges that, from December 2009 through March 2014, Higgins sent fraudulent quarterly statements to investors purportedly showing investment profits when in reality the investments were suffering significant losses and Higgins was taking unreasonable fees from investor money.

Of the approximately \$1,000,000 raised, the Bureau has alleged that Mr. Higgins paid himself approximately \$420,000 in fees, returned \$140,000 to the investors, and suffered \$350,000 dollars in trading losses, leaving a balance of only \$110,000 in the accounts.

“In addition to the fraudulent statements and unreasonable fees, Mr. Higgins invested in high risk inverse and leveraged exchange traded funds, which are very complex financial

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instruments that were not suitable for these conservative investors, many of which are retirees,” said Eric Forcier, Staff Attorney for the Bureau.

“When the Bureau discovers that an individual or entity is disseminating misinformation to New Hampshire investors, as was the case here, action needs to be taken,” said Jeffrey Spill, Deputy Director of the Bureau. “When investors are not provided true or accurate information, those investors are deprived of their opportunity to take action that may be necessary to protect their own financial interests,” Spill added.

As part of its action, the Bureau is seeking restitution from Higgins, as well as an administrative fine, costs of the investigation, and a permanent bar from conducting any future securities business in New Hampshire. Higgins has 30 days to request a hearing in the matter.